



IntraSoft Technologies Limited

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September 02, 2021

**Corporate Relationship Department
BSE Limited**

P.J. Towers, Dalal Street,
Fort, Mumbai- 400 001 -

Listing Department

National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Mumbai - 400 051

Scrip code: 533181 / ISFT

Dear Sir,

Sub: 26th Annual General Meeting - Submission of Annual Report 2021.

Ref: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, we wish to inform you that the 26th Annual General Meeting of the Company will be held on Tuesday, 28th September, 2021 at 3.00 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without physical presence of the Members at a common venue in terms of various circulars issued by the Ministry of Corporate Affairs and SEBI Circular dated 12th May, 2020 and 15th January, 2021.

The Annual Report containing the Balance Sheet as at 31st March, 2021 along with the Statement of Profit and Loss Account and the Cash Flows for the Period ended as on 31st March, 2021 together with Report of the Directors and Auditors thereon is enclosed herewith for your records.

The said Annual Report has been dispatched to the Shareholders on their Emails whose Emails are registered with the Depositories and the Registrar and Transfer Agents -Link Intime India Private Limited in terms of the above-said Circulars. The said Annual Report is also available on the Company's Website at- www.itlindia.com.

This is for your information and records.

Thanking You,
Yours faithfully,

For IntraSoft Technologies Limited

Pranvesh Tripathi
Company Secretary & Compliance Officer



Encl: Annual Report 2021



IntraSoft Technologies Limited
Annual Report 2020-21



POWERING WHAT'S
next

CONTENTS

Corporate overview

- 02 Corporate snapshot
- 04 Letter from the Managing Director
- 13 Our performance highlights of FY2020-21

Statutory reports

- 14 Management Discussion & Analysis
- 20 Directors' report
- 36 Report on corporate governance

Financial Statements

- 51 Consolidate financial statements
- 106 Standalone financial statements
- 157 Notice



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Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



POWERING WHAT'S next

At Intrasoftware, we have endured and excelled on account of a singular capability.

We have consistently invested in the future.

Our investments in technology applications and services have empowered a range of clients to strengthen their businesses.

A large number of our clients now possess the confidence that their businesses are future-proofed by our technology-intensive applications.

The result is that we do not just drive what exists; we power what's next.



The exciting world

of IntraSoft
Technologies Limited



Team

Our team comprises competent and skilled professionals with extensive industry experience. Our human capital is our most valuable asset, the driving force responsible for the marketplace expertise we have acquired and for the technology-driven solutions we have developed.

Logistics

We streamline the order fulfillment process by combining the efficiency of national carriers with the reach of local carriers; we offer our brand partners the benefits of scale. Our technology enables data tracking and analytics to forecast delays, improve accuracy, and enhance delivery estimates to marketplace customers, resulting in a benchmark service experience.

Brand partner focus

For our brand partners (clients using our technology), we provide a seamless platform to enhance online presence, drive sales and increase brand awareness across diverse product categories. This gives them the freedom and flexibility to focus on their core competence – product development. We seek to attract new brand partners by providing solutions that enable them to grow their e-commerce business rapidly and cost-effectively. We utilize our advanced technology and credentials to deliver quality end-to-end solutions tailored to meet our brand partners' unique needs that enable them to rise to their full potential.

Marketplace integration

Our technology integrates with the back-end systems of marketplaces, resulting in seamless transactions. This enables us to analyze data in real-time and respond with the right solutions. The consistently strong reviews and ratings given to us by the marketplace customers is a testimony to our efficiency.

Marketplace customers

We believe in the importance of real-time customer assistance and strive to provide a seamless experience to marketplace customers each time we serve them. Our dedicated customer service team works round the-clock to assist customers from the time they place an order to the time the product is delivered.

Our ethos

We are convinced that 'when what you believe in is in tune with what you do, success follows the way.'

Passion & profession go hand in hand:

We believe in being passionate about everything we do. We take every day as if it were our first and give it our best shot. We believe excellence can only be achieved through passion.

Learning is a constant: We believe in the power of constant learning. In today's dynamic world, we strive to keep ourselves updated about our ecosystem. We see mistakes as learnings and use them only to improve further.

Imagination leads to innovation: We are creative thinkers and believe that is the key to innovate and improve the little and big things. We push the frontiers of what we believe is possible and find ways to achieve it.

A happy customer is the key to success:

We believe that a happy customer means a relationship that lasts forever. We keep our customers at the forefront of every thought and action; we strive to make every interaction seamless.

Live in the present: We are hands-on with everything we do and take one step at a time. We dig deep into our ideologies and processes and come up with scalable solutions. We believe that living for today will lead to a brighter tomorrow.

Letter from the Managing Director





Dear shareholders,

I trust that each one of you is safe and healthy in these challenging times.

Over this past year, we prioritized the health and wellbeing of our team members and their families by embracing the work-from-home approach without compromising the standards with which we serviced our customers. We created an architecture that empowered our team to operate remotely with even greater efficiency. Our prudent investments in our digital infrastructure over the past few years fructified during these unprecedented times.

The result was that instead of the pandemic proving to be a setback, it proved business-strengthening. The Company's responsiveness generated customer goodwill; the Company rose to the occasion by helping take the business of its various customers ahead at a time when revenues

appeared under threat. This validated our positioning as a company that is committed to the well-being of its ecosystem.

We believe that IntraSoft is at the right place at the right time. As consumers shift purchases online, especially in the home and garden category, we are poised to address this growth on account of our category focus and are more optimistic than ever of the opportunities ahead.

At IntraSoft, we believe that there has never been a moment when our business model has been more relevant than it is now. Over the years, our business model delivered solutions that enhanced the competitiveness of our partners, empowering them to focus on their core business - product development - while we took care of their sales online. The result is that we have become integral to the success of our partners. We believe that as a result of this ongoing engagement, the Company has strengthened its sustainability. This year reinforced our conviction in the Company's capabilities and we believe that our relationship with partners will only deepen going forward.

Our operating cash flows increased from (USD 0.39) Million to USD 4.15 Million year-on-year. This is a reflection of the successful implementation of our strategic intent to optimize our brand portfolio to align them to our operational benchmarks.

Looking ahead, I am increasingly optimistic about the continued growth of our Company, given our differentiated capabilities and customer-centric approach.

The e-commerce industry is growing faster than ever; there is a greater propensity of buying online; there is a widening need for a supporting fulfillment centre; products need to be delivered faster and more cost-effectively. Being an early entrant, we established a significant presence in this robust space and are excited to address the immense opportunities in the years ahead.

Arvind Kajaria
Managing Director

This is an inflection point
in how people shop
today and how they will
shop in the future



At IntraSoft, we believe that our inflection moment has arrived.

Even as e-commerce has been in existence for more than two-and-a-half decades, we believe it is only now that it has arrived at an inflection point.

During the last financial year, following the outbreak of the coronavirus pandemic, there were restrictions on the free movement of people, which affected their ability to visit stores and malls. This prompted millions of consumers to shift their purchases online, creating the most decisive transformation in market dynamics in years. This transformation was driven by a convergence of forces, including cost savings, better product offerings, transaction ease and, most importantly, safety.

Even though it is early days to pronounce a definitive judgment, there is an unmistakable indication of where the consumers of tomorrow are headed.

The US e-commerce market has already reached market share levels that had been forecast for 2022, indicating that the market is growing faster than expected. According to the Department of Commerce, e-commerce represented 13.4% of total retail spending in Q1 2021 (before the pandemic, it was expected to be 12.3%). (Source: Marketplace Pulse)

The compression of the growth of two years into one was achieved despite lockdowns and store closures; the decreased overall retail spending resulted in a larger e-commerce penetration and market share.

E-commerce penetration is expected to grow from nearly USD 800 Billion in sales in 2020 to USD 1 trillion in 2022, a figure that may not have been earlier achieved until 2024 as per industry experts. (Source: Marketplace Pulse)

The acceleration is on account of a fundamental change in the way the consumer is responding to reality.

The modern-day consumer would rather shop online from a trusted marketplace that provides choice, ranking and a recommendation; the focus is on saving money, time and effort. The modern-day consumer would rather trust the credibility of a third-party seller that has been validated from the feedback of previous buyers across thousands of transactions.

The modern-day consumer would rather buy from a marketplace where their opinion on the quality of product or service that they received will be sought, respected, logged, measured

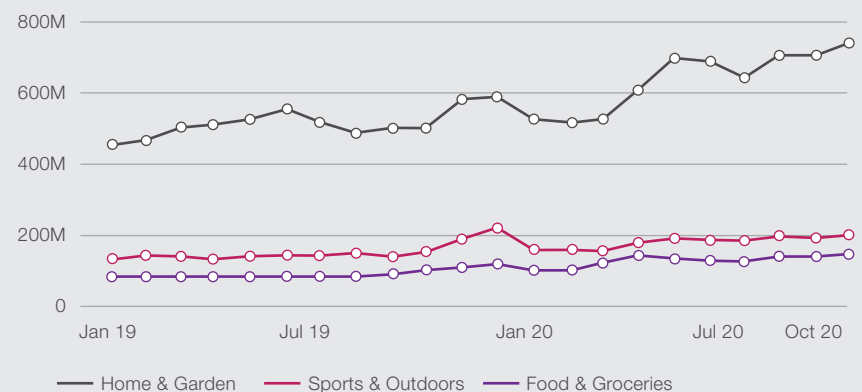
and showcased, making them an influential part of every customer journey, irrespective of their purchase volume.

At IntraSoft, we are proud to play an important business-enhancing role for our clients through a technology-backed service directed at enriching the stakeholder experience.

Even as e-commerce has been in existence for nearly two-and-a-half decades, we believe it is only now that it has arrived at an inflection point.

Consistently rapid growth of the Home and Garden category

Fastest-Growing Ecommerce Categories by Traffic
Country: US



Average annual traffic in the US e-commerce market grew by 30%. Home & Garden, Food & Groceries, and Sports & Outdoors were the three fastest growing e-commerce categories in 2020. (Source: Semrush)

The global pandemic directly catalyzed their growth, strengthening the demand for products within each category.

We believe that the future of our Company is promising given our competitive advantage in the Home & Garden category, validated by the year-on-year growth demonstrated by this category.

The growth of e-commerce represents a robust foundation for sustainable growth



The United States of America is the second largest market for e-commerce in the world.

Online spending represented 21.3% of the total retail sales in USA for the year. Consumers spent USD 861.12 Billion online with U.S. merchants in 2020, up 44% year over year, the highest annual U.S. e-commerce growth in at least two decades and three times the 15.1% jump of 2019.

E-commerce penetration increased from 14.3% in 2018 to 15.8% in 2019 to 21.3% in 2020, the biggest recorded year-over-year jump for U.S. retail sales compared with the fact that never has a 200-bps gain in digital penetration been recorded. (Source: Digital Commerce 360)

US e-commerce sales in November 2020, which included Black Friday and Cyber Monday, reached USD 100 Billion for the first ever time.

U.S. online purchases over the 2020 holidays grew 32.2% over 2019, reporting a record USD 188.2 Billion as shoppers stayed home and shopped on the web. (Source: Adobe Analytics)

For the first time, online spending exceeded USD 1 Billion daily during the 2020 holiday season and topped USD 2 Billion for 50 days. (Source: Adobe Analytics)

The Amazon marketplace grew 60% in the first quarter of 2021, the fastest in five years since the Company started reporting third-party seller services revenue.

Third-party seller services revenue, which includes transaction and fulfillment fees, grew more than 50% in each of the past four quarters, faster

than revenues from Amazon's online sales. Since the fees that sellers pay to Amazon are relatively consistent, the revenue collected from that is a proxy for marketplace GMV growth. Amazon spent almost USD 50 Billion in capital expenditure in the 12 months on fulfillment and data centers, up 80% compared to the previous corresponding period.

(Source: Marketplace pulse)

What makes the prevailing reality different from previous growth phases is that this sharp improvement is not being seen as a one-off spike; it is being seen as a habit-changer. Even if realities were to return to normal, more consumers will prefer to shop online, reflected in the fact that even as US normalized in Q1 2021, e-commerce revenues were considerably larger than in Q4 2019.

Online shoppers in the US are willing to pay up to USD 5 for shipping; the last mile is worth approximately USD 115 Billion of the USD 270 revenue pool from e-commerce.

Best of all, all the growth in US retail sales came from e-commerce; online sales accounted for 101% of all retail gains in 2020, which indicates that sales through all other channels—stores, catalogues and call-centers—declined, the first time that e-commerce sales accounted for all retail sale gains.

This wasn't just another year; this was the inflection point for e-commerce that could take it into a different orbit.

The Amazon marketplace grew 60% in the first quarter of 2021, the fastest in five years since the Company started reporting third-party seller services revenue.

How US e-commerce outperformed in 2020

Year	E-commerce sales growth	Total retail sales growth
2017	16%	3.8%
2018	13.6%	4.1%
2019	14.9%	3.8%
2020	44.0%	6.9%

Source: Digital Commerce 360, U.S. Department of Commerce; updated January 2021

*Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers

ITL. Empowered to capitalize on emerging opportunities



At IntraSoft, we may not have predicted how the onset of the pandemic would transform shopping preferences, but we strengthened our business to seamlessly manage the effects of these changed shopping preferences (increased volumes), with desired speed and service responsiveness.

In doing so, we proactively invested in future-proofing our business ahead of the curve.

The result is that when the pandemic broke and e-commerce volumes spiked, the Company was able to respond to the disruption with speed and dependability.

Despite the spike in the volume of e-commerce purchases, we successfully delivered on our promise of providing products at the best possible price and in the shortest delivery time. Our brand partners (our customers) were pleased to reap the benefits of our patient building of the blocks at the time of need.

What we wish to communicate is that our business did not just grow by volume; it grew by business quality as well.

Our Company increased its brand base in the last 12 months.

There was an appreciable increase in the lifetime value of our brand partners. Our technology-driven services to brand partners registered a year-on-year increase when measured by the gross value of the goods processed. Our goodwill with our growing family of brand partners translated into incremental business.

Besides, positive reviews from brand partners proved to be a testament to the deepening relationships we enjoy with our clients and the extent of their delight with our service offerings.

At IntraSoft, we recognize the value being generated out of repeat customers. At our Company, creating a customer-first culture is as important as reaching peak transaction volume. We believe that a customer who buys through us once, provides us with an opportunity to register a favorable impression about our service quality, widening our customer base. Besides, the patronage from recurring customers makes us a preferred partner to our vendors, strengthening our moat.

Despite the spike in the volume of e-commerce purchases, we successfully delivered on our promise of providing products at the best possible price and in the shortest delivery time. Our brand partners (our customers) were pleased to reap the benefits of our patient building of the blocks at the time of need.

U.S. E-commerce vs. total retail sales year on year

Year	E-commerce (in Billion)	Total retail (in Billion)
2018	USD 523	USD 3,626
2019	USD 598	USD 3,780
2020	USD 861	USD 4,040

(Source: Digital Commerce 360)

In 2020, Amazon temporarily restricted product categories that could send shipments to Amazon fulfillment centers. It imposed thresholds that affected seller growth and functions. As Amazon continues to implement stricter policies, it has become difficult for brands and sellers to succeed on this platform. In this scenario, IntraSoft's advanced capabilities have helped deliver quality service to brand partners and customers.

By the virtue of having demonstrated to brand partners the reliability and convenience of our services, IntraSoft is confident of emerging as their key supply chain partner.



The Company responded with speed to a rapidly evolving market, protecting its uptime

At IntraSoft, we had communicated to shareholders in our previous two annual reports of how the Company was focusing on generating quality revenues.

The Company is pleased to communicate that the improvement in operating cash flows (our most indicative profitability benchmark) reported an increase from (USD 0.39) Million to USD 4.15 Million year-on-year, a validation of its strategic intent. The Company optimized its brand portfolio to align them to its operational benchmarks. In the last few years, the Company continued to invest in deepening its operational efficiency while its service model was

adopted by existing and new brand partners.

Even as the lockdowns tested the Company's agility, resilience and adaptability, the complement of a dedicated workforce and a robust technology backbone navigated the Company through various challenges.

The Company adhered to comprehensive safety norms; its geographically distributed teams in US and India collaborated to address operational bottlenecks; its infrastructure complement of networks, telecommunications and remote access translated into a service benchmark that took the business of its brand partners ahead.

The result is that our brand partners' warehouses remained operational, helping in a small way in keeping the wheels of the economy moving.

In a challenging year, when volumes spiked, there was a premium in protecting systemic uptime. The Company validated its system durability and adaptability, strengthening its business model.

As e-commerce volumes rise, we will continue to strengthen our team and work towards our vision. The Company's technology bandwidth will be progressively scaled on cloud, making it possible to respond to the real-time needs of brand partners.

Our performance highlights of FY2020-21

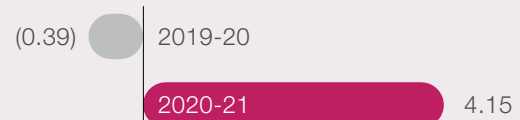
E-commerce financial highlights

Revenues (USD Million)

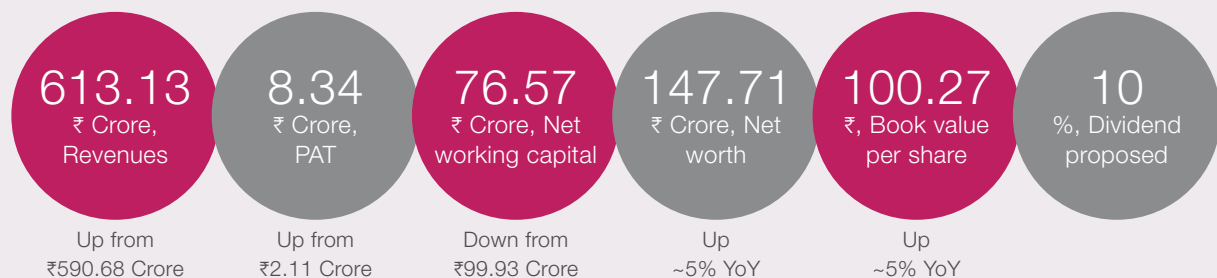


Operating cashflow

Operating cashflow (USD Million)



Consolidated financial highlights



Operational highlights

Amazon: Lifetime Rating of 97% on 260,000+ reviews

eBay: Rating of 97.4% and 330,000+ feedback score

Management discussion and analysis

Globaleconomicoverview

The global economy contracted 3.3% in 2020, largely due to the outbreak of the novel coronavirus and suspension of economic activities across most countries.

Regional growth %	2020	2019
World output	(3.3)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

(Source: IMF)

Performance of some major economies

United States: The country witnessed a GDP de-growth of 3.5% in 2020 compared to a growth of 2.3% in 2019.

China: The country's Gross Domestic Product grew 2.3% in 2020 compared to 6.1% in 2019 despite being the epicentre of the outbreak of the novel coronavirus.

United Kingdom: Britain's GDP shrank 9.9% in 2020 compared to 1.4% growth in 2019, 2x the annual contraction recorded in the aftermath of the global meltdown in 2009.

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy support in large economies.

(Source: CNN, IMF, Economic Times, trading economics, Statista, CNBC)

Economic overview of United States of America

The Gross Domestic Product of United States decreased 3.5% in 2020 compared with an increase of 2.3% in 2019. The decrease in GDP in 2020 reflected declines in exports, private inventory investment (retail trade and wholesale trade), imports, non-residential fixed investment and the impact of the global pandemic. The US is the world's leading economy with Gross Domestic Product of USD 20.9 trillion in 2020, representing 15.98% of the global economy. The GDP per capita of United States was USD 63,051 in

2020 compared to USD 65,456 in 2019. Annual inflation was 2.6% in March of 2021 from 1.7% in February, slightly above market forecasts of 2.5%, the highest since August 2018.

As of January 2021, the U.S. government unveiled a recovery plan worth USD 1.9 trillion to robust the manufacturing and the housing market. The U.S. manufacturing industry made significant adjustments to stay prosper in spite of the impact of Covid-19. Businesses in this industry are changing course and capitalizing on new shifts in market demand and consumer preferences.

US unemployment declined to 6% in March 2021 from 6.2% in the previous month, the lowest in a year and in line with market expectations. The rate fell steadily in recent months after reaching an all-time high of 14.8% in April 2020. The number of unemployed people fell by 262,000 to 9.71 Million while the number of employed rose by 609 thousand to 150.85 Million as of March 2021.

(Source: Times of India, Trading Economics, www.bea.gov, BusinessToday, Knoema, Statista)

Global e-commerce and retail overview

Global e-commerce sales were USD 4.28 trillion in 2020 compared to USD 3.53 trillion in 2019 and projected to grow to USD 5.4 trillion by 2022.

The global retail market is expected to grow to USD 22.44 trillion in 2021 at a compounded annual growth rate (CAGR) of 10.5% from USD 20.29 trillion in 2020. In 2020, e-retail penetration was on the

rise with online share at 18% of the total global retail sales and projected to reach 21.8% by 2024. The retail market is expected to reach USD 29.36 trillion in 2025. Asia Pacific was the largest global retail market, accounting for 35% of the total market in 2020. North America was the second largest, accounting for 29% of the market.

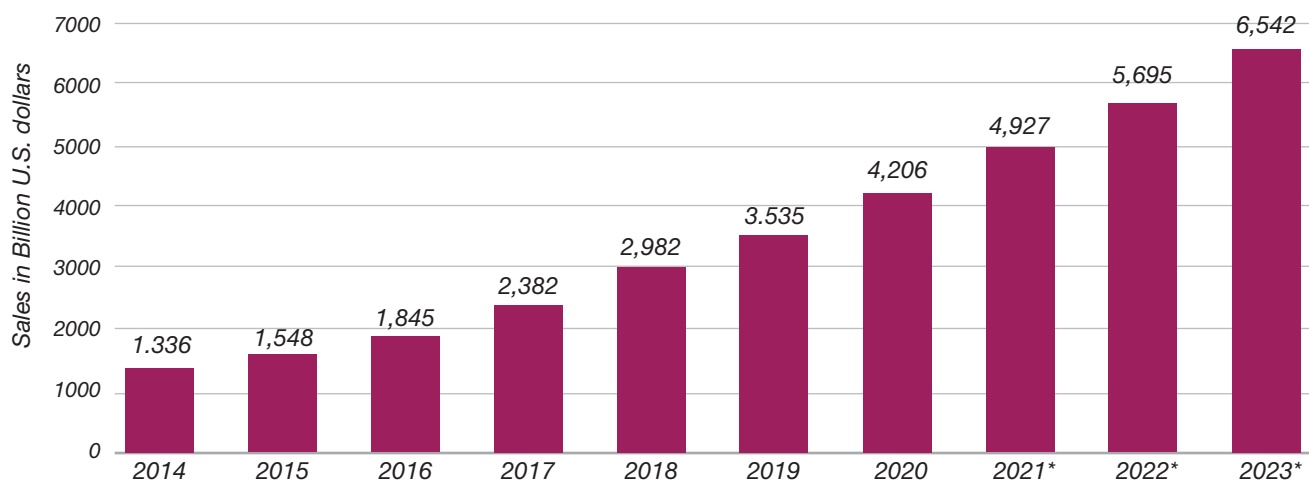
North America possessed the highest internet penetration (90.3%) as of January 2021, followed by Europe (87.2%), Middle East (70.8%) and Asia (55.1%). The global B2C e-commerce market size was valued at USD 3.67 trillion in 2020 and expected to expand at a CAGR of 9.7% from 2021 to 2028. The growth can be attributed to rising disposable incomes, growing global per capita income and deepening internet penetration. As of February 2021, 2.14 Billion people shopped online, which was 27.6% of the global population.

The e-commerce industry is expected to emerge as the largest retail channel in the world, surpassing retail sales from supermarkets, independent grocers, and apparel and footwear retailers, among others. E-commerce marketplaces or online shopping platforms are increasingly popular as customers can easily access a wide number of products at lower prices coupled with doorstep delivery. In 2020, countries with the highest ecommerce activity comprised United Kingdom (87% population brought online), Sweden (84%) with Germany and the Netherlands (83%).

(Source: Pnewswire, Grandviewresearch, Oberlo.in, Saleslayer, Statista)

Retail e-commerce sales worldwide from 2014-2023 (in Billion USD)

Global retail e-commerce sales 2014-2023



(Source: Bigcommerce)

2.67

(USD, Trillion) Global spending on the top 100 online marketplaces in 2020

29

(%), Gross merchandise sales growth, 2020

50

Marketplaces that are based in the US (sales grew by 40% in 2020)

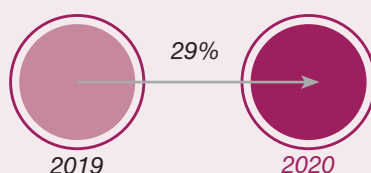
62

(%), Proportion of marketplace sales of global online retail sales, 2020

The leading global marketplaces

Region	Marketplaces
North America	52
Asia	22
Europe	19
Latin America	5
Middle East/Africa	2

Gross merchandise value growth of 100 marketplaces, 2019-20



How top 100 marketplaces grew, 2020

2020 GMV growth	Marketplaces
>100%	14
50.1-100%	20
30.1-50%	17
15.1-30%	31
0-15%	14
< 0%	4

(Source: Digital Commerce 360) (As of March, 2021)

Technologies driving e-commerce

Blockchain: Blockchain is a system of recording information that makes it difficult or impossible to change, hack or cheat the system. Blockchain makes transactions safer and faster. This technology enables users to share and securely store digital assets automatically/manually. It has the capacity to handle user activities such as payment processing, product searches, product purchases and customer care. Hence, e-commerce sites integrate robust data-encryption software to keep

consumers' personal data safe from cyber criminals.

Artificial intelligence: With the help of AI technology, e-commerce websites can make smarter product recommendations and enhance customer experience. AI will help e-commerce businesses analyze trends with sales channels and buyer behaviour to ascertain the best time, price and place to list their products.

Augmented Reality/Virtual Reality: With this technology, shoppers can visualize

products. With VR technology, online stores offer in-store experience and greater detail to help customers make the right decisions.

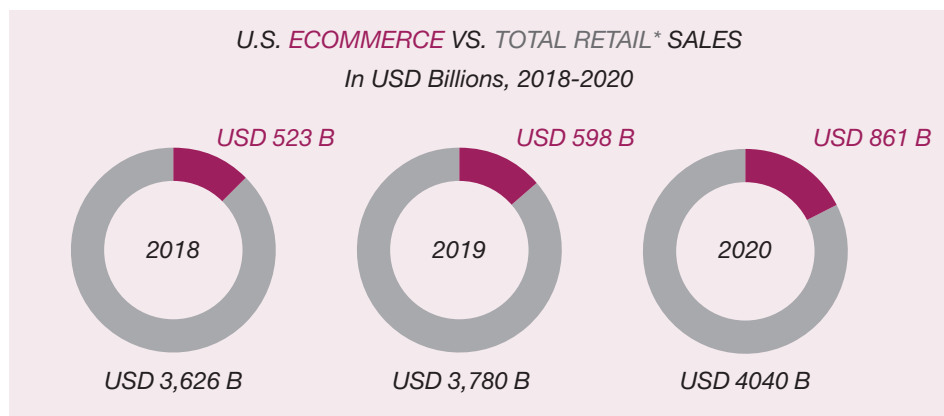
Data analytics: Data analytics harnesses large data derived from marketplaces to identify hidden patterns, trends and customer preferences.

US e-commerce industry overview

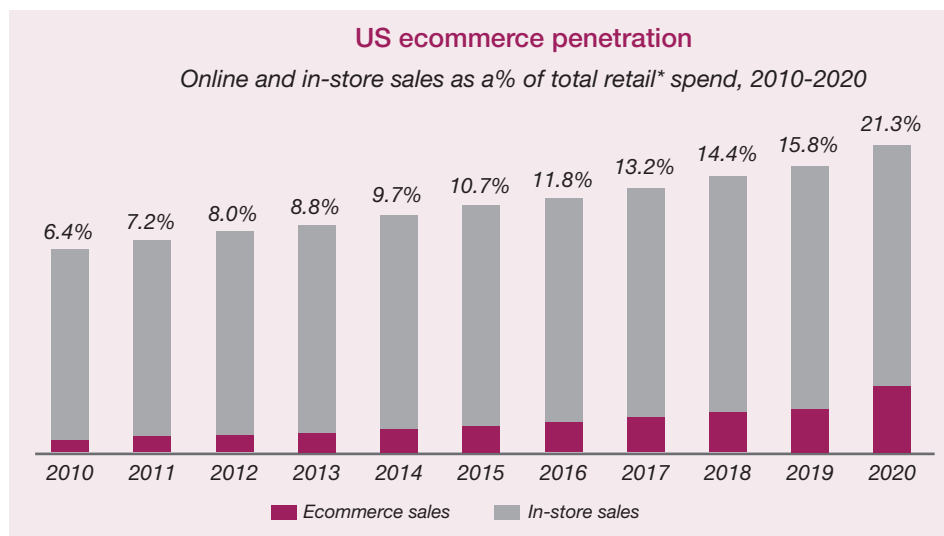
US e-commerce sales were estimated at USD 861.12 Billion in 2020, compared to USD

523.64 Billion in 2019, an increase of 44%. Online share of total retail sales in US stood at 21.3% in 2020 compared to 15.8% in 2019. Ecommerce accounted for approximately 101% of all gains in the retail sales in 2020, which means that sales through all other channels like stores, catalogs and call centers declined, the first time that ecommerce sales accounted for all retail sales gains (previous high in 2008 of 63.8%).

(Source: Digital Commerce 360) (As of Jan, 2021)



(Source: Digital Commerce 360) (As of Jan, 2021)



Emerging trends in the US e-commerce industry

Progressive web apps (PWA): One of the key trends in the e-commerce industry is the use of PWA, a website that has the form of a mobile application. Instead of developing and launching high-cost native mobile

apps, eCommerce businesses can take advantage of PWAs to provide a better mobile experience, improve sales and enhance the customer's online experience.

Multi-channel selling: Multichannel selling refers to the process of selling merchandize on more than one sales

channel. Multichannel management is all about moving beyond the website and exploring channels such as marketplaces, social media and comparison-shopping engines. Selling on multiple sales channel(s) increases exposure to potential customers, which increases sales opportunities.

56

(%), Proportion of GenXers who prefer online formats to physical stores

55

(%), Proportion of Millennials who prefer online formats to physical stores

41

(%), Proportion of US consumers willing to pay extra for faster delivery

82

(%), Proportion of consumers in the US willing to have purchased more items to avail the advantage of a minimum spending 'free delivery'

(Source: Kinsta.com, Conveyco)

Subscription services: Millennial and Gen Z consumers are less passionate about owning things, preferring renting or making recurring purchases. This is where subscriptions come into play, providing benefits like free delivery, personalized product boxes and others. The subscription model in retail helps e-commerce businesses increase their sales and get lifelong customers loyal to their brand.

Holiday sales: Online shopping over the 2020 holidays in the United States grew by 32.2%, totaling USD 188.2 Billion as compared to USD 143.8 Billion in 2019. Also, online spending exceeded USD 1 Billion daily during the 2020 holiday season.

(Source: Adobe Analytics)

Black Friday and Cyber Monday: Black Friday is an informal name for the Friday following Thanksgiving Day in the United States, which is celebrated on the fourth Thursday of November and is one of the biggest sales days of the year. These are two of the biggest sales days of the year, marked by attractive discounts and large purchases. E-commerce sales during November 2020, which included Black Friday and Cyber Monday, reached USD 100 Billion for the first ever time.

(Source: CNBC)

Growth drivers of the US e-commerce industry

Increasing smartphone penetration: Smartphones increase convenience and provide easy access to information regarding products, shipping, and delivery status. Enhancement of GPS tracking features in smartphones enables users to track product deliveries. As of February 2021, 85% of the population of United States owned a smartphone. An increase in smartphone usage enabled e-commerce companies to reach a wider customer base, one of the major factors of e-commerce market growth.

(Source: PewResearch)

Advanced technologies: Big Data Analytics, artificial intelligence and machine learning have benefitted e-commerce. BDA, with machine learning, allows the identification of optimal price, determination of the most profitable customer category and related goods, and helps decide the ideal inventory. AI helps in capturing data from all avenues (social media, chatbots, customer service interactions and mobile messaging), fed into a BDA software to facilitate accurate data analysis.

M-commerce: Mobile e-commerce, also known as m-commerce, refers to online purchasing transactions that utilize devices such as smartphones, tablets, or laptops. Various technological improvements such as better connectivity and voice-activated shopping have strengthened mobile shopping. As of November 2020, 45.38% of web traffic in the United States originated from mobile devices. M-commerce in the United States is expected to increase to USD 448 Billion by 2024 and projected to surpass USD 432 Billion by 2022.

(Source: Statista)

Millennials' contribution: Millennials (82.22 Million) overtook Baby Boomers (68.70 Million) in 2020 as America's largest population group. Approximately 91% of millennials prefer to shop online, with only 9% choosing to shop in-store. Millennials value access to goods and services over ownership, prompting the growth of a sharing economy

(Source: LexingtonLaw, Knoema)

Increasing e-retailers: There are 7.9 Million online retailers in the world and 2.1 Million based in United States as of 2021.

Internet penetration: The internet usage penetration in the United States stood at 284 Million users in 2020 and projected to grow to 296.7 Million internet users by 2025.

(Source: Statista)

Gen Z's influence: Gen-Z (86 Million approximately) overtook Millennials by nearly 4 Million to become the largest generation in the United States in 2020.

(Source: Knoema)

Company overview

IntraSoft Technologies Limited operates as a leading e-commerce retailer in USA and enjoys a remarkable presence across major online marketplaces like Amazon and eBay. The Company works with brand partners and offers products under various categories such as home & kitchen, garden & outdoor, beauty & personal care, baby products, toys & games, tools & home improvement, among others. The Company's operations are centered around the prudent use of technology, comprising proprietary web-based solutions to fulfill millions of orders across the US with speed and efficiency. The Company's marketplace credentials, wide product assortment, competitive pricing, timely delivery to customers, efficient demand fulfillment and prompt marketplace customer service has enhanced our brand in the US e-commerce industry.

Business performance, 2020-21

The COVID-19 pandemic induced phased lockdown across the globe impacted businesses severely. The pandemic, social distancing and staying home has accelerated the shift in the purchase habits of consumers from offline to online. In the burgeoning world of e-commerce that is dominated by global online marketplaces, IntraSoft plays a crucial role of bridging the gap between marketplaces that are customer-focused and vendors that are product focused. Through a deep understanding of customers' buying patterns that has been enabled by our technology platform and demand forecasting capability, the Company ensures a wide range of product selection for the marketplace customers.

We are confident of business success, as Home and Garden, one of our key categories in which we have developed competitive advantages, is seeing an accelerated online shift. Our investments in technology during the last two financial years have allowed us to scale during these unprecedented times despite facing disruption in supply-chain. The Company will continue to proactively invest in our future.

Over the last two years, we shifted focus from scaling the business to evaluating and optimizing our existing brand portfolio.

Financial overview

The Company's consolidated Profit and Loss Account for the year ended 31 March 2020 is provided below:

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

Amount (₹ in Lacs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenues		
Revenue from operations	61,313.38	59,067.54
Cost of goods sold (incl. shipping)	49,741.89	48,899.29
Gross Profit	11,571.49	10,168.25
Sales and marketing expenses	7,860.08	6,637.98
Employee benefits expense	1,677.32	1,566.92
General & Administration Expenses	1,194.51	1,272.24
Earnings from Operations	839.58	691.11
Other Income (Net)	635.16	485.42
Earnings Before Interest, Tax, Depreciation & Amortisation	1,474.74	1,176.53
Depreciation & Amortisation	281.65	409.43
Earnings Before Interest & Tax	1,193.09	767.10
Finance Costs	325.14	553.87
Profit Before Tax (PBT)	867.95	213.23
Tax Expense	33.68	2.36
Profit After Tax (PAT)	834.27	210.87

On a standalone basis, Debtors Turnover increased from 77.02 to 944.08; reason being the fall in Trade Receivables vis-à-vis Revenue from Operations. Net Profit Margin increased from 17.23 to 46.05; reason being the increase in Revenue from Operation and Other Income and a decrease in operating expenses.

Risk management

Continuous upgradation of Technology

The Company's operations are driven by technology, and therefore our failure to innovate, adapt or respond effectively to the rapidly changing technology and market needs, could impede our ability to function efficiently.

Mitigation:

The Company pro-actively invests in technology upgradation and improvement to strengthen its value

proposition to brand partners, adapt to the dynamic market requirements and maintain its competitive advantage.

Festive season demand

The US festive season falls in the third quarter of our financial year, leading to greater e-commerce revenue in the quarter vis-à-vis other quarters. In the event of any operational bottlenecks or infrastructure constraints, we may not be able to take advantage of the festive demand.

Mitigation: The Company's backbone is its proprietary technology, which enables the Company to efficiently service the demand spike in the third quarter of the fiscal. This allows the Company to scale in line with the increased festive season demand.

The continuing effect of the COVID-19 pandemic and its unprecedented nature

Restricted physical movement of employees owing to decisions made by local authorities, governments or

public health bodies owing to the COVID-19 pandemic, impacts business functioning. Furthermore, in the event any member(s) of our management or operations team contract COVID-19, it may potentially affect our operations.

Mitigation: The Company's employees have adapted to new processes and protocols to serve clients (brand partners). The teams, both in India and the US, will continue to work remotely across the foreseeable future, and are well equipped to do so as our technology scales on the cloud. We will continue to monitor the impacts of the pandemic, if any, and take necessary steps to ensure smooth business functioning.

Internal control systems and their adequacy

Our integral and robust internal control system ensures efficient utilisation and

conservation of resources, compliance with policies, procedures and statutory requirements. The Company has developed well-documented regulations and guidelines for authorisation and approvals. Internal audit is a crucial backbone of the internal control systems and it is conducted on a regular basis to check and authenticate that all systems and processes are in compliance with the relevant guidelines and appropriate in safeguarding the assets from unauthorized use or losses. An Audit Committee of the Board evaluates the existing internal control systems, ensures compliance and takes corrective measures as and when required. The management also regularly reviews all vital processes and control systems which strengthens the organisation. The emphasis on internal controls is imposed across all units, departments, functions and processes. All the measures are

undertaken to ensure that the controls implemented are both adequate and equivalent with the size and nature of our operations.

Human resources

The Company believes that its intrinsic strength lies in dedicated and motivated employees. The Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas. The Group employed 82 individuals as of 31st March 2021.

Directors' Report

To
The Shareholders
IntraSoft Technologies Limited

We are pleased to present the Twenty Sixth Annual Report of **IntraSoft Technologies Limited** ("the Company") together with the Audited Financial Statements of the Company for the financial year ended 31 March 2021.

Financial Statements & Results

a. Financial Results:

The consolidated and standalone performance during the financial year ended 31 March 2021 as compared to the previous financial year is summarized below:

Consolidated Financials

Particulars	Amount (₹ in Lacs)	
	2020-21	2019-20
Total Income	61948.54	59552.96
Profit before Interest and Depreciation	1474.74	1176.53
Less: Finance Cost	325.14	553.87
Less: Depreciation	281.65	409.43
Profit before Tax and Exceptional Income	867.95	213.23
Profit before Tax	867.95	213.23
Less : Provision for Income Tax	33.68	2.36
Profit after Tax	834.27	210.87

On Standalone basis, Total Income of the Company recorded at ₹ 1301.08 Lacs in FY 2020-21 against ₹ 1194.82 Lacs in FY 2019-20. EBITDA is recorded at ₹ 400.22 Lacs in FY 2020-21 against ₹ 256.15 Lacs in FY 2019-20. Profit before Tax for the financial year under review is recorded at ₹ 302.11 Lacs against ₹ 138.38 Lacs in FY 2019-20. The net profit for the financial year under review is ₹ 323.92 Lacs as compared to ₹ 118.88 Lacs in the previous financial year.

b. Business

During the year under review, the Company and its subsidiaries reported an Operating Cash Flow of ₹ 3435.87 Lacs, as compared to ₹ (1279.21) Lacs in the previous financial year. Consolidated Total Income was ₹ 61948.54 Lacs, as compared to ₹ 59552.96 Lacs. Consolidated Net Profit stood at ₹ 834.27 Lacs, as compared to ₹ 210.87 in the previous financial year.

The pandemic outbreak led to the imposition of restrictions on free movement, catalyzing the shift from brick-and-mortar to the web. This is a clear indication of a change in consumer behaviour in favour of e-commerce.

IntraSoft is future-ready, on account of our focus over the last few years on building our technology-backed services for brands, to tap this expedited market opportunity.

We focused on strengthening the business to seamlessly handle rising volumes and expectations of speed, culminating in a customer-delight experience. Amid supply-chain bottlenecks, the Company responded efficiently, and stood out as a credible provider of marketplace selling services to our brand-partners.

The cash flow performance this year is an outcome of our strategic focus over the last few years, a significant part of which was to align our brand portfolio to our operational benchmarks.

There was no change in the nature of the business of the Company, during the year under review.

Covid 19 update

With the outbreak of the pandemic last year, IntraSoft was quick to respond. With our technologies deployed, we were successful in supporting our brand-partners at a time when they needed us more than ever. Despite other supply-chain bottlenecks they may have faced, we continued to drive their marketplace business. This has cemented the crucial role we play, and strengthened our long-term relationship with them.

COVID-19 has catapulted us years ahead into the online ecosystem, giving the e-commerce industry an acceleration in terms of the online shift of consumers.

The performance of the Home & Garden category (a key portion of our overall brand portfolio) only makes us more confident about the future of our business.

In line with various advisories, directives and orders issued, from time to time, by Local authorities, Municipal Corporations, State Governments and the Central Government of India, as well as the local authorities and the Government of the United States, our employee base has adapted seamlessly to processes and protocols for the remote mode of work. With a focus on safety and well-being, our teams will continue to work remotely for the foreseeable future, and are well equipped to do so using our cloud-based systems.

Acknowledging the importance of vaccination in thwarting the further spread of the virus, we have and continue to encourage our employees and their family members to get vaccinated.

We believe that we have taken into account all possible impacts of known events arising from the global pandemic caused by COVID-19. However, the impact assessment of this pandemic is a continuous process given the uncertainties associated with it. We will continue to monitor any material changes to future economic conditions.

We continue with an unwavering commitment towards all our stakeholders, and look ahead with cautious optimism.

c. *Performance of Subsidiaries, Associates and Joint Venture Companies*

The Company has, as on 31 March 2021, three wholly owned subsidiaries and two step down subsidiaries, viz. 123 Greetings.com, Inc. (USA), IntraSoft Ventures Pte. Ltd (Singapore) & One Two Three Greetings (India) Private Limited (India) wholly owned subsidiaries, 123Stores, Inc. (USA), wholly owned subsidiary of IntraSoft Ventures Pte. Ltd (Singapore) and 123Stores E Commerce Private Limited (India), wholly owned subsidiary of 123Stores, Inc. The entire group focuses on the E-Commerce business by consolidating all operations related to E-Commerce and online greeting activities to achieve financial and operational efficiencies.

Apart from the information provided in the foregoing paragraph, there was no Companies which have become or ceased to be subsidiaries, associates and joint venture company during the financial year under review.

In accordance with Section 129 of the Companies Act, 2013, consolidated financial statements of the Company along with its subsidiaries have been prepared which forms part of this Annual Report. Further, the performance and financial position of each of the subsidiaries for the year ended 31 March 2021 is attached and marked as Annexure I (Form AOC-1) and forms part of this Report.

Appropriations

a. *Dividend*

The Board of Directors of the Company has recommended a final dividend of ₹1/- (10%) (Previous year ₹1/- per equity share) per equity share of face value of ₹10/- for the financial year 2020-21, which if approved would absorb ₹147.33 Lacs (Previous year ₹ 147.33 Lacs).

TDS will be deducted pursuant to the rates as per Income Tax Act, 1961 as amended by Finance Act, 2021 and further amendments thereto, while paying the dividend, as applicable to Resident and Non-Resident Shareholders. Please refer the notes to the Notice of the Annual General Meeting for a detailed explanation.

There was no Interim Dividend declared by the Company during the financial year.

Dividend Distribution policy is not applicable to the Company.

b. *Amount and shares transferred to IEPF with details of Nodal officer*

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 the Company has transferred 2682 shares to the designated account of the IEPF Authority during the financial year 2020-21 on which the dividend was unclaimed/ unpaid for a period of seven (7) consecutive years from the year of its declaration in financial year 2012-13. Company had already transferred 5856 shares of different shareholders to IEPF Authority up to financial year 2019-20, on whose shares the Dividend was unpaid/ unclaimed for a period of seven (7) consecutive years of the financial year 2011-12, 2010-11, 2009-10 and also of the earlier years.

Details of the Nodal Officer:

Pranvesh Tripathi

Company Secretary and Compliance Officer

Email ID- pranvesh.tripathi@itlindia.com

Phone Nos. - 022 4004-0008

During the Financial year 2020-21, Unpaid / Unclaimed Dividend of ₹ 66,155 was transferred to IEPF Authority Account which was declared in the financial year 2012-13 and remained unpaid/unclaimed for 7 years.

c. *Transfer to Reserves.*

The Board of Directors has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the entire amount of profit for the year under review has been carried forward to Profit and Loss account.

Financial Statements as per IND-AS.

Financial Statements for the year ended 31 March 2021 are in accordance with the Indian Accounting Standards (IND-AS) notified by the Ministry of Corporate Affairs, Government of India, which have already become applicable to the Company from the accounting period beginning on 01 April 2017.

Deposits

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

Disclosures under Section 134(3) (l) of the Companies Act, 2013.

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

Disclosure of Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are found adequate. During the year under review, no material or serious observation has been received on inefficiency or inadequacy of such controls, from the Internal Auditors of the Company.

Disclosure of Orders passed by Regulators or Courts or Tribunal

Your Directors would like to inform that no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and on the Company's operations in future.

Particular of Contracts or Arrangement with Related Parties

All contracts / arrangements / transactions entered into by the Company during the financial year with its wholly owned subsidiaries were in the ordinary course of business and at an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered as material related party transaction in accordance with the policy of the Company on related party transactions read with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Policy on related party transactions as approved by the Board may be accessed on the Company's website www.itlindia.com.

Your Directors draw attention of the members to Note no. 26 of Standalone financial statements which sets out disclosures on related parties and transactions entered into with the said parties.

Particulars of Loans, Guarantees, Investments and Securities

Full particulars of loans given, investments made, guarantees given and securities provided along with the purposes for which the loans or guarantees or securities are proposed to be utilized by the recipient(s) thereof are provided in Note nos. 6, 7 and 25 of standalone financial statements.

Share Capital

During the year under review, the Company has not issued any shares with differential voting rights and sweat equity shares and hence, disclosures under Section 43(a) (ii) and Section 54(1)(d) of the Companies Act, 2013 read with relevant rules are not required to be furnished. The Company does not have a scheme of ESOP and hence disclosures pursuant to Section 67(3) of the Companies Act, 2013 are also not required to be furnished. There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Matters Related to Directors and Key Managerial Personnel:

a. Board of Directors & Key Managerial Personnel

The shareholders of the Company approved the re-appointment of Mr. Arvind Kajaria as Managing Director and of Mr. Sharad Kajaria as Whole-time Director of the Company, in the Annual General Meeting of the Company held on 29 October 2020 for a period of 3 (Three) years with effect from 01 April 2020 with requisite majority.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Sharad Kajaria, Whole-time Director of the Company is liable to retire by rotation in the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The necessary details of Mr. Sharad Kajaria seeking re-appointment at the ensuing Annual General Meeting as required under Regulation 36 of SEBI Listing Regulations, 2015 is disclosed in the Notice convening the Annual General Meeting.

b. Declaration by Independent Directors

The Independent Directors of the Company have given a declaration confirming that they continue to meet with the criteria of the independence as provided

in sub-section (6) of Section 149 of the Companies Act, 2013 as further amended by the Companies Amendment Act, 2017 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have also confirmed that they are independent of the Management.

The Independent Directors also confirmed that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, each of the Independent Director possess requisite integrity, expertise, and experience for acting as an Independent Director of the Company.

The Independent Directors have confirmed that they have registered their details in terms of Sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 in the Data Bank maintained by Indian Institute of Corporate Affairs (IICA). Online proficiency self-assessment test as contemplated under Rule 6(4) of the above-said Rules has also been passed by the concerned Independent Directors as applicable to them.

There has been no change in the circumstances which may affect their status as Independent director during the year under review.

c. Company's Policy on Director's appointment and remuneration

The Board has as per the recommendation of the Nomination and Remuneration Committee, framed a policy on selection and appointment of Directors and Senior Managerial personnel and their remuneration which was further amended by the Board in their Meeting held on 30 March 2019 in terms of the Amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018. The details of said policy are given in the Corporate Governance Report which forms part of this Annual Report.

Disclosures Related to Board, Committees and Policies:

a. Board Meetings

The Board of Directors met 6 (Six) times during the financial year 2020-21 in accordance with the provisions of the Companies Act, 2013 and rules

made thereunder. Detailed information on the Board Meetings is provided in the Corporate Governance Report which forms part of this Annual Report.

b. Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31 March 2021, the Board of Directors hereby confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the profit of the Company for that year;
- iii. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts of the Company have been prepared on a going concern basis;
- v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. Committees of the Board

There are five Committees of the Board of Directors of the Company viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Business Advisory Committee. Detailed information on all the Committees is provided in the Corporate Governance Report along with the details of extract from Nomination and Remuneration Policy of the Company with respect to remuneration of Executive Directors, Key Managerial Personnel and other senior employees of the Company. Policies

framed by the Committees / Board pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the Company's Website www.itlindia.com.

Disclosure in respect of composition of Committees, Committee Meetings held, attendance of members, Reference of the Committee and other related matters are made in the Corporate Governance Report attached and forms part of this Annual Report.

Policies

a. Vigil Mechanism Policy for the Directors and Employees

The Board of Directors of the Company have pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed a "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

b. Risk Management Policy

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

c. Policies and Procedures (Mechanism)

The Board of Directors of the Company has laid down policies and procedures in case of Leak of Unpublished price sensitive information or suspected leak of Unpublished price sensitive information in their Meeting held on 30 March 2019 in terms of the

SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

Annual Evaluation of Directors, Committee and Board

The Board of Directors has carried out annual evaluation of its own performance, Committees of the Board and individual directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulation 2015.

A statement indicating the manner for evaluation of performance of the Board, its committees and individual Directors is stated in the Corporate Governance Report forming part of this Annual Report.

Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Payment of Remuneration / Commission to Directors from Holding or Subsidiary Companies

None of the managerial personnel i.e. Managing Director and Whole-time Director of the Company are in receipt of remuneration/commission from the Subsidiary Companies of the Company.

Auditors and Reports:

The matters related to Auditors and their Reports for the year ended 31 March 2021 are as under:-

a. Report of Statutory Auditors on Accounts for the Year ended 31 March 2021:

The auditor's report does not contain any qualification, reservation or adverse remark or disclaimer or modified opinion.

b. Secretarial Audit Report:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates, the Company to obtain a Secretarial Audit Report in Form MR-3 from a Practicing Company Secretary. M/s. Rath and Associates, Company Secretaries had been

appointed as Secretarial Auditors to issue Secretarial Audit Report for the financial year 2020-21.

Secretarial Audit Report includes an observation that the Company has not appointed an Independent Director on the Board of its Material Subsidiary, i.e. 123Stores Inc. The Board of Directors hereby clarifies that as the 123Stores Inc. is a US subsidiary, the Board is looking for a suitable candidate to be appointed as an Independent Director of the Company and who shall be recommended to be appointed on the Board of 123Stores Inc.

Secretarial Audit Report issued by M/s. Rathi and Associates, Company Secretaries in Form MR-3 for the financial year 2020-21 forms part of this report Annexure V.

c. Statutory Auditors:

The members of the Company in the Annual General Meeting held on 29 October 2020 approved the resignation of M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No.001076N/N500013) w.e.f. 11 September 2020 and the Appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration. No 302049E) in the casual vacancy till the conclusion of the 25th Annual General Meeting held on 29 October 2020 and also for a full term of 5 years from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting. The said Auditors have given their consent to act as the Statutory Auditors of the Company for the financial year ended 31 March 2022.

d. Cost Audit:

The Cost Audit in terms of the provisions of the Companies Act, 2013 and The Companies (Cost Records and Audit Rules), 2014 are not applicable to the Company.

e. Fraud Reporting:

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company.

Copy of Annual Return

The Annual Return for the year ended 31 March 2020 in Schedule-V which was filed with the Registrar of the Companies is also uploaded on the Website of the Company and the link for the same is <http://www.itlindia.com/statutory.html>.

Annual return for the financial year ended 31 March 2021 is/be also available on the above link.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure II which forms part of this Report.

Annual Report on Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, during the financial year under review, the Company was not required to spend any amount towards Corporate Social Responsibility activities.

Further, Annual Report on CSR as required to be disclosed under the above mentioned rules for the Financial Year 2020-21 is attached as a NIL report as Annexure III

Particulars of Employees as per Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

The information required pursuant to Section 197 read with Rule 5 (1) and 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as Annexure IV.

The Managing Directors and Whole time Director of the Company had not received any commission from the Company and also not received any remuneration or commission from its subsidiary company.

Compliance with Secretarial Standards

During the Financial year under review, in terms of Section 118 (1) of the Companies Act, 2013, the Company has observed and complied with the Secretarial Standards SS-1 and SS-2 on Board Meetings and Annual General Meeting specified by the Institute of Company Secretaries of India (ICSI).

Service of documents through electronic means

Subject to the applicable provisions of the Companies Act, 2013, and applicable law, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are

registered in their demat account or are otherwise provided by the members.

Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has taken sufficient measures and adopted a policy in terms of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under review, no complaints in relation to sexual harassment at workplace have been reported.

Management's Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management's Discussion and Analysis is attached and forms part of this Report.

Corporate Governance Report

The Company is committed to uphold the values of transparency, integrity, accountability and ethical corporate citizenship across all its business activities. This commitment lays down the foundation of its governance practices which focus on creating sustainable value for the stakeholders.

The Company has laid down Code of Conduct to which the board and senior management have affirmed compliance. The Code is displayed on the official website of the Company at www.itlindia.com.

The Company has complied with the provisions of Corporate Governance requirements, as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Corporate Governance forming part of the Directors' Report and the certificate from a Practicing Company Secretary pursuant to the said Regulation is attached with the Corporate Governance Report.

Business Responsibility Reporting

Business Responsibility Reporting is not applicable to the Company, hence the disclosure is not made.

Acknowledgements and Appreciation

Your Directors take this opportunity to place on its gratitude to customers, shareholders, suppliers, bankers, business partners/associates and financial institutions for their consistent support and encouragement to the Company.

Place: Kolkata

Date: 28 June 2021

Registered Office:

CIN: L24133MH1996PLC197857

A-502, Prathamesh, Raghuvanshi Mills Ltd. Compound,
Senapati Bapat Marg, Lower Parel (W),
Mumbai – 400 013

Tel: 022 4004-0008 Fax: 022 2490 3123

Email: intrasoft@itlindia.com Website: www.itlindia.com

For and on behalf of the Board

Arvind Kajaria

Managing Director
(DIN 00106901)

Sharad Kajaria

Whole-time Director
(DIN 00108036)

ANNEXURE I

Form AOC-1

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014] Part A Subsidiaries

(Amount ₹ in Lacs)

1	Name of the subsidiary/Joint Venture/ Associate Companies	123 Greetings. com, Inc.	Intrasoft Ventures Pte. Ltd. (Standalone)	One Two Three Greetings (India) Private Limited	123Stores, Inc. * (Consolidated)
2	Date since when Subsidiary was acquired (DOA)	27 May 1999	12 April 2007	31 January 2007	05 September 2015
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	USD, 1 USD = ₹ 73.11	SGD, 1 SGD = ₹ 54.37	INR	USD, 1 USD = ₹ 73.11
5	Share capital	73.11	788.37	200.00	731.05
6	Reserves and Surplus	97.74	(42.28)	8.74	3,950.99
7	Total Assets	198.50	748.60	268.86	17,232.92
8	Total Liabilities	27.65	2.51	60.12	12,550.88
9	Investments	-	735.39	-	-
10	Turnover	966.97	-	10.72	60,335.70
11	Profit before taxation	5.99	1.58	0.43	549.33
12	Provision for taxation	1.30	0.06	(0.07)	63.55
13	Profit after taxation	4.69	1.52	0.50	485.78
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100	100	100	100
16	Contribution to the overall performance of the Company during the period under report (%)	0.56%	0.18%	0.06%	60.37%

* 123Stores, Inc. is a Wholly Owned Subsidiary of Intrasoft Ventures Pte. Ltd (DOA - 01 October 2014). The Consolidated Performance consists of 123Stores, Inc. and its wholly owned subsidiary 123Stores Ecommerce Private Limited (DOA – 05 September 2015).

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

There is no Company which is an Associate or Joint Venture of the Company.

Note:

1. There is no subsidiary of the Company which is yet to commence operations.
2. No associates or joint ventures have been liquidated or sold during the year.

ANNEXURE II

Particulars pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

I. Conservation of Energy

The Company is engaged in development and delivery of e-commerce and e-cards through internet platform. Considering the nature of the business in which the Company is engaged, energy cost forms an insignificant portion of the total expenses and hence the financial impact of the said cost is not material. Adequate measures have, however, been taken to conserve energy at optimum level.

II. Research and Development

1. Specific areas in which R&D is carried out by the Company:

The Company operates in the Internet / Information Technology based industry, wherein new developments and phasing out of technologies occur rapidly on a continuous basis. Evaluation of developments in the industry are undertaken by the Company on a regular basis with a view of adopting and adapting such developments based on their suitability analyzed in light to the business in which the Company is engaged in. These actions help the Company to improve the areas in which the Company and/or its wholly owned subsidiaries are engaged.

2. Benefits derived as a result of the above R&D:

Research and Development activities undertaken for the purpose of ensuring consistency with the changing business environment allows us to enhance quality, productivity and customer satisfaction which ultimately results in increased number of users assessing the website of the Company and thus benefits the Company.

3. Future Plan of action:

To enable to make its platform more client centric and efficient, the Company is continuously working on findings and evaluating new technologies, processes, frameworks and methodologies.

4. Expenditure on R&D:

The Company's R&D activities are part of its normal commercial operations. There is no separate R&D department. Hence, there is no specific budget earmarked for R&D expenditure. Considering the continuous expenditure on such account, it is also not practical to

identify R&D expenditure out of total expenditure incurred by the Company.

III. Technology absorption, adaptation and innovation

1. Efforts in brief, made towards technology absorption, adaptation, innovation and benefits derived:

For the purpose of ensuring productivity and improvement in the quality on a continual basis the technical resources of the Company attend several seminars and workshops organized by various institutions as required from time to time in accordance with the change in the technological environment.

2. Information regarding technology imported during last 5 years:

The Company meets its technology requirement through developing it in-house and/ or through purchasing it on domestic basis and hence there are no imports in the last 5 years.

3. Foreign Exchange Earnings and Outgo:

i) Activities relating to exports:

The Company is engaged in development and delivery of e-commerce and e-cards globally through internet platform. Constant endeavor is made to ensure increase in usage of Company's services by the end users indifferent countries.

ii) Total foreign earnings used and earned:

Information on foreign exchange earnings and outgo is furnished below:

	Year Ended 31 March 2021 (₹ in Lacs)
Earnings:	
IT Enabled Services	694.09
Expenditure:	
Travelling	6.17
Subscription and Membership Fee	4.36
Others	0.01

ANNEXURE III

Annual Report on CSR Activities

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects and programs.	Company's CSR policy is framed within the purview of the Schedule VII of the Companies Act, 2013 and amendment thereto and the same is available on the Company's website.
2	Composition of the CSR Committee	a) Mr. Arvind Kajaria, Chairman b) Mr. Anil Agarwal, Member c) Mr. Rupinder Singh, Member d) Mr. Ashok Bhandari, Member
3	Average Net Profit of the Company for last three financial years	The Average net profit for the last three preceding financial years does not exceed ₹ 500 Lacs.
4	Prescribed CSR Expenditure	NIL
5	Details of CSR spent during the financial year; a) Total amount to be spent for the financial year b) Amount unspent if any	The Company was not required to spend any amount during the Financial Year 2020-21. Nil

(c) Manner in which the amount spent during the financial year is detailed below: N.A.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

We hereby declare that the implementation and monitoring of the CSR Policy are in compliance with CSR objectives and Policy of the Company.

Sd/-
Sharad Kajaria
 (Whole-time Director)
 DIN: 00108036

Sd/-
Arvind Kajaria
 (Chairman CSR Committee)
 DIN: 00106901

ANNEXURE IV

Details Pertaining To Remuneration As Required Under Section 197(12) Of The Companies Act, 2013 Read With Rule 5 Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014.

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP	% increase in remuneration in the FY 2020-21.	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Arvind Kajaria Managing Director	Nil	6.92	PAT increased by 172.48% from FY 2019-20.
2	Mr. Sharad Kajaria Whole-time Director	Nil	6.49	
3	Mr. Rupinder Singh Independent Director #	Nil	0.35	NA
4	Mr. Anil Agarwal Independent Director #	Nil	0.35	NA
5	Mrs. Savita Agarwal Independent Director #	Nil	0.27	NA
6	Mr. Ashok Bhandari Independent Director #	Nil	0.33	NA
7	Mr. Mohit Kumar Jha Chief Financial Officer	9.71	4.15	PAT increased by 172.48% from FY 2019-20.
9	Mr. Pranvesh Tripathi Company Secretary	2.52	2.66	

Only sitting fees is paid to the Independent Directors.

- ii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and if there are any exceptional circumstances for increase in the managerial remuneration: NA

- iii) List of top 10 employees of the Company in terms of remuneration drawn and employees who drawn remuneration during the financial year not less than Rs. 1.02 Crores per annum:

Sr. No.	Name	Designation	Date of Joining	Remuneration (in ₹ Lakhs)	Age (years)	Experience (Years)	Qualification	Last employment and designation held
1.	Arvind Kajaria	Managing Director	26 June 1998	72.11	56	31	Degree in Business Administration	NA
2.	Mukesh Kumar Goel	General Manager	01 April 1997	70.68	53	30	Masters Degree in Commerce	Cieco Securities Ltd, Accounts Executive
3.	Sharad Kajaria	Whole-time Director	27 February 1996	67.61	45	22	Bachelors Degree in Commerce	NA
4.	Mohit Kumar Jha	CFO	18 February 2013	43.20	43	18	Chartered Accountant	HDFC Bank Ltd, Sr. Manager
5.	Sajal Kumar Basu	Technical Head	22 December 2003	33.24	39	17	Master of Science in Information Technology	NA
6.	Pranvesh Tripathi	Company Secretary & Compliance Officer	10 May 2016	27.77	46	20	Company Secretary	Gabriel India Limited - Company Secretary & Legal Head
7.	Pratha Pratim Sarkar	Sr. Specialist - Technology	04 October 2004	19.23	43	21	MCA (Computers), B. Com.	CMC Limited- Senior Faculty and Software Programmer
8.	S Pradeep	Sr. Specialist - Technology	17 February 2005	19.11	37	16	Bachelor's Degree in Science	NA
9.	Vishal Gupta	Manager – Finance & Compliance	14 February 2012	19.07	42	17	Chartered Accountant	Goenka Suresh & Associates, Chartered Accountants – Audit Manager
10.	Sudipto Das	Sr. Specialist - Technology	30 June 2004	16.66	40	17	Bachelor's Degree in Science	NA

- iv) Employees employed for the part of the year and drawn remuneration during the financial year 2020-21 at a rate which in aggregate was not less than ₹ 8.50 Lakhs per month: NA

- v) The median remuneration of the employees of the Company during the financial year was ₹ 10.42 Lakhs.

- vi) In the financial year 2020-21, there was a decrease of 7.26% in the median remuneration of employees.

- vii) There were 35 permanent employees on the rolls of the Company as on 31 March 2021.

- viii) Explanation on the Relationship between average increase in remuneration and Company performance:

As compared to the Profit of the Company for the FY 2020-21 which was increased by 172.48%, the average increase in remuneration was 5.06%.

- ix) Comparison of remuneration of the KMP against the performance of the Company:

The total remuneration of KMP was increased by 2.18% compared to PAT which was increased by 172.48%.

- x) Variations in the market capitalization of the Company: The market capitalization as on 31 March 2021 was ₹ 98.03 Cr. (₹ 46.18 Cr. as on 31 March 2020)
- xi) Price Earnings ratio of the Company as at 31 March 2021 was 30.39 as against 38.70 as at 31 March 2020.
- xii) Percent increase over decrease in the market quotation of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:

Particulars	31 March 2021	12 April 2010 (Date of Listing)	% increase/ (Decrease)
Market Price (BSE)	₹ 66.85	₹ 159.35	(58.04)
Market Price (NSE)	₹ 66.55	₹ 159.10	(58.17)

- xiii) Average percentage increase made in the salaries of employees other than the KMP in the FY 2020-21 was 6.86% whereas the increase in the KMP remuneration for the same FY was 2.18%.
- xiv) There are no variable component of remuneration availed by the directors.
- xv) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable
- xvi) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company for its Directors, Key Managerial Personnel and other Employees.

For IntraSoft Technologies Ltd

Sd/-

Arvind Kajaria
Managing Director
DIN: 00106901

Sd/-

Sharad Kajaria
Whole-time Director
DIN: 00108036

ANNEXURE V

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

To

The Members

INTRASOFT TECHNOLOGIES LIMITED

502A, Prathamesh, Raghuvanshi Mills Compound

Senapati Bapat Marg, Lower Parel,

Mumbai- 400013

We have conducted online verification and examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by IntraSoft Technologies Limited (hereinafter called "the Company") and for issuing this Report. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- iii. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
- vi. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof,

on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company

- a. Software Technology Park of India;
- b. Foreign Exchange Management (Export of Goods and Services) Regulations, 2000;
- c. West Bengal Policy on Information and Communication Technology, 2012;

We have also examined compliance with the applicable clauses of the Secretarial Standards including the amended Secretarial standards issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for appointment of Independent Director of the Company on the Board of Directors of the unlisted material subsidiary pursuant to Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors

and Independent Directors. No changes in the composition of the Board of Directors took place during the financial year under report.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where the meeting called at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

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

We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH M. SHAH
PARTNER

MEM No. FCS: 5637

COP No. 2535

UDIN: F005637C000529259

Date: 28 June 2021

Place: Mumbai

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

Annexure-A

To

The Members

INTRASOFT TECHNOLOGIES LIMITED

502A, Prathamesh, Raghuvanshi Mills Compound

Senapati Bapat Marg, Lower Parel,

Mumbai- 400013

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

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

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH M. SHAH
PARTNER

Date: 28 June 2021

Place: Mumbai

MEM No. FCS: 5637

COP No. 2535

UDIN: F005637C000529259

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance

Corporate Governance in our Company is the framework by which the Company ensures transparency in all its dealings and whereby various stakeholders' interests are balanced. The Company's philosophy on Corporate Governance is to achieve business excellence by enhancing the long term welfare of all its stakeholders. Through the Governance mechanism in the Company, the Board together with its Committees undertakes its fiduciary responsibilities to all its stakeholders, including shareholders, employees, the government, lenders and society by ensuring trusteeship, transparency, accountability and equality, in all phases of its operations and decision making.

2. Board of Directors

a) Composition of the Board:

The Board has an ideal combination of Executive and Non-Executive Independent Directors, which is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31 March 2021, the Board comprises of 6 (Six) Directors of which 2 (Two) are Executive Directors representing promoters and 4 (Four) are Non-Executive Independent Directors including one Woman Independent

Director. Both the Executive Directors are liable to retire by rotation.

All the independent directors meet with the criteria as provided in the Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management of the Company. Their respective tenure is in accordance with the provisions of the Companies Act, 2013. The terms of appointment of the Independent Directors is disclosed on the website of the Company.

None of the non-executive Directors on the Board of the Company has attained the age of 75 years and is subject to re-appointment in the financial year 2021-22.

The Company has received disclosures from all the directors about their Directorship and membership on the Board & Committees of other companies. As per disclosure received from Director(s), none of the Directors hold Directorship in more than 7 (seven) listed Companies. None of the Directors holds membership in more than 10 (Ten) Committees and Chairmanship in more than 5 (Five) Committees. The composition of the Board during the year ended 31 March 2021 and other relevant details relating to Directors are given below:

Name of the Director	Designation	Category of Director-ship	Other Companies		
			Board Directorship**	Committee Membership#	Committee Chairmanship#
Mr. Arvind Kajaria DIN: 00106901	Managing Director	Promoter; Executive	-	-	-
Mr. Sharad Kajaria DIN:00108036	Whole-time Director	Promoter; Executive	-	-	-
Mrs. Savita Agarwal DIN: 00062183	Director	Non-Executive; Independent	-	-	-
Mr. Rupinder Singh DIN:02815733	Director	Non-Executive; Independent	-	-	-
Mr. Anil Agarwal DIN:00122053	Director	Non-Executive; Independent	-	-	-
Mr. Ashok Bhandari DIN: 00012210	Director	Non-Executive; Independent	9	8	-

**Directorships in Private and Foreign Companies, if any are excluded.

#Memberships/Chairmanship of only Audit Committee and Stakeholders' Relationship Committee have been considered

Directorships held by the Directors in the other Listed Entities:

Name of the Director	Designation	Directorships in other Listed Companies	Category of Directorship in Other Listed Companies
Mr. Arvind Kajaria	Managing Director	none	None
Mr. Sharad Kajaria	Whole-time Director	none	None
Mr. Rupinder Singh	Independent Director	none	None
Mr. Anil Agarwal	Independent Director	none	None
Mrs. Savita Agarwal	Independent Director	none	None
Mr. Ashok Bhandari*	Independent Director	(1) Maithan Alloys Ltd.	Independent Director
		(2) Skipper Limited.	Independent Director
		(3) IFB Industries Limited.	Independent Director
		(4) Rupa & Company Limited.	Independent Director
		(5) Maharashtra Seamless Limited.	Independent Director
		(6) N.B.I. Industrial Finance Company Limited.	Chairman

* Mr. Ashok Bhandari is not serving as a Managing Director or a Whole-time Director in any listed entity.

Declaration by the Independent Directors:

The Independent Directors have confirmed in their declaration that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have confirmed that they have registered their details in terms of Sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 in the Data Bank maintained by Indian Institute of Corporate Affairs (IICA). The Directors have passed the eligibility tests also as applicable.

None of the Independent Director resigned from the Company during the financial year under review.

Except Mr. Arvind Kajaria and Mr. Sharad Kajaria being brothers related to each other, none of the Directors have any inter-se relation among themselves.

b) Appointment/Re-appointment of Directors:

The tenure of Mr. Arvind Kajaria as Managing Director and Mr. Sharad Kajaria as Whole-time Director of the Company came to an end on 31 March 2020. The Board of Directors of the Company at its Meeting held on 30 June 2020 upon recommendation of the Nomination and Remuneration Committee and subject to the approval of the shareholders, re-appointed Mr. Arvind Kajaria as Managing Director and Mr. Sharad Kajaria as Whole-time Director of the Company for a further term of 3 (three) years with effect from 01 April 2020.

The Board has recommended re-appointment of Mr. Arvind Kajaria as Managing Director and Mr. Sharad Kajaria as Whole-time Director for the approval of the Shareholders and necessary agenda for their reappointment was included in the accompanying notice convening the Annual General Meeting of the Company.

The shareholders have also approved the Re-appointment of Mr. Arvind Kajaria as Managing Director and of Mr. Sharad Kajaria as Whole-time Director of the Company with effect from 01 April 2020, in the Annual General Meeting of the Company held on 29 October, 2020 with requisite majority.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Sharad Kajaria, Whole-time Director of the Company is liable to retire by rotation in the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The necessary details of Director seeking re-appointment at the ensuing Annual General Meeting as required under Regulation 36 of SEBI Listing Regulations, 2015 is disclosed in the Notice convening the Annual General Meeting.

c) Board Meetings and Annual General Meeting:

During the financial year 2020-21, 6 (Six) Board Meetings were held on 30 June 2020, 14 August 2020, 11 September 2020, 11 November 2020, 12 February 2021 and 26 March 2021. The previous Annual General Meeting of the Company was held on 29 October 2020. The details of attendance of Directors in Board Meetings and the previous Annual General Meeting are as follows;

Name of the Director	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Arvind Kajaria	6	Yes
Mr. Sharad Kajaria	6	No
Mrs. Savita Agarwal	6	Yes
Mr. Rupinder Singh	6	Yes
Mr. Anil Agarwal	6	No
Mr. Ashok Bhandari	6	Yes

The Board meets at least once in every quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues relating to the business. The tentative annual calendar of Board Meetings for approving the accounts for the ensuing year is given in this report.

The gap between any two meetings was not in excess of one hundred twenty days except the First meeting of the Financial Year 2020-2021 held on 30 June 2020 which was allowed to be held vide various MCA and SEBI Circulars due to the Covid-19 Pandemic lockdowns and restrictions during that period. The necessary quorum was present in all the meetings.

Agenda papers containing all necessary information/documents were made available to the Board Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. In cases where it was not practicable to attach or send the relevant information as a part of Agenda papers, the same were tabled at the Meetings with the permission of the Chairman.

The Board also reviews the compliance report of all laws applicable to the Company and also steps are taken by the Company to rectify instances of non-compliance, if any.

d) Code of Conduct:

The Board has laid down a Code of Conduct for all the Board Members and the Senior Management Personnel of the Company. The said Code is posted on the website of the Company at <http://www.itlindia.com/investor-relations/corporate-governance-report>. All the Board Members and the Senior Management personnel have affirmed compliance to the Code as on 31 March 2021. The declaration on compliance of the Company's Code of Conduct duly signed by Mr. Arvind Kajaria, Managing Director of the Company, is annexed to and forms part of this Annual Report.

e) Familiarisation Programme

The Independent Directors of the Company are made familiar with their roles, responsibilities and duties towards the Company, nature of industry in which the Company operates, business model of the Company etc. on need basis or whenever there is induction of a new director. The detail of the familiarisation programme are available on the web link at http://www.itlindia.com/docs/Familiarisation_Programme.pdf.

f) A Chart setting out the Skills/Expertize/Competence of the Board of Directors:

Skills/Expertize/Competence	Definitions of Directors Qualification	Name of the Director possessing the requisite Qualification
Financial	Leadership of a financial firm or management of the finance functions of an enterprise, resulting in proficiency in complex financial management, capital allocation, Treasury Operations, financial reporting processes, Chartered Accountant, Auditor.	Mrs Savita Agarwal, Mr. Ashok Bhandari.
Gender diversity with independent views and judgement	Representation of gender that expand the Board's understanding of the needs and viewpoints of Company's different stakeholders having an account and finance background with management and leadership qualities.	Mrs Savita Agarwal
Global Business	Experience in driving business success in different markets in the world, particularly in United States. Regulatory framework and broad perspective on global market opportunities.	Mr. Arvind Kajaria, Mr. Sharad Kajaria
Leadership, Board Services and Governance	Leadership experience of significant enterprise/organisation its operations, business expansion, strategic planning and risk management. A management professional with experience of driving business growth. Experience of Board Management and as well managing shareholders' interests.	Mr. Arvind Kajaria
Technology	A significant background in technology including internet and new technology, resulting in knowledge of general disruptive innovations in internet technology and E-commerce business. Responsible for taking new technology initiatives in the Company.	Mr. Sharad Kajaria
Sales and Marketing	Experience in developing strategies to grow sales and market, vendor relations and negotiations, contracts management, enhance business and reputation of the organisation.	Mr. Sharad Kajaria, Mr. Arvind Kajaria.
Public Relations and Brand awareness	Build brand awareness through events management, marketing programmes, media management and enhance business and reputation of the organisation. Having experience to have worked in Public Relations area.	Mr. Rupinder Singh, Mr. Arvind Kajaria.

Skills/Expertize/ Competence	Definitions of Directors Qualification	Name of the Director possessing the requisite Qualification
Capital Market Expertize	Experience of Capital markets and stock exchange operations and knowledge of regulatory framework and compliances of laws and regulations related to SEBI and capital market.	Mr. Anil Agarwal, Mr. Arvind Kajaria.
Restructuring (M&A)	Experience of leading growth through restructuring of businesses, acquisitions and other business combinations in line with Company's strategy and culture, knowledge of FEMA and RBI Laws.	Mr. Ashok Bhandari, Mr. Arvind Kajaria

3. Audit Committee

a) Constitution of Audit Committee:

As on 31 March 2021, the Audit Committee comprise of 3 (three) Non-Executive Independent Directors and Managing Director. All the members of the Audit Committee are financially literate. The Chairperson of the Committee is Mrs. Savita Agarwal, Independent Director, a member of the Institute of Chartered Accountants of India.

The Company Secretary acts as Secretary of the Committee.

b) Composition of Audit Committee and Number of Meetings Attended:

The Audit Committee of the Company is constituted as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. During the Financial Year 2019-20, 5 (five) Meetings of the Audit Committee were held on: 30 June 2020, 14 August 2020, 11 September 2020, 11 November 2020 and 12 February 2021. The composition of the Audit Committee during the year ended 31 March 2021 and the details of number of meetings attended by members of the Committee are as under:

Committee Members	Designation	No. of Meetings Attended
Mrs. Savita Agarwal	Chairperson	5
Mr. Rupinder Singh	Member	5
Mr. Anil Agarwal	Member	5
Mr. Arvind Kajaria	Member	5

c) Attendees:

Mr. Pranvesh Tripathi, Company Secretary and Mr. Mohit Kumar Jha, Chief Financial Officer were in attendance in all the 5 (five) Audit Committee Meetings held during the financial year 2020-2021. The Audit Committee invited such other executives and personnel, as it considered appropriate to be present at its meetings. The necessary quorum was present at all the Meetings.

d) The Terms of Reference of the Audit Committee:

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and it inter alia includes:

- i) To interact with the auditors periodically about internal control systems, the scope of audit including the observations of auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- ii) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- iii) Recommending to the Board, the appointment, re-appointment and, removal of the statutory auditors, fixation of their remuneration and other terms of reference of their appointment
- iv) Approve payment for any other services rendered by the statutory auditors.
- v) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;

- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any Related party transactions; and
- (g) Qualifications in the draft audit report.
- vi) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vii) Reviewing, with the management, the statement of uses/application of fund raised through an Initial Public Offer (IPO) on a quarterly basis as a part of quarterly review of financial results.
- viii) Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- ix) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- x) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xi) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xii) Approval or any subsequent modifications of transactions with the related parties.
- xiii) Scrutiny of inter-corporate loans and investments.
- xiv) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- xv) Valuation of undertakings or assets of the Company, wherever it is necessary.
- xvi) Evaluation of internal financial controls and risk management systems.
- xvii) Reviewing the functioning of whistle blower mechanism.
- xviii) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & Background etc. of the candidate
- xix) Reviewing the utilization of loans and/or advances from/investment by the Holding Company in the Subsidiary Company exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.
- xx) Carrying out such other functions as may be specifically

referred to the Committee by the Company's Board of Directors.

e) **Powers of Audit Committee:**

The Audit Committee has the following powers:

- I. To investigate any activity within its terms of reference as above.
- II. To seek information from any employee.
- III. To obtain outside legal and professional advice, if necessary.
- IV. To secure attendance of outsiders with relevant expertise, if considered necessary.

4. **Nomination and Remuneration Committee**

a) **Constitution and Composition:**

The Company has constituted Nomination and Remuneration Committee as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of four Non-Executive Independent Directors as its members. Mr. Rupinder Singh, Independent Director, Chairman of the Committee and Mr. Anil Agarwal, Mrs. Savita Agarwal and Mr. Ashok Bhandari are the members of the Committee. The Committee recommends policy relating to the appointment and remuneration for the directors, key managerial personnel and other senior level employees. The said Policy is approved by the Board and the same is placed on the Company's website at <http://www.itlindia.com/corporate.html>. During the FY 2020-2021, 1 (One) meeting was held on 30 June 2020.

Committee Members	Designation	No. of Meetings Attended
Mr. Rupinder Singh	Chairman	1
Mrs. Savita Agarwal	Member	1
Mr. Anil Agarwal	Member	1
Mr. Ashok Bhandari	Member	1

b) **Terms of reference:**

The terms of reference of the Committee inter alia includes;

- i) Identifying and selection of candidates for appointment as Directors / Independent Directors based on criteria fixed by the Committee;
- ii) Identifying potential individual for appointment as Key Managerial Personnel and to other Senior Management positions, if any;
- iii) Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration;

- iv) Formulate the criteria and Specify the manner for effective evaluation of performance of Board, its Committees, individual directors and independent directors to be carried out either by the Board, by the Nomination and Remuneration Committee, or by an Independent external agency and review its implementation and compliance.
- v) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management."
- vi) Board Diversity and criteria for the independence, positive attributes, qualifications and experience of directors

c) **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Meeting is held on 26 March 2021 to carry out annual performance evaluation of its own performance and as well as that of its Committees and individual Directors including the Independent Directors and the Chairman of the Company.

The Board evaluation covered a structural evaluation process based on the criteria formulated and the manner specified by the Nomination and Remuneration Committee of the Company. It covered various aspects of the Board and its Committees such as composition, experience & competencies, Meetings of the Board and Committees, Circulation of Agenda and the quality of Agenda, discussions and deliberations at the Board Meetings and the Committee Meetings, recording of Minutes, performance of specific duties & obligations, contributions received and active participation by the Members of the Board and respective Committees, Structure, effectiveness and Independence of the Committees.

A separate exercise was carried out by the Board to evaluate the performance of individual Directors including the Chairman and the Independent Directors based on the criteria formulated and the manner specified by the Nomination and Remuneration Committee of the Company. The evaluation carried out based on different parameters such as qualification, experience, knowledge and competency, ability to function as a team, initiative, integrity, commitment and contributions. Additionally, Independent Directors also evaluated for their Independent views and judgment. The Evaluation process carried out based on the mechanism of obtaining affirmation from the Independent Directors that they met the independence criteria and are independent of the Management, as specified in the SEBI Listing Regulations. Evaluation of the Chairperson of the Company carried out from the aspects of effectiveness of leadership and ability to steer the Meetings, impartiality and ability to keep shareholders' interests in mind etc.

During the FY 2020-2021, separate Meetings of the Independent Directors also held on 30 June 2020 and 26 March 2021.

d) **Remuneration Policy:**

- I. The Committee formulates and recommends to the Board a policy relating to the remuneration for the directors, key managerial personnel, senior management and other employees and while formulating the Policy, the Committee ensured that :
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

II. **Executive Directors/Key managerial Personnel and other senior level Employees:**

The Committee annually reviews the corporate goals and objectives applicable to the Executive Directors/ Key Managerial Personnel and other senior level employees, evaluate at least annually the Executive Directors' Key Managerial Personnel's and other senior level employees' performance in light of those goals and objectives and shall also annually review:

- (a) annual base salary,
- (b) annual incentive bonus, including the specific goals and amount,
- (c) equity compensation, if any
- (d) employment agreements, severance arrangements, and change in control agreements / provisions, and
- (e) any other benefits, compensation or arrangements, based on this evaluation.

The Committee is responsible for administering the Company's equity incentive plans, if any, including the review and grant of awards to eligible employees under the plans and the terms and conditions applicable to such awards, subject to the provisions of each plan.

Mr. Arvind Kajaria and Mr. Sharad Kajaria are Executive Directors. The remuneration of the aforesaid Executive Directors is in accordance with the recommendation of the Nomination & Remuneration Committee and approvals obtained from the Board of Directors and shareholders.

Details of remuneration paid to Executive Directors for the year ended 31 March 2021 are given below:

(₹ in Lacs)

Name of the Executive Director	Designation	Salary & Allowances (₹)	Perquisites (₹)	Total (₹)
Mr. Arvind Kajaria	Managing Director	72.00	0.11	72.11
Mr. Sharad Kajaria	Whole-time Director	67.50	0.11	67.61

The Executive Directors have not been issued any Stock Options, pension benefits etc. and they are also not entitled for performance linked incentives and severance fees.

The Company or the Executive Director can with the notice of period of three (3) months terminate the contract with the Executive Director.

III. Non-Executive Directors:

Non-Executive Directors of the Company are paid Rs. 20,000 for attending each Board Meeting and Committee Meeting. Except sitting fees no other payments have been made to the Non- Executive Directors during the financial year under review.

Details of the Sitting fees paid during the year 2020-21 for attending the Board Meetings and Committee Meetings are as under:

Name of the Non-Executive Director	Sitting Fees paid (₹ in Lacs)
Mrs. Savita Agarwal	2.80
Mr. Rupinder Singh	3.60
Mr. Anil Agarwal	3.60
Mr. Ashok Bhandari	3.40
Total	13.40

2015 read with Section 178 of the Companies Act, 2013. The Stakeholders' Relationship Committee comprises of four directors of which majority of them are Independent Directors and the Chairman of the Committee is Mr. Anil Agarwal, an Independent Director. Mr. Arvind Kajaria, Managing Director and Mr. Rupinder Singh, Mr. Ashok Bhandari, Independent Directors are the other members of the Committee. The said Committee primarily looks into various issues relating to shareholders viz. transfer and transmission of shares, non-receipt of dividend and any other grievances of the investors and take necessary steps for redressal thereof.

During the year under review, 4 (Four) meetings of Stakeholders' Relationship Committee were held on, 30 June 2020, 11 September 2020, 11 November 2020 and 12 February 2021. The composition of the Stakeholders' Relationship Committee and details of number of meeting attended by the members of the Committee are as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Anil Agarwal	Chairman	4
Mr. Rupinder Singh	Member	4
Mr. Arvind Kajaria	Member	4
Mr. Ashok Bhandari	Member	4

5. Stakeholders' Relationship Committee

a) Constitution and Composition

The Company has constituted Stakeholders' Relationship Committee as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,

- b) Mr. Pranvesh Tripathi, Company Secretary of the Company acts as the Compliance Officer of the Company.

The Company has designated the Email Id of the Compliance Officer: for investor relation, and the same is prominently displayed on the Company's website intrasoft@itlindia.com

- c) The details of complaints received, complaints resolved during the year 2020-21 and pending as at the end of the year is as follows:

Nature of Requests/ Grievances/ Complaints	Opening Balance as on 1 April 2020	Received during the year	Resolved during the year	Closing Balance as on 31 March 2021
Transfer/Transmission/ Dividend	0	0	0	0
Total				0

d) Terms of Reference:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

6. Corporate Social Responsibility Committee

a) Constitution and Composition

The composition of Corporate Social Responsibility Committee is as per the provisions of the Companies Act, 2013 and rules made thereunder as further amended. The CSR Committee formed by the Company formulates the policy and recommends to the Board to undertake various activities mentioned under Schedule VII of the Companies Act, 2013. However, the Company was not required to spend any amount towards CSR activities, no meeting of the Corporate Social Responsibility Committee was held during the financial year 2020-21. The composition of the Corporate Social Responsibility Committee is as under:

Name of Director	Designation	No. of Meeting Attended
Mr. Arvind Kajaria	Chairman	—
Mr. Rupinder Singh	Member	—
Mr. Anil Agarwal	Member	—
Mr. Ashok Bhandari	Member	—

b) Terms of Reference:

- i) To frame CSR policy and review it from time to time.

- ii) To ensure implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- iii) To ensure the compliance with the laws, rules & regulations governing the CSR.
- iv) To monitor the amount spent under CSR.

7. Business Advisory Committee

a) Constitution and Composition

The Board has constituted a Business Advisory Committee with Mr. Arvind Kajaria, Managing Director of the Company, as its Chairman and Mr. Ashok Bhandari, Independent Director as the member of the Committee to look after and facilitate day to day business related decisions and also to monitor and guide the matters in between the two Board Meetings which are required to be reported to the Board. During the FY 2020-21, 4 (Four) meetings were held. I.e. on 30 June 2020, 11 September 2020, 11 November 2020 and 12 February 2021. The Constitution of the Business Advisory Committee is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Arvind Kajaria	Chairman	4
Mr. Ashok Bhandari	Member	4

b) Terms of reference:

The terms of reference for the Business Advisory Committee is as follows:

- I. To advise on Business matters of the Company
- II. To guide the management on fortnightly/monthly basis business decisions and concerned matters.
- III. To foresee monthly budgets and updates.
- IV. To foresee treasury related issues on fortnightly/ monthly basis.

8. Independent Directors' Meeting

During the FY 2020-2021, Two (2) separate Meetings of the Independent Directors, were held on 30 June 2020 and 26 March 2021.

8. General Body Meetings

- i) Location, time and date of Annual General Meetings (AGM) of the Company held during previous 3 years, are given below:

Financial Year	Date	Time	Location of the Meeting
2017-18	12 September 2018	3.00 P.M.	Orchid Room, Sunville, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018
2018-19	10 September 2019	3.00 P.M.	Orchid Room, Sunville, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018
2019-20	29 October 2020	3.00 P.M.	The Meeting was held in Video Conferencing (VC) /Other Audio Visual Means (OAVM) Mode

- ii) Details of Special Resolutions approved in the Annual General Meetings held during previous 3 years are as under:

Financial Year	Particulars of Special Resolution Passed
2017-18	No Special Resolution
2018-19	<ol style="list-style-type: none"> 1. Re-appointment of Mrs. Savita Agarwal as Woman Independent Director for 2nd consecutive term of 5 years w.e.f. 29 June 2019. 2. Re-appointment of Mr. Rupinder Singh as Independent Director for 2nd consecutive term of 5 years w.e.f. 28 August 2019. 3. Re-appointment of Mr. Anil Agarwal as Independent Director for 2nd consecutive term of 5 years w.e.f. 28 August 2019.
2019-20	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Arvind Kajaria as Managing Director w.e.f. 1 April 2020; and 2. Re-appointment of Mr. Sharad Kajaria as Whole-time Director of the Company w.e.f. 1 April 2020.

iii) **Resolutions through Postal Ballot:**

During the financial year 2020-21 no resolutions were passed by way of Postal Ballot process in terms of the provisions of Section 108, 110 and other applicable provisions, if any of the Companies Act, 2013 read with rules made thereunder.

9. Other Disclosures

a. **Related Party transactions:**

All the transactions entered into during the financial year ended 31 March 2021 with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were in the ordinary course of business and on arm's length pricing basis. All the Related Party Contracts were entered into with its Wholly Owned Subsidiaries. The details in respect of transactions entered into with related parties are included in the Notes to financial statements of the Annual Report. There were no materially significant transactions with related parties during the financial year ended 31 March 2021 that may have potential conflict with the interests of the Company.

Policy on Related party transaction is reviewed by the Board of Directors at least once in every three (3) years. The Board of Directors of the Company at their meeting held in the financial year 2018-19 on 30 March 2019, reviewed and approved the amendments in the Company's "Related Party Transaction Policy" in terms of the Companies Amendment Act, 2017 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The amended Related Party Transaction Policy as approved by the Board is available on Company's website http://www.itlindia.com/docs/Policy_on_Related_Party_Transactions.pdf.

The Board, in the same meeting, also approved a policy for determining material subsidiaries which is available on the Company's website http://www.itlindia.com/docs/Policy_on_Material_Subsidiaries.pdf

b. **Whistle Blower Policy / Vigil Mechanism:**

The Board of Directors of the Company has pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 framed a "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of genuine concerns under any of the Acts, Laws and Regulations as applicable to the Company. The details of Vigil Mechanism framework is posted on the website of the Company.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is available on the Company's website <http://www.itlindia.com/corporate.html>

c. **Shareholdings of the Non-Executive Directors as on 31 March 2021 is as under;**

None of the non- executive directors hold any shares of the Company.

- The Company has complied with the requirements of Regulatory Authorities on Capital Markets and no strictures or penalties were imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority during the last three years.
- The Company has complied with all the mandatory requirements under Part A of Schedule II of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereto pertaining to Corporate Governance compliances.
- The Company has complied, wherever applicable, with the corporate governance requirements specified in Regulations 17 to 27 and clauses (a) to (z) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 except the requirement of Regulation 24 (1) in respect to the appointment of an Independent Director on the Board of the material Subsidiary, i.e. 123Stores, Inc.

- g. Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risks and commodity hedging activities are not applicable.
- h. During the FY 2020-21, no complaints were filed and disposed of and no complaints were pending as on the end of the financial year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.
- i. A Certificate from M/s. Rathi & Associates, Company Secretaries, is annexed to the report certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- j. During the financial year 2020-21, no such recommendations of any Committees of the Board were made, which was mandatorily required and which had not been accepted by the Board of the Company.
- k. During the financial year 2020-21, the Company paid a total fees amounting to ₹ 19.10 to the Statutory Auditors (i) M/S. Walker Chandio & Co. LLP, the Statutory Auditors (up to 11 September 2020) and; (ii) M/S. Singhi & Co., Chartered Accountants, Statutory Auditors (appointed w.e.f. 11 September 2020) for all services rendered to the Company and its Subsidiaries, on a consolidated basis,
- l. During the financial year 2020-21, the Company had not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR).

10. Discretionary Requirements under Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The status of compliance with discretionary recommendations prescribed in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- A. **Shareholders' Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- B. **Statement on Impact of Audit Qualifications in Auditors Report/ Modified opinion(s):** The Company's financial statement for the year 2020-2021 does not contain any Audit qualifications or a modified audit opinion.

11. Means of Communication:

- (i) The quarterly results of the Company are published in English newspaper-"The MINT " having nationwide circulation and "SAMNA" regional language (Marathi) newspaper. The quarterly results are submitted to the BSE Limited and the National Stock Exchange of India Limited immediately after the conclusion of the Board Meeting. The Company also displays all financial results and other information as required on its website www.itlindia.com. Also, as and when the Company publishes a press release; the stock exchanges are intimated accordingly.
- (ii) No presentations were made to institutional investors or to the analysts during the financial year 2020-21.
- (iii) The Management Discussion and Analysis Report pursuant to SEBI Listing Regulations is attached and forms part of this Annual Report.

12. General Shareholder Information

i. Annual General Meeting:

Day, Date and Time: Tuesday, 28 September 2021 at 3:00 P.M.

The AGM will be held through VC/OAVM mode and physical attendance of the members is dispensed with. For details the Notice of the AGM is to be referred.

ii. Financial Calendar:

The Company follows April-March as its financial year.

Reporting for Un-audited / Audited Financial Results for the quarter ended:

30 June 2021	: By 14 August 2021
30 September 2021	: By 14 November 2021
31 December 2021	: By 14 February 2022
31 March 2022	: By 30 May 2022

AGM for the year ending

31 March 2022	: By 30 September 2022
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iii. Book Closure:

22 September 2021 to 28 September 2021. (both days inclusive)

- iv. The Payment date of dividend for the year 2020 -2021, if declared at the meeting will be on or after 29 September 2021 but latest by 27 October 2021.

v. Listing on Stock Exchanges:

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.	"Exchange Plaza", C - 1, G - Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051.

Note: Annual Listing fees for the year 2021-22 has been paid to both the Stock Exchanges as aforementioned.

vi. *Stock Code/Symbol:*

BSE - 533181 **NSE** - ISFT

vii. *Market Price Data:*

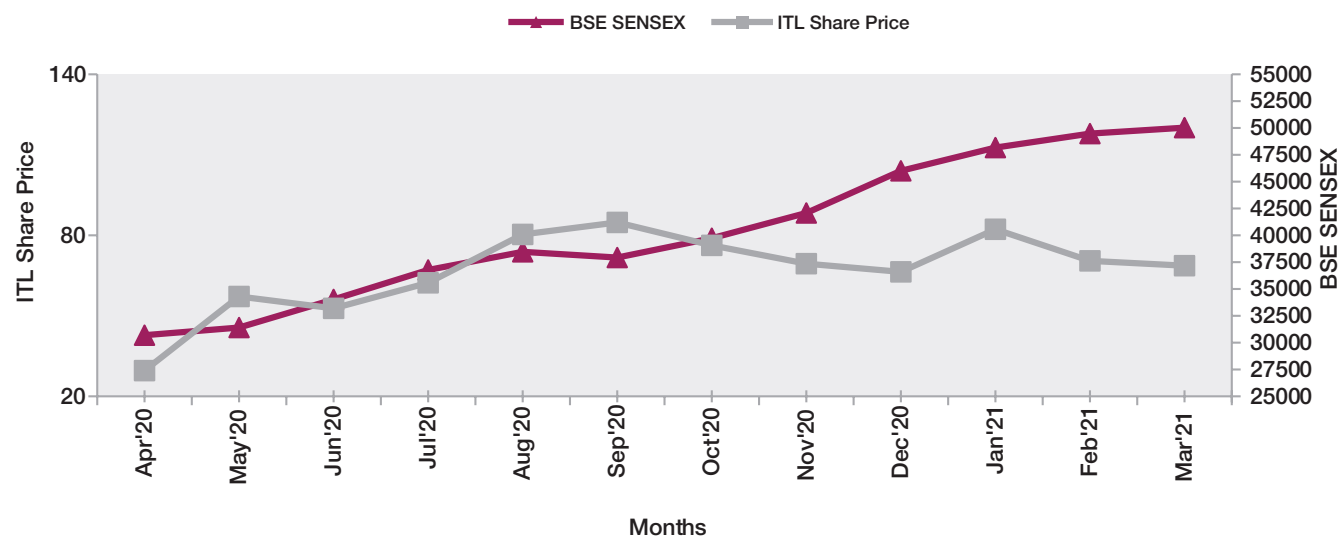
Monthly High and Low of the closing price and trading volume on BSE/ NSE depicting liquidity of the Company's Equity Shares on the said Exchanges is given herewith:

(₹)

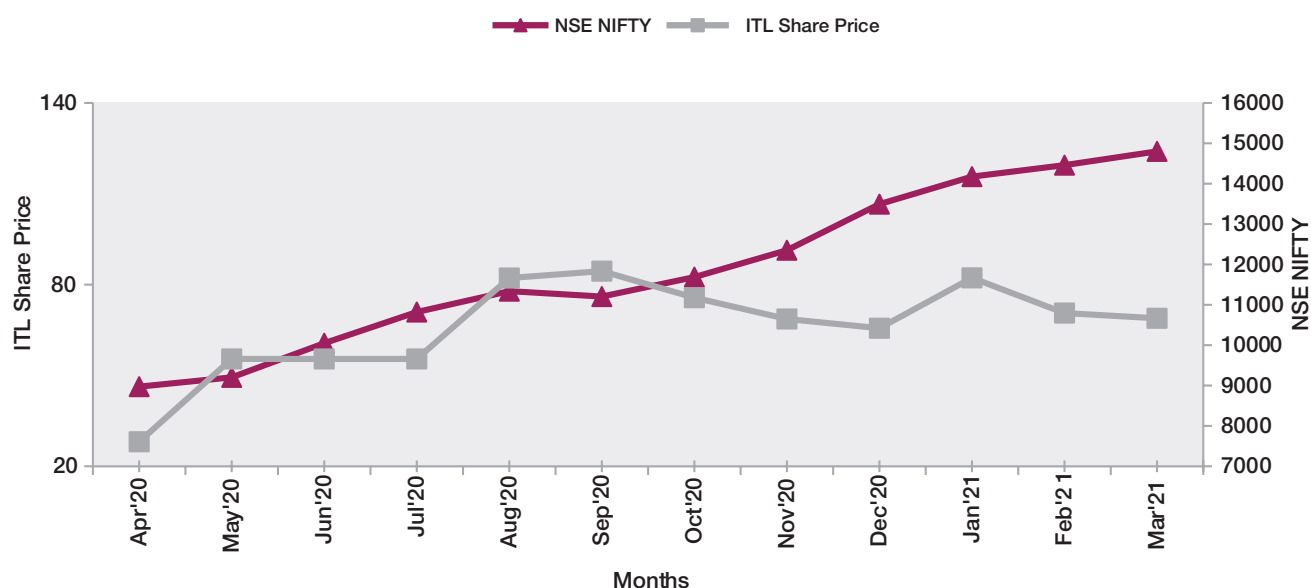
Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
Apr-20	37.10	22.05	31857	35.60	20.60	42390
May-20	75.45	38.95	106746	73.55	37.35	118885
Jun-20	61.75	43.80	46062	73.55	37.35	118885
Jul-20	73.90	50.70	36968	73.55	37.35	118885
Aug-20	100.45	60.20	71650	101.35	63.00	93381
Sep-20	95.00	74.60	39448	93.90	75.00	101277
Oct-20	84.50	68.00	16503	85.25	66.10	95959
Nov-20	78.75	60.10	38513	77.00	60.30	188434
Dec-20	73.40	59.35	75833	71.70	59.50	333954
Jan-21	96.50	68.00	92104	96.85	67.60	382878
Feb-21	77.95	63.00	39062	78.60	62.60	300381
Mar-21	74.25	63.10	117117	75.55	62.20	515018

viii. *Performance of the share price of the Company in comparison to the BSE SENSEX and NSE NIFTY are as under:*

Monthly Average Share Price / BSE SENSEX



Monthly Average Share Price / NSE NIFTY



*ITL represents IntraSoft Technologies Limited

- ix. The Company has only Equity Shares listed on the Stock Exchanges and they were not suspended from trading by the Stock Exchanges during the year

x. Share Transfer System:

Transfer of shares held in demat form is done through the depositories without any involvement of the Company. As regards shares received for physical transfer, those are processed and registered within a period of 15 days from the date of receipt, if the documents comply with all necessary requirements and are in order and are received up to 31 March 2019. Summary of transactions so approved by the

committee is placed at the Board Meeting. The Company obtains a half-yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of SEBI Listing Regulations, 2015 and the same is filed with the Stock Exchanges. In terms of requirements to amendments to Regulation 40 of SEBI Listing Regulations, 2015 w.e.f. 01 April 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed unless the securities are held in the dematerialized form with a depository.

xi. Category wise Shareholding as at 31 March 2021:

Sr. No.	Category	No. of Shares held	% of Total Shares
1.	Promoter and Promoter Group	7024297	47.68
2.	Financial Institutions (NBFCs Registered with RBI)	25300	0.17
3.	Insurance Companies	114	0.00
4.	Investor Education and Protection Fund (IEPF Authority)	8538	0.05
5.	Foreign Portfolio Investors	1963764	13.33
6.	Bodies Corporate	1377307	9.36
7.	Clearing Members	44189	0.30
8.	NRIs/NRNs	146916	1.00
9.	Others	4141253	28.11
	Total	14731678	100.00

xii. Distribution of Shareholding as at 31 March 2021:

No. of Shares	No. of Shareholders	% of Total Shareholders	Shares Held	% of Total Shares
1 - 500	6627	88.07	580957	3.94
501 - 1000	343	4.55	265903	1.80
1001 - 5000	402	5.34	911395	6.19
5001 - 10000	60	0.80	444839	3.02
10001 and above	93	1.24	12528584	85.05
TOTAL	7525	100.00	14731678	100.00

xiii. Dematerialization of Shares and Liquidity:

The Company's shares are traded in dematerialized form. The equity shares of the Company are traded at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Equity Shares of the Company representing 99.86 % of the Company's share capital are under demat mode as on 31 March 2021. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE566K01011**.

xiv. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company has neither issued any such instruments nor are they outstanding during the financial year 2020-21.

xv. Disclosure of Demat Suspense Account / Unclaimed Suspense Account and Undelivered Share Certificates as per Schedule VI of the Listing Regulations

The Company does not have any Demat Suspense Account/ Unclaimed Suspense Account. The Company or the Registrar does not hold any undelivered share certificates.

xvi. Secretarial Audit for Reconciliation of Capital

M/s. Rathi & Associates, Company Secretaries, carried out Secretarial Audit to reconcile the total admitted capital with the two depositories namely NSDL and CDSL and in physical form against the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the aggregate of total number of shares in physical form and the total number of shares in dematerialized form held with the two depositories namely NSDL and CDSL.

xvii. List of credit ratings obtained by the Entity along with any revisions thereto during the financial year 2020-21.

During the financial year 2020-21, there have been no revisions in Credit Rating obtained by the Company.

xviii. Unclaimed Dividend:

The members are informed that pursuant to provision of Section 124 & 125 of the Companies Act, 2013, the dividend declared by the Company from time to time and which remains unclaimed for a period of seven years, shall be transferred by the Company to Investor Education & Protection Fund (IEPF) established by the Central Government under the provisions of the said sections.

Pursuant to Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded list of shareholders whose dividend are unpaid / unclaimed as on last Annual General Meeting, on its website. Members who have not claimed the dividend are requested to lodge their claim with the Company or the Registrar of the Company, as no claim shall be entertained for the unclaimed dividend after transfer of the said unpaid / unclaimed dividend to IEPF.

xix. Details of unclaimed shares and shares on which Dividend is unpaid/unclaimed for seven (7) consecutive years.

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 the Company has transferred 2682 shares during the financial year 2020-21 of the shareholders on whose shares dividend was unclaimed/ unpaid for a period of seven (7) consecutive years from the year of its declaration in financial year 2012-13 to IEPF Authority's Account. Company had earlier transferred 895

shares to IEPF Authority in financial year 2019-20, 582 equity shares to IEPF Authority in the financial year 2018-19 and 4379 equity shares in the financial year 2017-18.

As on end of the Financial Year 31 March 2021 there are 8538 equity shares are lying with IEPF Authority Account and there are no shareholders whose share certificates are lying in physical form with our Registrar.

i. Registrar and Share Transfer Agents:

Link Intime India Private Limited

C-101, '247 Park',

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083

Tel.: 022-49186270

Fax: 022-49186060

ii. Plant Locations:

The Company is not engaged in the manufacturing activities and hence does not have any Plant.

iii. Address for Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of

address, non-receipt of dividend or any other query relating to shares:

Link Intime India Private Limited

C-101, '247 Park',

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083

Tel.: 022-49186270

Fax: 022-49186060

Email: rnt.helpdesk@linkintime.co.in

For general correspondence:

IntraSoft Technologies Limited

A-502, Prathamesh,

Raghuvanshi Mills Compound,

Senapati Bapat Marg,

Lower Parel, Mumbai – 400 013

Tel No. 022-24912123

Fax No. 022- 24903123

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

INTRASOFT TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Intrasoft Technologies Limited ('the Company') based on the documents provided by the Company to us online, due to Covid-19 and subsequent lockdown situation, for issue of the certificate for the year ended 31 March 2021, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

Sd/-
JAYESH M. SHAH

PARTNER

CP No. 2535

UDIN.F005637C000527576

Place: Mumbai

Date: 28 June 2021

CODE OF CONDUCT DECLARATION

Pursuant to Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Company has obtained affirmative compliance with the Code of Conduct from all the Board Members and Senior Management Personnel of the Company.

Sd/-

Arvind Kajaria

Managing Director

DIN: 00106901

Place: Kolkata

Date: 28 June 2021

Independent Auditor's Report

To

The Members of

Intrasoft Technologies Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **INTRASOFT TECHNOLOGIES LIMITED ('the Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in equity for the year then ended, the notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information (herein referred to as the "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as

specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of Minimum Alternate Tax (MAT) Credit: (as described in Note 27(e) to the consolidated financial statements)</p> <p>As at 31 March 2021, the Company has recognised Minimum Alternate Tax (MAT) credit amounting to Rs 1,863.52 Lacs, within deferred tax assets. On that date, the Company also has unabsorbed depreciation amounting to Rs 495.32 Lacs.</p> <p>The recognition of a deferred tax asset in the form of MAT credit is based on management's estimate of taxable and accounting profits in future, which are underpinned by the Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgements, including the timing of reversals of unabsorbed business losses and depreciation.</p> <p>Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgement involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter.</p>	<p>Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following:</p> <ul style="list-style-type: none"> ➤ Obtained and updated understanding of the management's process of computation of future accounting and taxable profits of the Company, and expected utilization of available MAT credit within specified time period as per provision of the IT Act. ➤ Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end. ➤ Reconciled the business results projections to the future business plans approved by the Company's board of directors; ➤ Evaluated the management's assessment of underlying assumptions used for the business results projections including implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business. Tested such growth rates used in the forecast by comparing them to past trends and to economic and industry forecasts, where appropriate; ➤ Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and unabsorbed business losses and utilisation of MAT credit; ➤ Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act; ➤ Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations; ➤ Tested the mathematical accuracy of management's projections and tax computations; ➤ Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act; ➤ Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the financial statements in accordance with the applicable accounting standards.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information etc., but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibilities of Management and those charged with Governance

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements / financial information of one subsidiary and one step down subsidiary whose financial statements / financial information reflects total assets of Rs. 735.31 lacs and net assets of Rs. 496.52 lacs as at March 31, 2021 and total revenue of Rs. 931.23 Lacs, total net profit and

loss after tax of Rs. 17.34 Lacs, total comprehensive income of Rs. 15.23 Lacs for the year ended March 31, 2021 and net cash outflows amounting to Rs. 17.68 Lacs for the year then ended, respectively which have been audited and furnished to us by the independent auditors. Our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 10 above.

The financial statements of two subsidiaries and one step down subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 18,141.61 Lacs and net assets of Rs. 5385.46 Lacs as at March 31, 2021, total revenue of Rs 61,311.40 Lacs, net profit of Rs. 472.03 Lacs, total comprehensive income of Rs. 465.09 Lacs for the year ended March 31, 2021 and net cash outflows amounting to Rs. 972.79 Lacs for the year then ended, have been prepared in accordance with accounting principles generally accepted in its country and have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Company's Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of other auditors and financial statements certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 of the aforesaid consolidated financial statements.
 - b. In our opinion proper books of account as required by law relating to the aforesaid consolidated financial statements have been kept so far as it appears from examination of those books and reports of other Auditors;
 - c. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for

the purpose of the preparation of the consolidated financial statements;

- d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Indian Accounting standard of the Companies (Accounts) Rules, 2015 (as amended);
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2021 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its Subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31st March 2021 from being appointed as a director of that company in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting with reference to the consolidated financial statement of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A', and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other matter" paragraph:

- i. The Consolidated Financial Statements has disclosed the impact of pending litigation on its Consolidated financial position in its financial statement. Refer **Note 29** to the Consolidated financial statements;
- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, during the year ended 31 March 2021.

For **Singhi & Co.**

Chartered Accountants

Firm's Registration No. 302049E

(Rahul Bothra)

Partner

Place: Kolkata

Date : June 28, 2021

Membership No. 067330

UDIN: 21067330AAAAAW9983

Annexure “A” to the Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **INTRASOFT TECHNOLOGIES LIMITED (“the Holding Company”)** and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) as on 31st March 2021 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (“ICAI”). 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the 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 holding Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to financial statements includes 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion and to the best of the information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control 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.

Other Matter

We did not audit the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies covered under the Act, whose financial statements/financial information reflect total assets of Rs 735.31 Lacs and net assets of Rs 496.52 Lacs as at (date of Balance sheet), total revenues of RS 931.23 Lacs and net cash outflow amounting to Rs 17.68 Lacs for the year ended on that date, as considered in the consolidated financial

statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Singhi & Co.**

Chartered Accountants

Firm's Registration No. 302049E

(Rahul Bothra)

Partner

Place: Kolkata

Date : June 28, 2021

Membership No. 067330

UDIN: 21067330AAAAAW9983

Consolidated Balance Sheet as at 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	1,523.25	1,646.42
Right of use assets	3 (b)	0.53	1,180.32
Other intangible assets	3 (c)	8.19	15.76
Other intangible assets under development	3 (d)	6,125.07	2,113.92
Financial assets			
(i) Investments	4(a)	433.44	673.37
(ii) Loans	5(a)	3.47	5.25
Deferred tax assets (net)	27(e)	1,932.77	2,012.19
Income tax assets (net)	27(d)	39.45	52.91
Other non-current assets	6(a)	71.79	230.23
Total non-current assets		10,137.96	7,930.37
Current assets			
Inventories	7	9,892.10	12,278.49
Financial assets:			
(i) Investments	4(b)	6,756.23	6,384.67
(ii) Trade receivables	8	196.13	267.51
(iii) Cash and cash equivalents	9(a)	1,033.39	1,769.15
(iv) Other bank balances	9(b)	57.51	116.15
(v) Loans	5(b)	-	2.57
Current tax assets (net)	27(d)	-	13.58
Other current assets	6(b)	263.73	352.82
Total current assets		18,199.09	21,184.94
Total Assets		28,337.05	29,115.31
Equity and Liabilities			
Equity			
Equity share capital	10	1,473.17	1,473.17
Other equity	11	13,872.72	13,316.18
Total equity		15,345.89	14,789.35
Liabilities			
Non-current liabilities			
Financial liabilities:			
(i) Borrowings	12	9,804.02	9,711.69
(ii) Lease liability	13(a)	-	1,002.36
(iii) Other financial liabilities	15(a)	2.01	2.01
Provisions	16(a)	134.47	130.97
Deferred tax liabilities (net)	27(f)	92.55	116.04
Other non-current liabilities	17(a)	99.50	101.48
Total non-current liabilities		10,132.55	11,064.55
Current liabilities			
Financial liabilities			
(i) Trade payables			
Due to micro and small enterprises	14	-	-
Due to others	14	2,161.01	1,850.13
(ii) Lease liability	13(b)	0.63	232.16
(iii) Other financial liabilities	15(b)	228.19	367.12
Provisions	16(b)	6.18	4.40
Current tax Liabilities (net)	27(d)	17.81	2.33
Other current liabilities	17(b)	444.79	805.27
Total current liabilities		2,858.61	3,261.41
Total liabilities		12,991.16	14,325.96
Total Equity and Liabilities		28,337.05	29,115.31

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of
IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Revenues			
Revenue from operations	18	61,313.38	59,067.54
Other income	19	635.16	485.42
Total income		61,948.54	59,552.96
Expenses			
Cost of goods sold	20	42,507.25	43,643.37
Shipping and handling expenses	21	7,234.64	5,255.92
Sales and marketing expenses	22	7,860.08	6,637.98
Employee benefits expense	23	1,677.32	1,566.92
Finance costs	24	325.14	553.87
Depreciation and amortisation expense	25	281.65	409.43
Other expenses	26	1,194.51	1,272.24
Total expenses		61,080.59	59,339.73
Profit before tax		867.95	213.23
Tax expense:			
Current tax	27	67.33	39.28
Deferred tax	27	27.75	(36.74)
Prior year taxes	27	(61.40)	(0.18)
Total tax expense		33.68	2.36
Profit for the year		834.27	210.87
Other comprehensive income:			
(a) Items that will not be reclassified subsequently to profit or loss:			
- Remeasurements of post-employment benefit obligations		0.07	(10.73)
- Tax relating to these items		(0.07)	2.97
(b) Items to be reclassified to profit or loss in:			
- Fair value changes on investment in debt instruments through OCI		21.68	3.91
- Exchange differences on translation of financial statements of foreign operations		(146.09)	367.69
- Tax relating to these items		(6.03)	(1.09)
Total other comprehensive income for the year		(130.44)	362.75
Total comprehensive income for the year		703.83	573.62
Earnings per equity share:			
Basic and diluted earnings per share (₹)	28	5.66	1.43

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Consolidated Statement of Cash flows for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	867.95	213.23
Adjustments for:		
Depreciation and amortisation expense	281.65	409.43
Loss on sale of property, plant and equipment	10.60	0.26
Impairment of non convertible debenture	5.00	-
Dividend income	(28.87)	-
Net gain on sale of investments measured at FVTPL	(429.33)	(226.94)
Net gain arising on remeasurement of investments measured at FVTPL	-	(108.42)
Net gain on lease modification	(57.19)	-
Foreign exchange loss (net)	15.19	10.69
Finance costs	325.14	553.87
Interest income	(105.07)	(137.04)
Operating profit before working capital changes	885.07	715.08
Adjustments for working capital changes:		
Decrease in trade receivables	56.19	882.45
Decrease/(increase) in inventories	2,386.39	(2,370.85)
Decrease in loans	4.35	70.89
Decrease in financial assets	-	0.27
Decrease in other assets	239.84	335.03
Increase in provisions	5.35	32.96
Decrease in financial liabilities	(138.50)	(129.16)
Decrease in other liabilities	(362.46)	(214.81)
Increase/(decrease) in trade payables	310.88	(547.74)
Cash generated from/(used in) operating activities	3,387.11	(1,225.88)
Income tax paid (net of refunds)	48.76	(53.33)
Net cash generated from/(used in) operating activities (A)	3,435.87	(1,279.21)
B. Cash flow from investing activities:		
Purchase of investments	(3,843.65)	(8,123.56)
Sale of investments	4,163.03	8,808.57
Purchase of property, plant and equipment	(35.60)	(167.57)
Purchase of other intangible assets	(4,079.56)	(728.15)
Proceeds from sale of property, plant and equipment	73.93	2.21
Decrease/(increase) in other bank balances	59.99	(11.14)
Interest received	105.07	137.04
Dividend received	28.87	-
Investment in/(maturity of) fixed deposits (net)	(1.35)	23.09
Net cash used in investing activities (B)	(3,529.27)	(59.51)
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	92.33	2,774.06
Dividend paid (including taxes thereon)	(147.72)	(356.42)
Repayment of lease liabilities (net)	(152.07)	(280.05)
Interest and finance costs	(288.81)	(471.16)
Net cash generated from/(used in) financing activities (C)	(496.27)	1,666.43
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(589.67)	327.71
Cash and cash equivalents at the beginning of the year [Refer note 9(a)]	1,769.15	1,073.75
Effect of currency translation on cash and cash equivalents	(146.09)	367.69
Cash and cash equivalents at the end of the year [Refer note 9(a)]	1,033.39	1,769.15

Statement of Cash flows for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Components of cash and cash equivalents:		
Cash on hand	0.50	0.27
Balances with banks	1,032.89	1,768.88
	1,033.39	1,769.15

Notes:

- (i) The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".
- (ii) Reconciliation of long term borrowings:

Particulars	Balance as at 31 March 2021	Balance as at 31 March 2020
Long term borrowings:		
- Opening balance	9,711.69	6,937.63
- Received during the year	92.33	2,774.06
- Repayment made during the year	-	-
	9,804.02	9,711.69
Long term borrowings at the end of the year	9,804.02	9,711.69

- (iii) Reconciliation of lease liability:

Particulars	As at 31st March 2020	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities reversed on termination	Effect due to Foreign exchange translation	As at 31st March 2021
Lease Liability	1,234.52	(152.07)	38.77	(1,094.68)	(25.91)	0.63

Particulars	As at 1st April 2019	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities reversed on termination	Effect due to Foreign exchange translation	As at 31st March 2020
Lease Liability	1,325.92	(280.05)	82.71	-	105.94	1,234.52

This is the consolidated Statement of Cash Flows referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of
IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	1,473.17	1,473.17
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,473.17	1,473.17

B. Other equity

Particulars	Reserves and Surplus					Other comprehensive income (OCI)	Total
	Securities premium	General reserve	Capital reserve	Retained earnings	Foreign currency translation difference	Debt instruments through OCI	
As at 1 April 2019	5,527.11	169.15	96.14	7,056.83	257.61	(9.90)	13,096.94
Profit for the year	-	-	-	210.87	-	-	210.87
Foreign currency translation difference for the year	-	-	-	-	367.69	-	367.69
Items of other comprehensive income, net of tax:							
Remeasurements benefit of post-employment benefit obligations	-	-	-	(7.76)	-	-	(7.76)
Net gain in debt instruments through other comprehensive income	-	-	-	-	-	2.82	2.82
Dividends paid (including dividend tax)	-	-	-	(354.38)	-	-	(354.38)
As at 31 March 2020	5,527.11	169.15	96.14	6,905.56	625.30	(7.08)	13,316.18
Changes in equity for the year ended 31 March 2021							
Profit for the year	-	-	-	834.27	-	-	834.27
Foreign currency translation difference for the year	-	-	-	-	(146.09)	-	(146.09)
Items of other comprehensive income, net of tax:							
Remeasurements benefit of post-employment benefit obligations	-	-	-	-	-	-	-
Net gain in debt instruments through other comprehensive income	-	-	-	-	-	15.65	15.65
Dividends paid	-	-	-	(147.29)	-	-	(147.29)
Balance as at 31 March 2021	5,527.11	169.15	96.14	7,592.54	479.21	8.57	13,872.72

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

1 Group's information

IntraSoft Technologies Limited ("the Parent Company") is a public limited company domiciled in India and registered under the provisions of the Companies Act, 1956. The Parent Company is listed on Bombay Stock Exchange and National Stock Exchange of India Limited.

The consolidated financial statements relate to IntraSoft Technologies Limited and its subsidiaries (collectively referred as "the Group") as per details given below:

Name of the subsidiary or step-down subsidiary	Country of incorporation	% holding as on 31 March 2021
Intrasoft Ventures Pte. Limited	Singapore	100%
123Greetings.com, Inc.	United States of America	100%
One Two Three Greetings (India) Private Limited	India	100%
123Stores, Inc.	United States of America	100%
123Stores E Commerce Private Limited	India	100%

The Group is primarily engaged in the business of providing a multi-channel e-commerce retail platform, with a strong technology backbone that primarily serves the US market.

The consolidated financial statements of the Group for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 28 June 2021.

(a) General information and statement of compliance with Indian Accounting Standards

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(i) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries. Control is achieved when the Group has:

- Power over the investee;
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over the investee to affects its return.

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

The consolidated financial statements have been prepared on accrual and going concern basis. They are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

(ii) Consolidation procedure

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances and intra group transactions have been eliminated.

Offset (eliminate) the carrying amount of the Parent Company's investment in each subsidiary and the Parent's portion of equity of each subsidiary.

Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

The translation of financial statements of the foreign subsidiaries from the local currency to the functional currency of the Parent is performed for the Balance Sheet items using the exchange rate in effect at the Balance Sheet date and for revenue, expenses items using a weighted average exchange rate for the respective periods and the resulting difference is presented as foreign currency translation reserve included in "Other Equity".

The financial statements of the subsidiaries have been incorporated in the consolidated financial statements of the Group based on audited financial statements as drawn up in accordance with the generally accepted accounting principles of the respective countries ("the local GAAP") and have been audited by other auditors duly qualified to act as auditors in those countries and the conversion adjustments prepared by the management.

(iii) Use of estimates

a) The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

b) Critical accounting estimates

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Income taxes

The Group's two major tax jurisdiction are India and the U.S., though the Group also files tax returns in other jurisdictions. Significant judgements are involved in determining the provision for income taxes including amounts expected to be paid or recovered for uncertain tax positions. Refer note 28.

Useful lives of depreciable or amortisable assets

Management reviews its estimate of the useful lives of depreciable or amortisable assets at each reporting date, based its expected utility of those assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Measurement of defined benefit obligation (DBO)

The costs of providing post-employment benefits are charged to the consolidated Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 24.

Fair value measurements

When the fair value of financial assets and financial liabilities recorded in the consolidated 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, which involve various judgements and assumptions. Refer note 33 for details.

Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(iv) Recent Pronouncements

- A** Recent pronouncements On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.
- B** The Ministry of Corporate Affairs (MCA) vide Notification dated 18 June 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021 in consultation with the National Financial Reporting Authority (NFRA). The notification states that these rules shall be applicable with immediate effect from the date of the notification. Consequently amendments are effective for the financial year ended 31 March 2022.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Major amendments notified in the Companies (Ind AS) Amendment Rules, 2021 are provided below:-

- Ind AS 116 - Leases – The amendments extend the benefits of the COVID 19 related rent concession that were introduced last year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30 June 2021 to 30 June 2022.
- Ind AS 109 - Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform along. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.
- Ind AS 101 - Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph BI as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.
- Ind AS 102 - Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1 April 2021.
- Ind AS 103 -Business Combinations – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- Ind AS 104 -Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- Ind AS 105 -Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of - "fair value less costs to sell" with "fair value less costs of disposal"
- Ind AS 106 - Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- Ind AS 107 - Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like :
 - (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;
 - (ii) the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- Ind AS 111 -Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- Ind AS 114 - Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- Ind AS 115 -- Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word 'Framework' with the 'Conceptual Framework of Financial Reporting in Ind AS', respective changes have been made in the standard.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

- Ind AS 16 - Property, Plant and Equipment –The amendment has been made by substituting the words “Recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use” with “Recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use”.
- Ind AS 34 - Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term ‘Liability’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- Ind AS 38 - Intangible Assets – The amendment substitutes the definition of the term ‘Asset’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

2 Summary of significant accounting policies

The consolidated financial statements have been prepared using the accounting policies and measurement basis summarized below:

(a) Overall considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases that are in effect at 31 March 2021, as summarised below.

(b) Current versus non-current classification

The Group presents all its assets and liabilities in the consolidated Balance Sheet based on current or non-current classification.

An asset is classified as current when:

- it is expected to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it is held the asset primarily for the purpose of trading;
- it is expected to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of the assets and liabilities.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(c) Foreign currency transactions and translations

Functional currency

The functional currency of IntraSoft Technologies Limited, One Two Three Greetings (India) Private Limited and 123Stores E Commerce Private Limited is Indian Rupees ('INR'). The functional currencies of 123Stores, Inc., IntraSoft Ventures Pte. Limited and 123Greetings.com, Inc. are the respective local currencies. These consolidated financial statements are presented in Indian Rupees ('INR'), which is the functional currency of the Group. Functional currency is the currency of the primary economic environment in which the Group operates.

Transaction and translation

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the consolidated statement of Profit and Loss.

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees ('INR') at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in consolidated statement of OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of Profit and Loss. However, when a change in the Parent's ownership does not result in loss of control of a subsidiary, such changes are records through equity.

Foreign currency monetary items are reported using the year-end rates. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

(d) Fair value measurements

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and or disclosure purposes in these consolidated financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods and services is recognised when the Group performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the period in which such services are rendered.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Sale of services

Revenue from services consists of revenue earned from contracts or agreements with the customers, which are recognized as and when related services are performed and when no significant uncertainty exists regarding the collectability of revenue. The timing of such recognition in case of services, in the period in which such services are rendered.

Sale of goods

Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/ delivery for export sales.

The Group recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold

Interest income:

For all debt instruments, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options). The expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition.

Dividend income:

Dividends are recognised in profit or loss on the date on which the Group's right to receive payment is established.

(f) Property, plant and equipment

Recognition:

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent measurement (depreciation and useful lives):

The Group depreciates property, plant and equipment on a pro-rata basis over their estimated useful lives using the straight-line method. The estimated useful lives of the assets prescribed under Schedule II of the Act are as follows:

Category of asset	Useful life (years)
Buildings	60
Leasehold improvements	Shorter of lease period or estimated useful lives
Furniture and fixtures	7 - 10
Computer equipment	3 - 6
Office equipment	5
Vehicles	8

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that the future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the consolidated statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or upon retirement of the asset and resultant gains or losses are recognized in the consolidated statement of Profit and Loss.

De-recognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss, when the asset is de-recognised.

(g) Other Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. They are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the affects of obsolescence, demand, competition and other economic factors (such as stability of the industry and know technological advances) and the level of maintenance expenditures required to obtain the future cash flows from the asset. Residual value, useful lives and amortisation method are reviewed annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Intangible assets – internal-use software

Certain costs related to computer software developed or obtained for internal-use are capitalized or expensed in accordance with the applicable accounting standards. During the year, the Group has recognized the costs associated with developing an artificial intelligence-based system developed to capture demand data with the help of combination of algorithms. The Group will start amortising this cost once the development of the artificial intelligence-based system is complete.

(h) Leases

Group as a lessee:

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application on 01 April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The Company has lease contracts for various buildings. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as an operating lease.

Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis, (no straight lining was done in case escalations were considered to be in line with expected general inflation), over the lease term. Any prepaid rent and accrued rent were recognised under prepayments and trade and other payables, respectively.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases are recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group has applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

(i) Impairment of non-financial assets

At the end of each reporting period, the Group 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, 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 (or a cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, 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.

(j) Financial instruments:

Classification:

The Group classifies its financial assets in the following measurement categories depending on the Group's business model for managing such financial assets and the contractual cash flow terms of the asset:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the consolidated statement of Profit and Loss or Other Comprehensive Income. Investments in debt instruments are classified depending on the business model managing such investments. The Group re-classifies the debt investments when and only when there is a change in business model managing those assets.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through consolidated statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

- The Group's business model for managing the financial asset and,
- The contractual cash flow characteristics of the financial asset.

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.

This category applies to investments by the Group in non-convertible debentures.

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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further in cases where the Group 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 recognised in other comprehensive income.

This category applies to investments by the Group in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the OCI. However, the Group recognizes interest income and impairment losses and its reversals in the consolidated statement of Profit and Loss. On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to consolidated statement of Profit and Loss.

This category applies to investments by the Group in perpetual bonds.

Financial assets at fair value through profit and loss - A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the consolidated statement of Profit and Loss.

Investments in mutual funds:

Investments in mutual funds are measured at fair value through profit and loss.

De-recognition of financial assets

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Group transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Group retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the Group has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group does not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in such financial asset.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12 month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

De-recognition of financial liabilities

A financial liability is de-recognised when the underlying obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(k) Inventories

Inventory consists of finished goods for sale to customers, held at Company's own warehouse and various third party warehouses and goods in transit. The Group values inventory at the lower of cost and net realizable value. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. These costs include purchase costs of inventory (net of vendor volume discounts) and shipping and handling costs. Net realizable value is determined at market value less selling costs. The "lower of cost and net realizable value", criteria is evaluated for each item of inventory as on balance sheet date.

Goods in transit consists of products which have been shipped by the supplier but are in transit to the fulfillment centers and products that have been shipped by the supplier or the fulfillment centers but are in transit to the customers. Risk of loss and the transfer of title from the supplier to the Group occurs at freight on board shipping point and from the Group to the customers at point of delivery.

(l) Taxation

Tax expense recognised in consolidated statement of Profit or Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current income tax for current and prior periods is recognised at the amounts 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.

The Group off-sets current tax assets and liabilities, where it has a legally enforceable right to set-off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum alternate tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time. Accordingly, MAT Credit Entitlement has been Grouped with Deferred Tax Asset (net). Correspondingly, MAT credit entitlement has been Grouped with deferred tax in the Statement of Profit and Loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets (including MAT credits) are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(m) Employee benefits expense

Expenses and liabilities in respect of employee benefits expense are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans:

Gratuity

The defined benefit obligation for post employment benefit plan is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the consolidated statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of Changes in Equity and in the consolidated Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in consolidated statement of Profit or Loss as past service cost.

Other long-term employee benefits:

Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid or 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 period in which the absences occur.

The measurement of other long-term employee benefits is not usually subject to the same degree of uncertainty as the measurement of post-employment benefits. Hence the remeasurements are not recognised in Other Comprehensive Income.

(n) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash at bank, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Provisions and contingent liabilities and contingent assets.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

(p) Earnings per equity share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. As on the consolidated balance sheet dates, the Group has no dilutive potential equity shares.

(q) Government grants and subsidies

The Parent Company is entitled to grants from state government in respect of state incentive scheme. Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Parent company will comply with all necessary conditions attached to them.

Government grants related to revenue are recognised on a systematic basis in net profit in the consolidated statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated Statement of Profit and Loss as other gains or (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(t) Dividends

The final dividend on equity shares is 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 Group's Board of Directors.

(u) Events after reporting date

Where events occurring after the Consolidated Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Consolidated Balance Sheet date of material size or nature are only disclosed.

(v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Group's activities consists of a single business segment (primary segment) of Internet based delivery of products and services.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

3 (a) Property, plant and equipment

Property, plant and equipment	Buildings	Furniture and fixtures	Computer equipment	Leasehold Improvements	Office equipment	Vehicles	Total
Gross block							
Balance as at 1 April 2019	1,282.79	412.74	137.84	15.00	202.70	105.16	2,156.23
Additions	-	112.40	2.91	-	12.98	-	128.29
Disposals	-	(6.04)	11.35	-	(0.60)	-	4.71
Balance as at 31 March 2020	1,282.79	531.18	129.40	15.00	216.28	105.16	2,279.81
Additions	-	8.19	25.82	-	1.59	-	35.60
Disposals	-	18.30	5.89	15.00	8.00	-	47.19
Balance as at 31 March 2021	1,282.79	521.07	149.33	-	209.87	105.16	2,268.22
Accumulated depreciation							
Balance as at 1 April 2019	65.13	152.41	104.60	1.98	110.64	56.09	490.85
Depreciation charge for the year	21.71	55.99	15.83	4.75	36.05	14.23	148.56
Disposals	-	(4.11)	10.76	-	(0.63)	-	6.02
Balance as at 31 March 2020	86.84	212.51	109.67	6.73	147.32	70.32	633.39
Depreciation charge for the year	21.71	68.15	9.93	3.57	29.79	9.56	142.71
Disposals	-	8.22	5.51	10.30	7.10	-	31.13
Balance as at 31 March 2021	108.55	272.44	114.09	-	170.01	79.88	744.97
Net block							
Balance as at 31 March 2020	1,195.95	318.67	19.73	8.27	68.96	34.84	1,646.42
Balance as at 31 March 2021	1,174.24	248.63	35.24	-	39.86	25.28	1,523.25

3 (b) Right-of-use assets

	Buildings	Total
Gross block		
Balance as at 1 April 2019	-	-
Additions	1,325.92	1,325.92
Disposals	(118.72)	(118.72)
Balance as at 31 March 2020	1,444.64	1,444.64
Additions	-	-
Disposals	1,442.68	1,442.68
Balance as at 31 March 2021	1.96	1.96
Accumulated amortisation		
Balance as at 1 April 2019	-	-
Charge for the year	248.33	248.33
Disposals	(15.99)	(15.99)
Balance as at 31 March 2020	264.32	264.32
Charge for the year	131.43	131.43
Disposals	394.32	394.32
Balance as at 31 March 2021	1.43	1.43
Net block		
Balance as at 31 March 2020	1,180.32	1,180.32
Balance as at 31 March 2021	0.53	0.53

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

3 (b) Right-of-use assets (Contd.)

Lease liabilities

Particulars	Amount
Balance as on 1 April, 2020	1,234.52
Add: Interest expense accrued on lease liabilities	38.77
Less: Lease liabilities paid	(152.07)
Less: Lease liabilities reversed on termination	(1,094.68)
Less: Effect due to Foreign exchange translation	(25.91)
Closing balance as at 31 March 2021	0.63
Current	0.63
Non current	-

The Group has lease agreements usually for a period of 2 to 9 years with the lessor for rental of office spaces and warehouse. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Lease deed for office space and warehouse imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. The Group is prohibited from selling or pledging the underlying leased assets as security.

Maturity profile of lease liability

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2021	0 to 1 year	1 to 5 years	> 5 years	Total
Lease liabilities	0.59	-	-	0.59

Following amount has been recognised in statement of profit and loss account:

Particulars	Amount
Depreciation/amortisation on right to use asset	131.43
Interest on lease liability	38.77
Expenses related to short term lease (included under other expenses)	(31.09)
Expenses related to low value lease (included under other expenses)	-
Total amount recognised in statement of profit and loss account	139.11

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

3 (c) Other intangible assets

	Softwares	Total
Gross block		
Balance as at 1 April 2019	71.04	71.04
Additions	1.10	1.10
Disposals	(2.78)	(2.78)
Balance as at 31 March 2020	74.92	74.92
Additions	-	-
Disposals	1.06	1.06
Balance as at 31 March 2021	73.86	73.86
Accumulated amortisation		
Balance as at 1 April 2019	44.19	44.19
Charge for the year	12.54	12.54
Disposals	(2.43)	(2.43)
Balance as at 31 March 2020	59.16	59.16
Charge for the year	7.51	7.51
Disposals	1.00	1.00
Balance as at 31 March 2021	65.67	65.67
Net block		
Balance as at 31 March 2020	15.76	15.76
Balance as at 31 March 2021	8.19	8.19

3 (d) Other Intangible assets under development

	Softwares	Total
Balance as at 1 April 2019	1,269.39	1,269.39
Additions (#)	727.05	727.05
Disposals	(117.48)	(117.48)
Balance as at 31 March 2020	2,113.92	2,113.92
Additions (#)	4,079.56	4,079.56
Disposals	68.41	68.41
Balance as at 31 March 2021	6,125.07	6,125.07

(#) - Additions, includes the costs associated with developing an artificial intelligence-based system developed to capture demand data with the help of combination of algorithms. The Company will start amortisation of this cost once the development of this Artificial Intelligence-based System is complete.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

4 Investments

	As at 31 March 2021	As at 31 March 2020
(a) Non-current investments		
I Investments in bonds and debentures		
A) Non-convertible debentures		
Quoted		
<i>(Designated at Amortised Cost)</i>		
(i) DHFL (8.90% NCD)	-	5.00
(2,500 units having face value of ₹1,000 each fully paid-up)		
(ii) ECL Finance Limited (9.45% NCD)	-	53.08
(5,000 units having face value of ₹1,000 each fully paid-up)		
B) Investments in perpetual bonds (#)		
Quoted		
<i>(Designated at Fair Value Through Other Comprehensive Income)</i>		
(i) State Bank of India (8.15% AT1 Bond Issue Series IV)	213.07	198.59
(20 units having face value of ₹1,000,000 each)		
(ii) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26)	-	201.57
(20 units having face value of ₹1,000,000 each)		
(iii) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18)	220.37	215.13
(20 units having face value of ₹1,000,000 each)		
Total non-current investments	433.44	673.37
(#) Pledged in favor of Citi Bank N.A. against SBLC amounting ₹5,550 lacs.		
Other disclosures for non-current investments:		
Aggregate amount of quoted investments	433.44	673.37
Aggregate amount of unquoted investments	-	-
(b) Current investments		
I Investments in non-convertible debentures		
Quoted		
<i>(Designated at Amortised Cost)</i>		
(i) Edelweiss Retail Finance Limited (8.75% NCD)	-	250.54
(25,000 units having face value of ₹1,000 each fully paid-up)		
(ii) ECL Finance Limited (9.45% NCD)	53.08	-
(5,000 units having face value of ₹1,000 each fully paid-up)		
	53.08	250.54
II Investments in perpetual bonds (#)		
Quoted		
<i>(Designated at Fair Value Through Other Comprehensive Income)</i>		
(i) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26)	203.63	-
(20 units having face value of ₹1,000,000 each)		
	203.63	-
(#) Pledged in favour of Citi Bank N.A. against SBLC amounting ₹5,550 lacs.		
III Investment in mutual funds		
Quoted		
<i>(Measured at Fair Value Through Profit and Loss)</i>		
Mutual funds (refer details below)	6,499.52	6,134.13
Total current investments	6,499.52	6,134.13
Other disclosures for current investments:		
Aggregate amount of quoted investments, and	6,756.23	6,384.67
Aggregate amount of impairment in value of investments	-	-

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

4 Investments (Contd.)

Investments in Mutual Funds

(a) Balance as at 31 March 2021:

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	253,811	30.36
Axis Corporate Debt Fund - Regular Plan-Monthly Dividend	1,959,284	199.99
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	7,706,265	32.04
Franklin India Credit Risk Fund - Growth	746,535	154.51
Franklin India Credit Risk Fund - Growth (Seg. Port2)	918,464	-
Franklin India Credit Risk Fund - Growth (Seg. Port3)	997,571	-
HDFC Corporate Bond Fund - Direct Plan - Quarterly dividend (#)	6,307,360	652.66
HDFC Medium Term Debt Fund - Direct Plan - Normal dividend (#)	3,250,971	555.71
HDFC Income Fund- Direct Plan -Quarterly dividend (#)	2,607,607	313.38
HDFC Money Market Fund - Direct Plan - Growth Option	7,840	350.75
ICICI Prudential Long Term Bond Fund-Regular-Qtly Dividend (#)	2,499,375	299.76
ICICI Prudential Medium Term Bond Fund -Direct-Qly-Div (#)	5,052,513	559.56
ICICI Prudential Short Term Fund - DP - Monthly Div (#)	3,524,893	446.76
IDFC Bond Fund-Short Term Plan - Direct-Qtly Dividend (#)	4,160,761	434.74
Kotak Bond Short Term-Direct - Monthly Div. Reinvestment (#)	3,232,676	440.42
L&T Resurgent India Bond Fund - Direct - Annual Dividend (#)	3,540,024	425.44
Nippon India Strategic Debt Fund - Regular-Quarterly Dividend (#)	5,073,313	399.98
Nippon India Low Duration Fund - Regular-Quarterly Dividend (#)	29,516	300.17
SBI Magnum Medium Duration Fund - Direct - Dividend	2,723,728	439.44
SBI Short Term Debt Fund - Direct - Monthly Dividend (#)	3,016,557	438.70
TRUSTMF Banking & PSU Debt Fund - Direct - Growth	2,510	25.15
		6,499.52

(#) Ear-marked for lien in favor of Citi Bank N.A. against SBLC amounting ₹5,550 lacs.

(b) Balance as at 31 March 2020:

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	475,722	53.96
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	7,706,265	33.41
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	11,265	30.52
Aditya Birla Sun Life Short Term Fund -Growth- Direct Plan	872,791	302.39
Franklin India Credit Risk Fund - Growth	997,572	186.52
Franklin India Credit Risk Fund - Growth (Seg. Port1,2&3)	997,571	-
HDFC Corporate Bond Fund - Direct Plan - Growth	1,782,074	411.37
HDFC Medium Term Debt Fund - Direct Plan - Growth	1,217,256	512.51
ICICI Prudential Credit Risk Fund-Growth	1,412,090	307.10
ICICI Prudential Corporate Bond Fund - Direct Plan- Growth	1,424,118	306.33
ICICI Prudential Medium Term Bond Fund-Direct Plan-Growth	1,241,143	412.22
ICICI Prudential Short Term Fund - Direct Plan - Growth	923,035	409.51
IDFC Bond Fund-Short Term Plan-Growth-Direct Plan	927,932	402.37
Kotak Dynamic Bond Fund - Direct Plan - Growth	1,463,427	411.14
Kotak Bond Short Term Fund - Direct Plan - Growth	1,013,215	406.44
L&T Triple Ace Bond Fund - Direct Plan - Growth	565,090	312.31
L&T Resurgent India Bond Fund - Direct Plan - Growth	1,952,197	300.61
SBI Dynamic Bond Fund - Regular Plan - Growth	1,194,237	310.89
SBI Magnum Medium Duration Fund - Direct - Growth	818,044	310.02
SBI Short Term Debt Fund - Direct - Growth	1,685,857	406.87
SBI Corporate Bond Fund - Direct - Growth	2,725,923	307.64
		6,134.13

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 Loans

	As at 31 March 2021	As at 31 March 2020
(a) Non-current:		
<i>(Unsecured, considered good)</i>		
Security deposits	3.47	5.25
	3.47	5.25

The group does not have any loans which have been credit impaired or significant increase in credit risk.

	As at 31 March 2021	As at 31 March 2020
(b) Current:		
<i>(Unsecured, considered good)</i>		
Loan and advances to employees	-	2.57
	-	2.57

The group does not have any loans which have been credit impaired or significant increase in credit risk.

6 Other assets

	As at 31 March 2021	As at 31 March 2020
(a) Non-current:		
Balances with Government Authorities (Refer note below)	66.48	228.12
Prepaid expenses	5.31	2.11
	71.79	230.23

Note: Balances with Government Authorities primarily include amounts realisable from goods and services tax and transitional credit carried forward under the goods and services tax regime. These are expected to be realised in the future by off-setting the same against the output services tax liability on services rendered by the group and also by claiming refund from government authorities. Accordingly these balances have been classified as non current assets.

	As at 31 March 2021	As at 31 March 2020
(b) Current		
<i>(Unsecured, considered good)</i>		
Advance to suppliers	0.06	2.09
Prepaid expenses	66.70	67.79
Receivable from Government Authorities	124.79	139.22
Other advances	66.22	130.07
Income Tax Refund Receivable	5.96	13.65
	263.73	352.82

7 Inventories

	As at 31 March 2021	As at 31 March 2020
(valued at lower of cost and net realisable value)		
Stock-in-trade (*) (#)	9,892.10	12,278.49
(*) Includes ₹3,194.29 (31 March 2020: ₹5,889.97) in transit.		
	9,892.10	12,278.49

(#) The Company has provided for a valuation allowance ₹108.10 lacs (31 March 2020: ₹79.54 lacs) in respect of diminution in the value of inventory.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

8 Trade receivables

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	196.13	267.51
	196.13	267.51

9 Cash and bank balances

	As at 31 March 2021	As at 31 March 2020
(a) Cash and cash equivalents		
Balances with banks:		
- In current accounts	787.23	1,730.86
- Deposits of original maturity of less than 3 months	243.91	38.02
Remittance in transit	1.75	-
Cash on hand	0.50	0.27
	1,033.39	1,769.15
(b) Other bank balances		
Unpaid dividend account [refer note (i) below]	5.11	5.55
Balances with payment gateways	15.06	74.61
Commitment deposits	2.01	2.01
Deposits with maturity more than 3 months but less than 12 months (refer note (ii) below)	35.33	33.98
	57.51	116.15

Notes:

- The Company has transferred an amount of ₹0.66 lacs of unpaid dividend to the Investor Education and Protection fund for the financial year 2012-13.
- The Parent Company has deposited ₹30 Lacs against fixed deposit with HDFC Bank for bank guarantee issued in favor of Santosh Promoters Pvt. Ltd. as per the order of Supreme Court dated 01 May 2017.

10 Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹10 each	25,250,000	2,525.00	25,250,000	2,525.00
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	14,731,678	1,473.17	14,731,678	1,473.17
	14,731,678	1,473.17	14,731,678	1,473.17

(a) Reconciliation of equity share capital

There is no movement in the equity share capital during the current and comparative periods.

(b) Terms and rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹10 per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Parent Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts if any. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

- No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Parent Company during the last five years.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

10 Equity share capital (Cont.)

(d) Details of shareholders holding more than 5% of the aggregate shares in the Parent Company:

Name of the shareholders	As at 31 March 2021		As at 31 March 2020	
	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹10 each:				
Arvind Kajaria	2,811,797	19.09%	2,811,797	19.09%
Sharad Kajaria	2,812,500	19.09%	2,812,500	19.09%
Padma Kajaria	1,400,000	9.50%	1,400,000	9.50%
University of Notre Dame Du Lac	1,085,015	7.37%	1,085,015	7.37%

- (e) The Board of Directors at its meeting held on 28 June 2021 proposed a dividend of ₹1 per equity share (31 March 2020: ₹1 per equity share) amounting to ₹147.32 lacs (31 March 2020: ₹147.32 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

11 Other equity

	As at 31 March 2021	As at 31 March 2020
(a) Capital reserve	96.14	96.14
(b) General reserve	169.15	169.15
(c) Securities premium	5,527.11	5,527.11
(d) Retained earnings		
Opening balance	6,905.56	7,056.83
Profit for the year	834.27	210.87
Remeasurements of post-employment benefit obligations, net of tax	-	(7.76)
Less:- Appropriations		
Dividend on equity shares (including dividend tax)	(147.29)	(354.38)
Closing balance	7,592.54	6,905.56
(e) Foreign currency translation difference		
Opening balance	625.30	257.61
Change during the year (net)	(146.09)	367.69
	479.21	625.30
(f) Debt instruments through OCI		
Opening balance	(7.08)	(9.90)
Net fair value loss on investment in debt instruments through OCI, net of tax	15.65	2.82
Closing balance	8.57	(7.08)
	13,872.72	13,316.18

(a) Nature and purpose of reserves

Capital reserve

The Parent Company has transferred the net surplus arising from amalgamation in accordance with the terms of Scheme of amalgamation.

General reserve

The Group has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

11 Other equity (Cont.)

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Foreign exchange translation difference

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

Debt Instruments through Other Comprehensive Income:

The debt instruments are measured at fair value and the change is recognised through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.

12 Borrowings

	As at 31 March 2021	As at 31 March 2020
Non-current		
(Secured)		
Term loans		
Foreign currency loan from bank [refer note (i) below]	5,482.87	5,666.25
Working capital facility		
Foreign currency loan from others [refer note (i) below]	4,321.15	4,045.44
	9,804.02	9,711.69

Nature of security and terms of repayment for secured borrowings availed from banks and others

Foreign currency loan

- The foreign currency loan is in the nature of a senior secured committed revolving line of credit, obtained from Citi bank N.A., with a limit of USD 7.5 million. The credit facility has been obtained at an interest rate of LIBOR plus 1.25% (LIBOR index being one month, floating daily) and has a maturity of twelve months from the closing date renewable annually. The credit facility is supported by a stand-by Letter of Credit Facility (SBLC), of ₹5,550 lacs issued by Citi Bank, N.A., India branch. The credit facility has been availed for meeting short-term working capital needs.
- The working capital facility in the form of revolving line of credit availed from Citi Bank, N.A., having maturity of 12 months from the closure date, has been refinanced by a long-term debt obligation from UPS Capital Corporation. The Company obtained a revolving line of credit from UPS Capital Corporation, with a limit of US\$ 11,000,000. The credit facility has been obtained at an agreed upon interest rate of Base Rate plus 1.25%, with the base rate linked to US prime rate as shown in The Wall Street Journal in US and has a maturity of three years from the closing date. The credit facility is supported by a lien on inventories and accounts receivables. The same has been classified as long-term debt.

13 Lease liability

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Lease liability [refer note 3(b)]	-	1,002.36
	-	1,002.36
(b) Current		
Lease liability [refer note 3(b)]	0.63	232.16
	0.63	232.16

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

14 Trade payables

	As at 31 March 2021	As at 31 March 2020
Due to micro and small enterprises	-	-
Due to others	2,161.01	1,850.13
	2,161.01	1,850.13

15 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Deposit from employees	2.01	2.01
	2.01	2.01
(b) Current		
Accrued expenses	72.91	244.43
Dues to employees	150.17	117.15
Unpaid dividend*	5.11	5.54
	228.19	367.12

*Not due for transfer to Investor Education and Protection Fund.

16 Provisions

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Provision for employee benefits:		
- Provision for gratuity (refer note 23)	103.26	98.46
- Provision for compensated absences	31.21	32.51
	134.47	130.97
(b) Current		
Provision for employee benefits:		
- Provision for gratuity (refer note 23)	4.25	2.50
- Provision for compensated absences	1.93	1.90
	6.18	4.40

17 Other liabilities

	As at 31 March 2021	As at 31 March 2020
(a) Non-current:		
Deferred revenue arising from government grant	99.50	101.48
	99.50	101.48
(b) Current:		
Advances		
- Advance from customers	2.92	11.74
- Unearned revenues	10.57	33.03
Others		
- Statutory dues	50.31	54.01
- Other liabilities	378.99	704.48
- Deferred revenue arising from government grant	2.00	2.01
	444.79	805.27

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

18 Revenue from operations

	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products (net)	61,313.38	59,067.54
	61,313.38	59,067.54

Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

a) Revenue streams

The Group generates revenue primarily from a single business segment of internet based online delivery of goods and services.

b) Reconciliation of revenue from sale of goods and services with the contracted price

	Year ended 31 March 2021	Year ended 31 March 2020
Contracted price	61,313.38	59,067.54
Less: Trade discounts, volume rebates, etc.	-	-
Sale of goods and services	61,313.38	59,067.54

c) Timing of revenue recognition

	Year ended 31 March 2021	Year ended 31 March 2020
Goods and services rendered at a point in time when performance obligation is satisfied	61,313.38	59,067.54
	61,313.38	59,067.54

d) Geographical information

Geographical information of the Group's revenue from operation has been disclosed below:

	Year ended 31 March 2021	Year ended 31 March 2020
United States of America	61,313.38	59,067.54
	61,313.38	59,067.54

e) Contract balance

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

	As at 31 March 2021	As at 31 March 2020
Receivables	196.13	267.51
Contract assets	-	-
Contract liabilities	-	-

Contract asset is the right to consideration in exchange for goods transferred to the customer. Contract liability is the entity's obligation to transfer goods to a customer for which the entity has received consideration from the customer in advance.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

19 Other income

	As at 31 March 2021	As at 31 March 2020
Interest income:		
- Investments in debt instruments	77.56	133.32
- Others	27.51	3.72
Dividend income:		
- Dividends from mutual funds	28.87	-
Other gains and losses:		
- Net gain on sale of investments measured at FVTPL	429.33	226.94
- Net gain arising on remeasurement of investments measured at FVTPL	-	108.42
- Net gain on lease modification	57.19	-
Others		
- Other miscellaneous income	14.70	13.02
	635.16	485.42

20 Cost of goods sold

	As at 31 March 2021	As at 31 March 2020
Opening stock	12,278.49	9,907.64
Add:- Purchases	40,120.86	46,014.22
Less:- Closing stock	9,892.10	12,278.49
Cost of goods sold	42,507.25	43,643.37

21 Shipping and handling expenses

	As at 31 March 2021	As at 31 March 2020
Shipping and handling expenses	7,234.64	5,255.92
	7,234.64	5,255.92

22 Sales and marketing expenses

	As at 31 March 2021	As at 31 March 2020
Marketplace, marketing and referral fees	7,860.08	6,637.88
Advertisement expenses	-	0.10
	7,860.08	6,637.98

23 Employee benefits expense

	As at 31 March 2021	As at 31 March 2020
Salaries and allowances	1,605.19	1,467.14
Contribution to provident and other funds [refer note (a) below]	42.10	37.82
Staff welfare expenses	30.03	61.96
	1,677.32	1,566.92

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Employee benefits expense (Cont.)

(a) Defined contribution plans

Eligible employees of the Parent and Indian subsidiaries receive benefits under the provident fund which is a defined contribution plan wherein both the employee and the Group make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the fund administered and managed by the Government of India and the Group has no further obligation beyond making its contribution. The Group's monthly contributions are charged to consolidated Statement of Profit and Loss in the period in which they are incurred;

(b) Defined benefits plans

Gratuity is a post employment benefit and is a defined benefit plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 ('the Act'). The liability recognised in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date, together with adjustment for unrecognised actuarial gains or losses and past service cost. Independent actuaries calculate the defined benefit obligation annually using the Projected Unit Credit Method. Actuarial gains and losses are credited/ charged to the Statement of Other Comprehensive Income in the year in which such gains or losses arise.

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
(i) Defined benefits obligations recognised:		
Present value of obligation:		
- Current	4.25	2.50
- Non-current	103.27	98.46
	107.52	100.96
(ii) Movement in the present value of defined benefit obligations:		
Balance at the beginning of the year	100.96	82.76
Current service cost	15.87	13.53
Past service cost	-	-
Interest cost	6.67	6.29
Actuarial loss arising from assumption changes	(3.69)	11.00
Actuarial gain arising from experience adjustments	3.62	(0.27)
Benefits paid	(15.91)	(12.35)
Obligations at the end of the year	107.52	100.96
(iii) Components of the net cost charged to the Statement of Profit and Loss:		
Current service cost	15.87	13.53
Past service cost	-	-
Interest cost	6.67	6.29
	22.54	19.82
(iv) Remeasurement of the net defined benefit plans		
Actuarial loss arising from assumption changes	(3.69)	11.00
Actuarial gain arising from experience adjustments	3.62	(0.27)
	(0.07)	10.73

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Employee benefits expense (Cont.)

Particulars	Gratuity	
	31 March 2021	31 March 2020
(v) Assumptions		
Discount rate	6.93%	6.63%
Salary escalation rate	6.00%	6.00%
Withdrawal rate per annum	2.00%	2.00%
Expected average remaining working lives of employees (years)	17.23	17.66
Mortality	IALM 12-14 Ultimate	IALM 12-14 Ultimate
Retirement age	58 years	58 years

Note: The assumption of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
(vi) Sensitivity analysis		
Discount rate - Decrease by 1%	117.93	112.08
Discount rate - Increase by 1%	98.43	91.38
Salary escalation rate - Decrease by 1%	100.07	92.95
Salary escalation rate - Increase by 1%	115.44	109.82

Methods and assumptions used in preparing sensitivity analysis and their limitations:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality.

(vii) Maturity analysis of the benefit payments:

Weighted average duration of gratuity plan is 13 years. Expected benefits payments for each such plans over the years is given in table below:

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
Year 1	4.25	2.50
2 to 5 years	35.22	16.35
6 to 10 years	21.34	36.18
More than 10 years	123.86	135.12

(c) Aforesaid post-employment benefit plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability;
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

24 Finance cost

	Year ended 31 March 2021	Year ended 31 March 2020
Interest on financial liabilities measured at amortised cost	302.34	507.65
Other borrowing costs	22.80	46.22
	325.14	553.87

25 Depreciation and amortisation expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property plant and equipment [refer note 3 (a)]	142.71	148.56
Amortisation of right-of-use assets[refer note 3 (b)]	131.43	248.33
Amortisation of other intangible assets[refer note 3 (c)]	7.51	12.54
	281.65	409.43

26 Other expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Electricity charges	27.82	49.69
Rent	(31.09)	58.76
Repairs and maintenance		
- Others	101.12	107.93
Insurance	20.25	28.34
Rates and taxes	15.33	10.43
Travelling expenses	10.66	115.07
Office expenses	35.23	44.07
Legal and professional charges	356.84	214.65
Technology expenses	453.46	427.03
Auditor's remuneration [refer note (a) below]	39.72	51.36
Director's sitting fees	13.40	7.80
Telephone and other communication expenses	12.78	18.69
Impairment of non convertible debenture	5.00	-
Loss on disposal of property, plant and equipment, net	10.60	0.26
Net foreign exchange loss (other than considered as finance cost)	15.19	10.69
Miscellaneous expenses	108.20	127.47
	1,194.51	1,272.24
(a) Auditor's remuneration (excluding taxes)		
Statutory audit	36.02	38.40
Tax audit	2.34	2.28
Other services	1.19	8.86
Reimbursement of expenses	0.17	1.82
	39.72	51.36

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) Income tax in the Consolidated Statement of Profit and Loss:		
Current tax	67.33	39.28
Deferred taxes:		
- Deferred tax charge/(credit)	82.78	(11.36)
- MAT Credit entitlement	(55.03)	(25.38)
Tax adjustments pertaining to previous years	(61.40)	(0.18)
	33.68	2.36
(b) Income tax recognised in other comprehensive income:		
Deferred tax on remeasurement of post-employment benefit obligations	(0.07)	2.97
Deferred tax on fair value gains on investments in debt instruments through OCI	(6.03)	(1.09)
	(6.10)	1.88
(c) Reconciliation of income tax expense and the accounting profit for the year:		
Profit before tax	867.95	213.23
Enacted tax rates (%)	27.82%	27.82%
Computed expected tax expense	241.46	59.32
Due to change in enacted tax rate	-	(14.75)
Difference in tax rates of subsidiary companies	(32.25)	-
Effect due to non-deductible expenses	(164.57)	2.82
Effect due to allowable expenses/income not taxable	126.26	-
Change due to adjustment of deferred tax expense/(income)	(93.88)	(30.87)
Effect due to adjustment of unabsorbed losses	(106.55)	(22.17)
Adjustment for tax relating to earlier years	62.09	(0.18)
Others	1.12	8.19
Total income tax expense as per the consolidated Statement of Profit and Loss	33.68	2.36

Particulars	As at 31 March 2021	As at 31 March 2020
(d) Income tax balances		
Non-current tax assets		
Opening balance	52.91	58.60
Add: Taxes paid	2.53	49.71
Less: Current tax payable for the year	(1.85)	(47.52)
Less: Re-classification to Income Tax Refund Receivable	(17.77)	(0.62)
Add/(less): Re-classification from/to current tax liabilities/assets	3.63	(7.26)
Closing balance	39.45	52.91
Current tax assets		
Opening balance	13.58	4.15
Add: Taxes paid	0.70	35.22
Less: Current tax payable for the year	-	(25.55)
Add/(less): Re-classification from/to non-current tax assets/current tax liabilities	(14.28)	(0.24)
Closing balance	-	13.58

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expense (Cont.)

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax liabilities		
Opening balance	2.33	10.23
Add: Provision for tax	65.41	12.29
Less: Re-classification to non current tax assets/from current tax assets	-	(12.64)
Add:- Income tax refund received	3.27	-
Less: Taxes paid	(53.20)	(7.55)
Closing balance	17.81	2.33
Deferred taxes		
(e) Deferred tax assets, net		
Unutilised MAT Credit	1,863.52	1,809.86
Unabsorbed losses of foreign subsidiary (net)	69.25	202.33
	1,932.77	2,012.19
(f) Deferred tax liabilities, net		
Deferred tax liabilities arising on account of:		
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	131.57	130.12
- Fair valuation on debt instruments through OCI	2.91	(2.24)
- Fair valuation on mutual fund investments measured at FVTPL	(0.20)	30.17
	134.28	158.05
Deferred Tax asset arising on account of:		
- Fair valuation of security deposits	-	0.44
- Provision for employee benefits	41.70	40.91
- Fair valuation of lease rentals	0.03	0.66
	41.73	42.01
Deferred tax liabilities, net	92.55	116.04

Note:

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

(g) Movement in deferred taxes

As on 31 March 2021

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2021
Deferred tax assets, net				
Unutilised MAT credit	1,809.86	53.66	-	1,863.52
Unabsorbed losses of foreign subsidiary (net)	202.33	(133.08)	-	69.25
	2,012.19	(79.42)	-	1,932.77

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expense (Cont.)

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2021
Deferred tax liabilities for taxable temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	130.12	1.45	-	131.57
- Fair valuation on debt instruments through OCI	(2.24)	-	5.15	2.91
- Fair valuation on mutual fund investments measured at FVTPL	30.17	(30.37)	-	(0.20)
Total deferred tax liabilities	158.05	(28.92)	5.15	134.28
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	-	-	-	-
- Fair valuation of security deposits	0.44	(0.44)	-	-
- Provision for employee benefits	40.91	0.72	0.07	41.70
- Fair valuation of lease rentals	0.66	(0.63)	-	0.03
Total deferred tax assets	42.01	(0.35)	0.07	41.73

(g) Movement in deferred taxes (Cont.)

As on 31 March 2020

Particulars	As at 01 April 2019	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2020
Deferred tax assets, net				
Unutilised MAT credit	1,784.49	25.37	-	1,809.86
Unabsorbed losses of foreign subsidiary (net)	157.43	44.90	-	202.33
	1,941.92	70.27	-	2,012.19
Deferred tax liabilities for taxable temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	129.21	0.91	-	130.12
- Fair valuation on debt instruments through OCI	(3.33)	-	1.09	(2.24)
- Fair valuation on mutual fund investments measured at FVTPL	1.39	28.78	-	30.17
Total deferred tax liabilities	127.27	29.69	1.09	158.05
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	5.18	(5.18)	-	-
- Fair valuation of security deposits	0.41	0.03	-	0.44
- Provision for employee benefits	21.79	16.15	2.97	40.91
- Others	4.95	(4.95)	-	-
- Fair valuation of lease rentals	-	0.66	-	0.66
Total deferred tax assets	32.33	6.71	2.97	42.01

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Earnings per equity share (EPS)

	Year ended 31 March 2021	Year ended 31 March 2020
Net profit attributable to equity shareholders	834.27	210.87
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	14,731,678	14,731,678
Earnings per share (in ₹)		
-Basic earnings per share (₹)	5.66	1.43
-Diluted earnings per share (₹)	5.66	1.43

29 Contingent liabilities and commitments

	As at 31 March 2021	As at 31 March 2020
(a) Contingent liabilities		
Guarantees given [refer note (i) & (ii) below]	31.25	31.25
Claims against Company, not acknowledged as debt [refer note (iii) below]	17.72	17.72
	48.97	48.97

Notes:

- (i) Guarantee given to Customs Authority for bonded warehouse ₹1.25 lacs.
- (ii) Guarantee issued in favor of Santosh Promoters Pvt. Limited amounting ₹30 lacs vide Supreme court order dated 01 May 2017.
- (iii) Service tax and hire Charges on facility agreement to S.S. Interiors amounting to ₹17.72 lacs.

30 As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Group's activities consists of a single business segment of Internet based delivery of products and services.

(a) Other information :

	Year ended 31 March 2021		
	Within India	Outside India	Total
(i) Segment revenue	-	61,313.38	61,313.38

	Year ended 31 March 2020		
	Within India	Outside India	Total
(i) Segment revenue	-	59,067.54	59,067.54

	Year ended 31 March 2021		
	Within India	Outside India	Total
(ii) Non-current assets	3,795.58	6,342.38	10,137.96

	Year ended 31 March 2020		
	Within India	Outside India	Total
(ii) Non-current assets	4,226.35	3,704.02	7,930.37

- (b)** The Company has entered into transaction with a single customer, which amounts to 10% or more of the Company's total revenue from operations.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

31 Related party disclosures

Information on related party transactions as required by Ind AS - 24 for the year ended 31 March 2021.

(a) List of related parties

(i) Key management personnel

Name of the related party	Relationship
Arvind Kajaria	Managing Director
Sharad Kajaria	Whole-time Director
Mohit Kumar Jha	Chief Financial Officer
Ashok Bhandari	Non- executive Independent Director
Rupinder Singh	Non- executive Independent Director
Savita Agarwal	Non- executive Independent Director
Anil Agrawal	Non- executive Independent Director
Pranvesh Tripathi	Company Secretary

(ii) Relative of Key management personnel

Name of the related party	Relationship
Padma Kajaria	Relative of Director

(b) Transactions with related parties

Name of the party	Nature of transaction	Year ended 31 March 2021	Year ended 31 March 2020
Mr. Arvind Kajaria	Managerial remuneration (#)	72.11	72.11
	Dividend paid	28.12	56.24
Mr. Sharad Kajaria	Managerial remuneration (#)	67.61	67.61
	Dividend paid	28.13	56.25
Mrs. Padma Kajaria	Dividend paid	14.00	28.00
Mr. Mohit Kumar Jha	Remuneration	43.20	39.38
	Short term employee benefits	3.05	3.13
	Post employment benefits	4.74	4.25
Mr. Pranvesh Tripathi	Remuneration	27.77	27.09
	Post employment benefits	2.06	1.67
Mr. Anil Agrawal	Sitting fees	3.60	2.20
Mrs. Savita Agarwal	Sitting fees	2.80	1.80
Mr. Ashok Bhandari	Sitting fees	3.40	1.60
Mr. Rupinder Singh	Sitting fees	3.60	2.20

(#) This aforesaid amount does not includes amount in respect of gratuity and leave entitlement as the same is not determinable.

(c) Balances of related parties

Name of the party	Nature of balance	As at 31 March 2021	As at 31 March 2020
Mr. Arvind Kajaria	Payables	4.12	4.12
Mr. Sharad Kajaria	Payables	3.87	3.87
Mr. Mohit Kumar Jha	Payables	5.32	2.18
Mr. Pranvesh Tripathi	Payables	3.01	1.65

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

32 Fair value measurements

(a) Financial instruments by category

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

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in non-convertible debentures (refer note 4)	53.08	-	-	53.08	53.08
Investments in perpetual bonds (refer note 4)	-	-	637.07	637.07	637.07
Investments in debt mutual funds (refer note 4)	-	6,499.52	-	6,499.52	6,499.52
Trade receivables (refer note 8) (*)	196.13	-	-	196.13	196.13
Cash and cash equivalents (refer note 9) (*)	1,033.39	-	-	1,033.39	1,033.39
Other bank balances (refer note 9) (*)	57.51	-	-	57.51	57.51
Other financial assets					
Security deposits (refer note 5) (*)	3.47	-	-	3.47	3.47
Loans (refer note 5) (*)	-	-	-	-	-
	1,343.58	6,499.52	637.07	8,480.17	8,480.17
Liabilities:					
Borrowings (refer note 12) (*)	9,804.02	-	-	9,804.02	9,804.02
Trade payables (refer note 14) (*)	2,161.01	-	-	2,161.01	2,161.01
Lease liability (refer note 13) (*)	0.63	-	-	0.63	0.63
Other financial liabilities (refer note 15) (*)	230.20	-	-	230.20	230.20
	12,195.86	-	-	12,195.86	12,195.86

As at 31 March 2020 :

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in non-convertible debentures (refer note 4)	308.62	-	-	308.62	308.62
Investments in perpetual bonds (refer note 4)	-	-	615.29	615.29	615.29
Investments in debt mutual funds (refer note 4)	-	6,134.13	-	6,134.13	6,134.13
Trade receivables (refer note 8) (*)	267.51	-	-	267.51	267.51
Cash and cash equivalents (refer note 9) (*)	1,769.15	-	-	1,769.15	1,769.15
Other bank balances (refer note 10) (*)	116.15	-	-	116.15	116.15
Other financial assets					
Security deposits (refer note 5) (*)	5.25	-	-	5.25	5.25
Loans (refer note 5) (*)	2.57	-	-	2.57	2.57
	2,469.25	6,134.13	615.29	9,218.67	9,218.67
Liabilities:					
Borrowings (refer note 12) (*)	9,711.69	-	-	9,711.69	9,711.69
Trade payables (refer note 14) (*)	1,850.13	-	-	1,850.13	1,850.13
Lease liability (refer note 13) (*)	1,234.52	-	-	1,234.52	1,234.52
Other financial liabilities (refer note 15) (*)	369.13	-	-	369.13	369.13
	13,165.47	-	-	13,165.47	13,165.47

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

32 Fair value measurements (Contd.)

(a) Financial instruments by category (Contd.)

Notes:

(*) The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a stressed or liquidation sale.

(b) Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value by category and level on inputs used is given below:

As at 31 March 2021		Level 1	Level 2	Level 3	Total
(i)	Measured at fair value through OCI (FVOCI)				
	Investments in perpetual bonds (refer note 4)	637.07	-	-	637.07
(ii)	Measured at fair value through profit or loss (FVTPL)				
	Investments in debt mutual funds (refer note 4)	6,499.52	-	-	6,499.52
		7,136.59	-	-	7,136.59

As at 31 March 2020		Level 1	Level 2	Level 3	Total
(i)	Measured at fair value through OCI (FVOCI)				
	Investments in perpetual bonds (refer note 4)	615.29	-	-	615.29
(ii)	Measured at fair value through profit or loss (FVTPL)				
	Investments in debt mutual funds (refer note 4)	6,134.13	-	-	6,134.13
		6,749.42	-	-	6,749.42

(c) Computation of fair values

Investments in mutual funds are investments made in varied tenure funds whose fair value is considered as the net asset value (NAV) declared by their respective fund houses on a daily basis. NAV represents the price at which the fund house is willing to issue further units in such fund/the price at which the fund house will redeem such units from the investors. Thus the declared NAV is similar to fair market value for these mutual fund investments since transactions between the investor and fund houses will be carried out at such prices.

The fair value of perpetual bonds is based on quoted prices and market-observable inputs.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

33 Financial risk management

The Group's business activities expose it to a variety of financial risks such as credit risks, liquidity risk and market risks. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the consolidated financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group which results in financial loss. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants the credit limits. Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, present financial conditions of customers and anticipated regulatory changes. Group does not hold any collateral in respect of such receivables.

Financial instruments and cash deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Credit risk from balances with banks and financial institutions is managed by the Group's chief operating decision maker in accordance with the Group's policies, as approved by the Board. Investments of surplus funds are made only with approved entities and within credit limits assigned to each entity or fund.

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 was as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (refer note 8)	196.13	267.51
Investments (refer note 4)	7,189.67	7,058.04
Cash and cash equivalents (refer note 9)	1,033.39	1,769.15
Other bank balances (refer note 9)	57.51	116.15
Other financial assets		
Security deposits (refer note 5)	3.47	5.25
Loans (refer note 5)	-	2.57
	8,480.17	9,218.67

Trade Receivables as at 31 March 2021:

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 months	6 to 12 months	Above 12 months	
Secured	-	-	-	-	-
Unsecured	-	196.13	-	-	196.13
Gross Total	-	196.13	-	-	196.13
Provision for doubtful receivables	-	-	-	-	-
Net Total	-	196.13	-	-	196.13

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

33 Financial risk management (Contd.)

(a) Credit risk (cont'd)

Trade Receivables as at 31 March 2020:

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 months	6 to 12 months	Above 12 months	
Secured	-	-	-	-	-
Unsecured	-	267.51	-	-	267.51
Gross Total	-	267.51	-	-	267.51
Provision for doubtful receivables	-	-	-	-	-
Net Total	-	267.51	-	-	267.51

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long-term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Maturities of financial liabilities

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

As at 31 March 2021

Particulars	Upto 1 year	1 year to 3 year	3 year to 8 year	Total
Borrowings (refer note 12)	5,482.87	4,321.15	-	9,804.02
Trade payables (refer note 14)	2,161.01	-	-	2,161.01
Lease liability [refer note 3 (b)]	0.59	-	-	0.59
Other financial liabilities (refer note 15)	228.19	2.01	-	230.20
	7,872.66	4,323.16	-	12,195.82

As at 31 March 2020

Particulars	Upto 1 year	1 year to 3 year	3 year to 8 year	Total
Borrowings (refer note 12)	5,666.25	4,045.44	-	9,711.69
Trade payables (refer note 14)	1,850.13	-	-	1,850.13
Lease liability [refer note 3 (b)]	286.88	633.77	423.89	1,344.54
Other financial liabilities (refer note 15)	367.12	2.01	-	369.13
	8,170.38	4,681.22	423.89	13,275.49

(c) Market risk

Market risk is the risk of potential adverse change in the group's income and the value of group net worth arising from movement in foreign exchange rates, interest rates or other market prices. The group recognises that the effective management of market risk is essential to the maintenance of stable earnings and preservation of shareholder value. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the overall returns.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

33 Financial risk management (Contd.)

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Group operates internationally and a major portion of the business is transacted in US\$ and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States, and purchases from within United States and overseas suppliers. The exchange between Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/depreciates against US\$.

Foreign currency risk exposure:

Particulars	As at 31 March 2021	As at 31 March 2020
Financial Assets		
Trade receivables	196.13	267.51
Financial Liabilities		
Borrowings	9,804.02	9,711.69
Trade payables	2,161.01	1,850.13

Sensitivity analysis:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
USD sensitivity:		
INR/USD - increase by 5% (31 March 2020 - 5%)	588.45	564.72
INR/USD - decrease by 5% (31 March 2020 - 5%)	(588.45)	(564.72)

(ii) Price risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The investments in mutual funds have been disclosed in Note 4.

The Group is also exposed to the price risk for its investment in bonds and debentures. These being debt instruments, the exposure to risk of changes in market rates is minimal. The details of such investments in bonds are given in Note 4.

The Group is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

The Group has laid policies and guidelines which it adheres to in order to minimise pricing risk arising from investments in debt mutual funds.

Sensitivity analysis:

Particulars	As at 31 March 2021	As at 31 March 2020
Price increase by (1%) - Investments measured at FVTPL	65.00	61.34
Price decrease by (1%) - Investments measured at FVTPL	(65.00)	(61.34)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

33 Financial risk management (Contd.)

(iii) Interest rate risk

Liabilities:

The Group's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	9,804.02	9,711.69
Total borrowings	9,804.02	9,711.69

Profit or loss and equity is sensitive to higher / lower interest expense from borrowings as a result of change in interest rates.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest sensitivity:		
Interest rates - increase by 0.5% (31 March 2020 - 0.5%)	(49.02)	(48.56)
Interest rates - decrease by 0.5% (31 March 2020 - 0.5%)	49.02	48.56

Assets

The Group's fixed deposits, interest bearing security deposits and loans are carrying at fixed rate. Therefore these instruments are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(d) Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at 31 March 2021	As at 31 March 2020
Net debts (*)	8,713.12	7,826.39
Total equity	15,345.89	14,789.35
Net debt to equity ratio	0.57	0.53

(*) Net debt = non current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and bank balances

34 Covid 19 pandemic

The spread of Covid-19 has severely impacted businesses around the globe. In many countries, including the US, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Group has considered the possible effects that may result from the Covid-19 pandemic on the carrying amounts of property, plant and equipment, intangible assets, investments, inventories, receivables and other current assets. In developing assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements, has used internal and external sources of information including economic forecasts. The Group has performed sensitivity analysis on the assumptions used, and based on current estimates expects that the carrying amounts of these assets will be recovered. The Group has taken into account all the possible impacts of known events arising from the Covid-19 pandemic in the preparation of the financial results. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its duration. The Group will continue to monitor any material changes to future economic conditions.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

35 Dividends

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Dividend on equity shares paid during the year:		
Final dividend for FY 2019-20 [₹ 1 (Previous year ₹ 2) per equity share of ₹10 each]	147.29	293.81
Dividend distribution tax on above	-	60.57

Proposed Dividend

The Board of Directors at its meeting held on 28 June 2021 proposed a dividend of ₹ 1 per equity share (31 March 2020: ₹ 1 per equity share) amounting to ₹ 147.32 lacs (31 March 2020: ₹ 147.32 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

36 Additional information pursuant to the guidance note on division II- Ind AS Schedule III to the Companies Act 2013 :

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021
(a) Parent:								
IntraSoft Technologies Limited	74.02%	11,358.78	38.83%	323.92	-13.62%	17.76	48.55%	341.68
(b) Subsidiaries								
<i>Indian subsidiary</i>								
One Two Three Greetings (India) Private Limited	0.06%	8.74	0.06%	0.50	0.00%	-	0.07%	0.50
<i>Foreign subsidiary</i>								
123Greetings.com, Inc.	0.64%	97.74	0.56%	4.69	-18.57%	24.22	4.11%	28.91
Intrasoft Ventures Pte. Limited	-0.28%	(42.28)	0.18%	1.52	22.07%	(28.79)	-3.87%	(27.27)
123Stores, Inc. consolidated (*)	25.56%	3,922.91	60.37%	503.64	110.11%	(143.63)	51.15%	360.01
Minority interests in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	100%	15,345.89	100%	834.27	100%	(130.44)	100%	703.83

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Additional information pursuant to the guidance note on division II- Ind AS Schedule III to the Companies Act 2013 :

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31 March 2020	As % of consolidated profit or loss	Year ended 31 March 2020	As % of consolidated profit or loss	Year ended 31 March 2020	As % of consolidated profit or loss	Year ended 31 March 2020
(a) Parent:								
IntraSoft Technologies Limited	75.56%	11,174.39	-296.52%	(625.28)	21.20%	76.92	-95.60%	(548.36)
(b) Subsidiaries								
<i>Indian subsidiary</i>								
One Two Three Greetings (India) Private Limited	0.06%	8.24	0.17%	0.35	0.00%	-	0.06%	0.35
<i>Foreign subsidiary</i>								
123Greetings.com, Inc.	0.65%	96.24	324.58%	684.45	2.23%	8.09	120.73%	692.54
Intrasoft Ventures Pte. Limited	-0.29%	(42.68)	-3.22%	(6.79)	-0.41%	(1.50)	-1.45%	(8.29)
123Stores, Inc. consolidated (*)	24.03%	3,553.16	74.99%	158.14	76.98%	279.24	76.25%	437.38
Minority interests in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	100%	14,789.35	100%	210.87	100%	362.75	100%	573.62

(*) 123Stores, Inc. consolidated consists of 123Stores, Inc. and its wholly owned Indian subsidiary 123Stores E Commerce Private Limited.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Independent Auditor's Report

To
The Members of
Intrasoft Technologies Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **INTRASOFT TECHNOLOGIES LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) Credit: (as described in Note 23 to the standalone financial statements)	
As at 31 March 2021, the Company has recognised Minimum Alternate Tax (MAT) credit amounting to Rs 1,863.43 Lacs, within deferred tax assets. On that date, the Company also has unabsorbed depreciation amounting to Rs 495.32 Lacs.	Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following:
The recognition of a deferred tax asset in the form of MAT credit is based on management's estimate of taxable and accounting profits in future, which are underpinned by the Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgements, including the timing of reversals of unabsorbed business losses and depreciation.	<ul style="list-style-type: none">➤ Obtained and updated understanding of the management's process of computation of future accounting and taxable profits of the Company, and expected utilization of available MAT credit within specified time period as per provision of the IT Act.➤ Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end.➤ Reconciled the business results projections to the future business plans approved by the Company's board of directors;

Key audit matters	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) Credit: (as described in Note 23 to the standalone financial statements)	
Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgement involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter.	<ul style="list-style-type: none"> ➤ Evaluated the management's assessment of underlying assumptions used for the business results projections including implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business. Tested such growth rates used in the forecast by comparing them to past trends and to economic and industry forecasts, where appropriate; ➤ Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and unabsorbed business losses and utilisation of MAT credit; ➤ Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act; ➤ Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations; ➤ Tested the mathematical accuracy of management's projections and tax computations; ➤ Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act; ➤ Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the financial statements in accordance with the applicable accounting standards.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our 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 Responsibility for the Standalone financial statements

The Company's Board of Directors is 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 financial position, financial performance, total comprehensive income, changes in equity

and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 financial controls 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 system 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. **Refer Note 25 to the financial statement.**
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Rahul Bothra)
Partner

Place: Kolkata
Date : June 28, 2021

Membership No. 067330
UDIN: 21067330AAAAAV6666

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of IntraSoft Technologies Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of IntraSoft Technologies Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone 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. 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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was established and maintained and if 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

system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 internal financial controls system with reference to standalone financial statements of the Company.

Meaning of Internal Financial Controls with reference to Standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes 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 standalone 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 standalone financial statements.

Limitations of Internal Financial Controls Over with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

For **Singhi &Co.**
Chartered Accountants
 Firm's Registration No. 302049E

Place: Kolkata
 Date : June 28,2021

(Rahul Bothra)
Partner
 Membership No. 067330
 UDIN: 21067330AAAAAV6666

Annexure “B” to the Independent Auditor’s Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2021, we report that:

1. In respect to the Company’s assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to information and explanations given by the management, the title deeds of immovable properties included in Property, Plant & Equipment are held in the name of the Company.
2. The company does not have any inventory. Accordingly the provisions of clause 3(ii) are not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act to the extent applicable
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
6. The provisions regarding maintenance of the cost records under Section 148(1) of the Act are not applicable to the company.
7.
 - a. Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
8. The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
9. In our opinion and according to the information and explanations given by the management, no term loans were outstanding during the year. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration during the financial year in compliance with provisions of section 197 read with Schedule V to the Act.
12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected

with him as referred to in section 192 of Companies Act, 2013.

16. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **Singhi & Co.**

Chartered Accountants

Firm's Registration No. 302049E

(Rahul Bothra)

Partner

Place: Kolkata

Date : June 28, 2021

Membership No. 067330

UDIN: 21067330AAAAV6666

Balance Sheet as at 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	5(a)	1,339.49	1,437.04
Right of use assets	5(b)	0.53	37.56
Other intangible assets	5(c)	8.06	11.55
Financial assets			
(i) Investments	6(a)	1,586.27	1,798.44
(ii) Loans	7(a)	3.47	5.25
Deferred tax assets (net)	23	1,698.10	1,629.57
Income tax assets (net)	23	13.12	20.51
Other non-current assets	8(a)	58.83	156.79
Total non-current assets		4,707.87	5,096.71
Current assets			
Financial assets			
(i) Investments	6(b)	6,756.23	6,384.67
(ii) Trade receivables	9	-	1.49
(iii) Cash and cash equivalents	10(a)	280.44	42.57
(iv) Other bank balances	10(b)	40.45	39.52
(v) Loans	7(b)	60.00	72.57
Current tax assets (net)	23	-	9.69
Other current assets	8(b)	125.17	146.33
Total current assets		7,262.29	6,696.84
Total Assets		11,970.16	11,793.55
Equity and Liabilities			
Equity			
Equity share capital	11	1,473.17	1,473.17
Other equity	12	9,885.61	9,691.21
Total equity		11,358.78	11,164.38
Liabilities			
Non-current liabilities			
Financial liabilities:			
(i) Lease liability	13(a)	-	36.43
Provisions	15(a)	76.68	82.10
Other non-current liabilities	16(a)	372.22	368.86
Total non-current liabilities		448.90	487.39
Current liabilities			
Financial liabilities			
(i) Lease liability	13(b)	0.63	3.51
(ii) Other financial liabilities	14	121.67	114.85
Provisions	15(b)	2.71	2.87
Current tax liabilities (net)	23	15.24	-
Other current liabilities	16(b)	22.23	20.55
Total current liabilities		162.48	141.78
Total liabilities		611.38	629.17
Total Equity and Liabilities		11,970.16	11,793.55

The accompanying notes 1 to 32 form an integral part of these standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

Rahul Bothra

Partner

Membership No. 067330

Place: Kolkata

Date: 28 June 2021

For and on behalf of the **Board of Directors of
IntraSoft Technologies Limited**

Arvind Kajaria

Managing Director

(DIN: 00106901)

Mohit Kumar Jha

Chief Financial Officer

(PAN: AFQPJ3755G)

Place: Kolkata

Date: 28 June 2021

Sharad Kajaria

Whole-time Director

(DIN: 00108036)

Pranvesh Tripathi

Company Secretary

(PAN: ACWPT9367K)

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	17	703.34	690.06
Other income	18	597.74	504.76
Total income		1,301.08	1,194.82
Expenses			
Employee benefits expenses	19	659.02	648.00
Finance costs	20	2.58	3.64
Depreciation and amortisation expense	21	95.53	114.13
Other expenses	22	241.84	290.67
Total expenses		998.97	1,056.44
Profit before tax		302.11	138.38
Tax expense:	23		
Current tax		54.26	25.37
Deferred tax		(78.29)	(5.87)
Prior year taxes		2.22	-
		(21.81)	19.50
Profit after tax		323.92	118.88
Other comprehensive income:			
(a) Items that will not be reclassified to profit or loss:			
- Remeasurements of defined benefit obligations		2.92	(9.67)
- Income tax effect on above		(0.81)	2.69
(b) Items that will be reclassified subsequently to profit or loss:			
- Fair value gain/(loss) on investment in debt instruments through OCI		21.68	3.91
- Income tax effect on above		(6.03)	(1.09)
Total other comprehensive income for the year		17.76	(4.16)
Total comprehensive income for the year		341.68	114.72
Earnings per equity share:			
Basic and diluted earnings per share (₹)	24	2.20	0.81

The accompanying notes 1 to 32 form an integral part of these standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

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Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Statement of Cash flows for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	302.11	138.38
Adjustments for:		
Depreciation and amortisation expense	95.53	114.13
Loss on disposal of property, plant and equipment	10.60	-
Dividend income	(28.87)	-
Net gain on sale of investments measured at FVTPL	(429.33)	(226.94)
Net gain arising on remeasurement of investments measured at FVTPL	-	(108.42)
Foreign exchange loss	4.22	8.42
Finance costs	2.58	3.64
Interest income	(104.73)	(135.66)
Unwinding of financial guarantee	(27.75)	(27.75)
Operating loss before working capital changes	(175.64)	(234.20)
Adjustments for changes in working capital		
(Increase)/decrease in trade receivables	(2.73)	6.52
Decrease in loans	14.35	10.28
Decrease in other financial assets	0.42	2.04
Decrease in other assets	110.48	28.44
Increase/(decrease) in provisions	(2.66)	0.87
Increase/(decrease) in non current liabilities	3.36	(2.00)
Increase/(decrease) in financial liabilities	7.24	(191.37)
Increase in current liabilities	1.68	2.07
Cash used in operating activities	(43.50)	(377.35)
Income tax paid (net of refunds)	(16.47)	(45.50)
Net cash used in operating activities (A)	(59.97)	(422.85)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(1.53)	(0.31)
Purchase of intangible assets	-	(1.11)
Proceeds from disposal of property, plant equipment	0.81	1.88
Maturity of/(investment in) fixed deposits (net)	(1.35)	(1.74)
Interest received	104.73	135.66
Dividend received	28.87	-
Purchase of investments	(3,843.65)	(8,123.56)
Sale of investments	4,163.03	8,808.57
Net cash generated from investing activities (B)	450.91	819.39
C. Cash flow from financing activities:		
Dividend paid (including tax thereon)	(147.72)	(356.42)
Repayment of lease liabilities (net)	(5.28)	(6.78)
Interest paid	(0.07)	(0.07)
Net cash used in financing activities (C)	(153.07)	(363.27)
Net increase in cash and cash equivalents (A+B+C)	237.87	33.27
Cash and cash equivalents at the beginning of the year	42.57	9.30
Cash and cash equivalents at the end of the year	280.44	42.57

Statement of Cash flows for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Components of cash and cash equivalents:		
Cash and bank balances	280.44	42.57
	280.44	42.57

Notes:

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

(ii) Reconciliation of lease liability:

Particulars	As at 31st March 2020	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities reversed on termination	As at 31st March 2021
Lease Liability	39.94	(5.28)	2.51	(36.54)	0.63

Particulars	As at 1st April 2019	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities reversed on termination	As at 31st March 2020
Lease Liability	43.15	(6.78)	3.57	-	39.94

This is the Statement of Cash Flows referred to in our report of even date.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of
IntraSoft Technologies Limited**

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	1,473.17	1,473.17
Changes in equity share capital during the year	-	-
Balance at the end of the year	1,473.17	1,473.17

B. Other equity

	Reserves and Surplus				Other comprehensive income (OCI)	Total
	Securities premium account	General reserve	Capital reserve	Retained earnings	Debt instruments through OCI	
As at 1 April 2019	5,527.11	169.15	96.14	4,167.63	(9.92)	9,950.11
Profit for the year	-	-	-	118.88	-	118.88
Items of other comprehensive income, net of tax:						
Remeasurements of post-employment benefit obligations, net of tax	-	-	-	(6.98)	-	(6.98)
Fair value changes on investments in debt instruments through OCI	-	-	-	-	2.82	2.82
Dividends paid (including dividend tax)	-	-	-	(354.38)	-	(354.38)
Others	-	-	-	(19.24)	-	(19.24)
As at 31 March 2020	5,527.11	169.15	96.14	3,905.91	(7.10)	9,691.21
Changes in equity for the year ended 31 March 2021						
As at 31 March 2020	5,527.11	169.15	96.14	3,905.91	(7.10)	9,691.21
Profit for the year	-	-	-	323.92	-	323.92
Items of other comprehensive income, net of tax:						
Remeasurements of post-employment benefit obligations, net of tax	-	-	-	2.11	-	2.11
Fair value changes on investments in debt instruments through OCI	-	-	-	-	15.65	15.65
Dividends paid	-	-	-	(147.28)	-	(147.28)
As at 31 March 2021	5,527.11	169.15	96.14	4,084.66	8.55	9,885.61

The accompanying notes 1 to 32 form an integral part of these standalone financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Singhi & Co.**

Chartered Accountants

Firm Registration No. 302049E

Rahul Bothra

Partner

Membership No. 067330

Place: Kolkata

Date: 28 June 2021

For and on behalf of the **Board of Directors of IntraSoft Technologies Limited**

Arvind Kajaria

Managing Director

(DIN: 00106901)

Mohit Kumar Jha

Chief Financial Officer

(PAN: AFQPJ3755G)

Place: Kolkata

Date: 28 June 2021

Sharad Kajaria

Whole-time Director

(DIN: 00108036)

Pranvesh Tripathi

Company Secretary

(PAN: ACWPT9367K)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

1 Corporate information

- a) IntraSoft Technologies Limited ('the Company') is a public limited company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is listed on Bombay Stock Exchange and National Stock Exchange of India Limited and is engaged in internet based delivery of services.

The standalone financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 28 June 2021.

b) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2 Significant Accounting policies

a) Basis of preparation

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 period, as explained in the accounting policies below. 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. All assets and liabilities have been classified as current and non-current as per the Company's 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) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

- A. Ind AS 103 (Business Combinations): Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.
- B. Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.
- C. Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.
- D. Ind AS 116 (Leases): Due to the pandemic COVID- 19 – Related Rent concession, a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modification or not.
- E. Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of "Material".
- F. Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.
- G. Ind AS 34 (Interim Financial Reporting): Consequential of the above amendments.
- H. Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

- A On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

- Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets
- Specified format for ageing schedule of trade receivables, trade payables, capital work-inprogress and intangible asset under development.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment.
- Specific Disclosures : Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

B The Ministry of Corporate Affairs (MCA) vide Notification dated 18 June 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable with immediate effect from the date of the notification. Consequently amendments are effective for the financial year ended 31 March 2022.

Major amendments notified in the Companies (Ind AS) Amendment Rules, 2021 are provided below:-

- Ind AS 116 - Leases – The amendments extend the benefits of the COVID 19 related rent concession that were introduced last year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30 June 2021 to 30 June 2022.
- Ind AS 109 - Financial Instruments – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform along. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.
- Ind AS 101 - Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph BI as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

- Ind AS 102 - Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term ‘Equity Instrument’ which shall be applicable for the annual reporting periods beginning on or after 1 April 2021.
- Ind AS 103 -Business Combinations – The amendment substitutes the definition of ‘assets’ and ‘liabilities’ in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.
- Ind AS 104 -Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- Ind AS 105 -Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of - “fair value less costs to sell” with “fair value less costs of disposal”
- Ind AS 106 - Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- Ind AS 107 - Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like :
 - (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;
 - (ii) the entity’s progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- Ind AS 111 -Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- Ind AS 114 - Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- Ind AS 115 -- Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word ‘Framework’ with the ‘Conceptual Framework of Financial Reporting in Ind AS’, respective changes have been made in the standard.
- Ind AS 16 - Property, Plant and Equipment –The amendment has been made by substituting the words “Recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use” with “Recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use”.
- Ind AS 34 - Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term ‘Liability’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- Ind AS 38 - Intangible Assets – The amendment substitutes the definition of the term ‘Asset’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3 Use of estimates

- a) The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

assets and liabilities as at the date of the standalone financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for income taxes, classification of assets and liabilities into current and non-current and the useful lives of tangible and intangible assets. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

b) Critical accounting estimates and judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the standalone financial statements.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Income taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes including amounts expected to be paid or recovered for uncertain tax positions. Refer note 23.

Useful lives of depreciable or amortisable assets

Management reviews its estimate of the useful lives of depreciable or amortisable assets at each reporting date, based its expected utility of those assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Measurement of defined benefit obligation (DBO)

The costs of post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in note 19.

Fair value measurements

When the fair values 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, which involve various judgements and assumptions. Refer note 28 for details.

Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

4 The standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

(a) Foreign currency

Functional and presentation currency

The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Transactions and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of returns and discounts to customers. Revenue from the sale of services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

Sale of services

Revenue from services consists of revenue earned from contracts or agreements with the related parties, which are recognized as and when related services are performed and when no significant uncertainty exists regarding the collectability of revenue. The timing of such recognition in case of services, in the period in which such services are rendered.

Interest income

Interest income is recorded using the effective interest rate (EIR) for all debt instruments measured either at amortised cost. 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.

Dividend income

Dividend income is recognized when the right to receive payment is established.

(c) Property, plant and equipment

Recognition:

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent measurement (depreciation and useful lives):

The Company depreciates property, plant and equipment on a pro-rata basis over their estimated useful lives using the straight-line method. The estimated useful lives of the assets prescribed under Schedule II of the Act, are as follows:

Category of asset	Useful life (years)
Buildings	60
Leasehold Improvements	Shorter of lease period or estimated useful lives
Furniture and fixtures	10
Computer equipment	3 to 6
Office equipment	5
Vehicles	8

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Advances paid towards the acquisition property, plant and equipment outstanding as at each balance sheet date is classified as capital advance under other non-current assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that the future economic benefits associated with these 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 financial statements upon sale or upon retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss.

De-recognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the standalone Statement of Profit and Loss, when the asset is de-recognised.

(d) Other intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. They are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the affects of obsolescence, demand, competition and other economic factors (such as stability of the industry and know technological advances) and the level of maintenance expenditures required to obtain the future cash flows from the asset. Residual value, useful lives and amortisation method are reviewed annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

(e) Leases

Company as a lessee:

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application on 01 April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The Company has lease contracts for various buildings. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as an operating lease.

Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis, (no straightlining was done in case escalations were considered to be in line with expected general inflation), over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases are recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

The Company has applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

(f) Impairment of non-financial assets

At the end of each reporting period, 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, 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 (or a cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, 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.

(g) Financial instruments

Classification:

The Company classifies its financial assets in the following measurement categories depending on the Company's business model for managing such financial assets and the contractual cash flow terms of the asset:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the Statement of Profit and Loss or other comprehensive income. Investments in debt instruments are classified depending on the business model managing such investments. The Company re-classifies the debt investments when and only when there is a change in business model managing those assets.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Measurement:

At initial recognition, the Company measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss as and when they are incurred.

Financial assets

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- The Company's business model for managing the financial asset and,
- The contractual cash flow characteristics of the financial asset.

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.

This category applies to investments by the Company in non-convertible debentures.

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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. 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 recognised in other comprehensive income.

This category applies to investments by the Company in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss. On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss.

This category applies to investments by the Company in perpetual bonds.

Financial assets at fair value through profit and loss - A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

De-recognition of financial assets

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Company transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Company retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Where the Company has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company does not retain control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in such financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

De-recognition of financial liability

A financial liability is de-recognised when the underlying obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Financial guarantee

Financial guarantee contracts are initially measured at fair value and subsequently measured at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- The amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with principles of Ind AS.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(h) Investments in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. On disposal of the investments, the difference between net disposal proceeds and the carrying amount is recognized in the Statement of Profit and Loss.

(i) Taxation

Tax expense recognized in the Statement of Profit or Loss comprises the sum of deferred tax and current tax except the ones recognized in Other Comprehensive Income or directly in Equity.

Current tax

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

Current income tax for current and prior periods is recognised at the amounts 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.

The Company off-sets current tax assets and liabilities, where it has a legally enforceable right to set-off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum alternate tax

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time. Accordingly, MAT Credit Entitlement has been grouped with deferred tax asset (net). Correspondingly, MAT credit entitlement has been grouped with deferred tax in the Statement of Profit and Loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets (including MAT credits) are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(j) Employee benefits expense:

Expenses and liabilities in respect of employee benefits expense are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plans:

Gratuity

The defined benefit obligation for post employment benefit plan is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Profit or Loss as past service cost.

Other long-term employee benefits:

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid or 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 period in which the absences occur.

The measurement of other long-term employee benefits is not usually subject to the same degree of uncertainty as the measurement of post-employment benefits. Hence the remeasurements are not recognised in Other Comprehensive Income.

(k) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, cash at bank, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

(m) Earnings per equity share (EPS)

Basic earnings per equity share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

Diluted earnings per equity share is calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(n) Government grant

The Company is entitled to grants from state government in respect of state incentive scheme. Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them.

Government grants related to revenue are recognised on a systematic basis in net profit in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

(o) Fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and or disclosure purposes in the financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

(p) Borrowing costs

Interest on borrowing is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing. Ancillary expenditure incurred in connection with the arrangement of borrowings is amortized over the tenure of the respective borrowings. An unamortized borrowing cost remaining, if any, is fully expensed off as and when the related borrowing is prepaid or cancelled.

(q) Dividends

The final dividend on equity shares is 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.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(r) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Company's activities consists of a single business segment of internet based delivery of services.

(t) Transfer pricing

In accordance with international transfer pricing regulations of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain documentation in this respect. These regulations require that such information and documentation be to contemporaneous, including conducting a benchmark study to determine whether any transactions with associated enterprises undertaken are on an "arm's length basis". The Company is in the process of updating its transfer pricing study for the financial year ended 31 March 2021. Management is of the opinion that the Company's international transactions are at arm's length. Consequently, no adjustments, if any, that may arise from this study are presently recorded in the standalone financial statements.

5 (a) Property, plant and equipment

Property, plant and equipment	Buildings	Furniture and fixtures	Computer equipment	Office equipment	Leasehold Improvements	Vehicles	Total
Gross block							
Balance as at 01 April 2019	1,282.79	290.80	50.24	142.43	15.00	105.16	1,886.42
Additions	-	-	0.31	-	-	-	0.31
Disposals	-	2.78	12.11	-	-	-	14.89
Balance as at 31 March 2020	1,282.79	288.02	38.44	142.43	15.00	105.16	1,871.84
Additions	-	-	0.95	0.58	-	-	1.53
Disposals	-	11.31	5.52	7.37	15.00	-	39.20
Balance as at 31 March 2021	1,282.79	276.71	33.87	135.64	-	105.16	1,834.17
Accumulated depreciation							
Balance as at 01 April 2019	65.13	98.85	43.29	82.28	1.98	56.08	347.61
Depreciation charge for the year	21.71	34.68	1.16	23.67	4.75	14.23	100.20
Disposals	-	1.51	11.50	-	-	-	13.01
Balance as at 31 March 2020	86.84	132.02	32.95	105.95	6.73	70.31	434.80
Depreciation charge for the year	21.71	34.33	0.68	17.82	3.57	9.56	87.67
Disposals	-	5.44	5.25	6.80	10.30	-	27.79
Balance as at 31 March 2021	108.55	160.91	28.38	116.97	-	79.87	494.68
Net block							
Balance as at 31 March 2020	1,195.95	156.00	5.49	36.48	8.27	34.85	1,437.04
Balance as at 31 March 2021	1,174.24	115.80	5.49	18.67	-	25.29	1,339.49

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 (b) Right-of-use assets

	Buildings	Total
Gross block		
Balance as at 01 April 2019	-	-
Additions	43.15	43.15
Disposals	-	-
Balance as at 31 March 2020	43.15	43.15
Additions	-	-
Disposals	41.18	41.18
Balance as at 31 March 2021	1.97	1.97
Accumulated amortisation		
Balance as at 01 April 2019	-	-
Charge for the year	5.59	5.59
Disposals	-	-
Balance as at 31 March 2020	5.59	5.59
Charge for the year	4.37	4.37
Disposals	8.52	8.52
Balance as at 31 March 2021	1.44	1.44
Net block		
Balance as at 31 March 2020	37.56	37.56
Balance as at 31 March 2021	0.53	0.53

Lease liabilities

Particulars	Amount
Balance as on 1 April, 2020	39.94
Add: Interest expense accrued on lease liabilities	2.51
Less: Lease liabilities paid	(5.28)
Less: Lease liabilities reversed on termination	(36.54)
Closing balance as at 31 March 2021	0.63
Current	0.63
Non current	-

The Company has lease agreement usually for a period of 2 to 9 years with the lessor for rental of office spaces. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Lease deed for office space imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. The Company is prohibited from selling or pledging the underlying leased assets as security.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Maturity profile of lease liability

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2021	0 to 1 year	1 to 5 years	> 5 years	Total
Lease liabilities	0.59	-	-	0.59

Following amount has been recognised in statement of profit and loss account:

Particulars	Amount
Depreciation/amortisation on right to use asset	4.37
Interest on lease liability	2.51
Expenses related to short term lease (included under other expenses)	17.84
Expenses related to low value lease (included under other expenses)	-
Total amount recognised in statement of profit and loss account	24.72

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

5 (c) Other intangible assets

	Softwares	Total
Gross block		
Balance as at 01 April 2019	47.47	47.47
Additions	1.11	1.11
Disposals	-	-
Balance as at 31 March 2020	48.58	48.58
Additions	-	-
Disposals	-	-
Balance as at 31 March 2021	48.58	48.58
Accumulated amortisation		
Balance as at 01 April 2019	28.69	28.69
Charge for the year	8.34	8.34
Disposals	-	-
Balance as at 31 March 2020	37.03	37.03
Charge for the year	3.49	3.49
Disposals	-	-
Balance as at 31 March 2021	40.52	40.52
Net block		
Balance as at 31 March 2020	11.55	11.55
Balance as at 31 March 2021	8.06	8.06

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments

	As at 31 March 2021	As at 31 March 2020
(a) Non-current investments		
I Investments in Equity instruments (subsidiaries) [refer note (i) & (iii) for details]		
Unquoted		
<i>(Carried at cost)</i>		
(i) 123Greetings.com, Inc. [10,000,000 (31 March 2020 - 10,000,000) common stock shares having face value of USD 0.01 each fully paid-up]	43.15	43.15
(ii) One Two Three Greetings (India) Private Limited [2,000,000 (31 March 2020 - 2,000,000) equity shares having face value of ₹ 10 each fully paid-up]	200.00	200.00
(iii) IntraSoft Ventures Pte. Limited [1,450,000 (31 March 2020 - 1,450,000) shares having face value of SGD 1.00 each fully paid-up]	641.10	641.10
II Investments in non-convertible debentures		
Quoted		
<i>(Designated at Amortised Cost)</i>		
(i) DHFL (8.90% NCD) (2,500 units having face value of ₹ 1,000 each fully paid-up)	-	5.00
(ii) ECL Finance Limited (9.45% NCD) (5,000 units having face value of ₹ 1,000 each fully paid-up)	-	53.08
III Investments in perpetual bonds (#)		
Quoted		
<i>(Designated at Fair Value Through Other Comprehensive Income)</i>		
(i) State Bank of India (8.15% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each)	213.07	198.59
(ii) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26) (20 units having face value of ₹ 1,000,000 each)	-	201.57
(iii) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18) (20 units having face value of ₹ 1,000,000 each)	220.37	215.13
(#) Pledged in favour of Citi Bank N.A. against SBLC amounting ₹ 5,550 lacs.		
IV Deemed investments		
<i>(measured at fair value)</i>		
123Stores, Inc. [refer note (ii) below]	268.58	240.82
Total non-current investments	1,586.27	1,798.44
Other disclosures for non-current investments:		
Aggregate amount of quoted investments	433.44	673.37
Aggregate amount of unquoted investments	884.25	884.25

Notes:

- As at the Balance Sheet date, none of the investments in equity instruments have been impaired.
- The Company has given a corporate guarantee to CITI Bank N.A, on behalf of its step-down subsidiary, 123Stores, Inc., amounting to ₹ 5,550 lacs in India, for a loan amounting to USD 7.5 million taken by its step-down subsidiary, 123Stores, Inc. The financial guarantee has been fair valued as per IND AS 109.
- The Company has measured its investment in subsidiaries at cost in accordance with Ind AS 27 - Separate Financial Statements.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments (Contd.)

	As at 31 March 2021	As at 31 March 2020
(b) Current investments		
I Investments in non-convertible debentures		
Quoted		
<i>(Designated at Amortised Cost)</i>		
(i) Edelweiss Retail Finance Limited (8.75% NCD) (25,000 units having face value of ₹ 1,000 each fully paid-up)	-	250.54
(ii) ECL Finance Limited (9.45% NCD) (5,000 units having face value of ₹ 1,000 each fully paid-up)	53.08	-
	53.08	250.54
II Investments in perpetual bonds (#)		
Quoted		
<i>(Designated at Fair Value Through Other Comprehensive Income)</i>		
(i) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26) (20 units having face value of ₹ 1,000,000 each)	203.63	-
	203.63	-
(# Pledged in favour of Citi Bank N.A. against SBLC amounting ₹ 5,550 lacs.		
III Investments in mutual funds:		
Quoted		
<i>(Measured at Fair Value Through Profit and Loss)</i>		
Debt Mutual funds (refer details below)	6,499.52	6,134.13
	6,499.52	6,134.13
Other disclosures for current investments:		
Aggregate amount of quoted investments	6,756.23	6,384.67
Aggregate amount of impairment in value of investments	-	-

Investments in Mutual Funds

(a) Balance as at 31 March 2021:

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	253,811	30.36
Axis Corporate Debt Fund - Regular Plan-Monthly Dividend	1,959,284	199.99
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	7,706,265	32.04
Franklin India Credit Risk Fund - Growth	746,535	154.51
Franklin India Credit Risk Fund - Growth (Seg. Port2)	918,464	-
Franklin India Credit Risk Fund - Growth (Seg. Port3)	997,571	-
HDFC Corporate Bond Fund - Direct Plan - Quarterly dividend (#)	6,307,360	652.66
HDFC Medium Term Debt Fund - Direct Plan - Normal dividend (#)	3,250,971	555.71
HDFC Income Fund- Direct Plan -Quarterly dividend (#)	2,607,607	313.38
HDFC Money Market Fund - Direct Plan - Growth Option	7,840	350.75
ICICI Prudential Long Term Bond Fund-Regular-Qtly Dividend (#)	2,499,375	299.76
ICICI Prudential Medium Term Bond Fund -Direct-Qly-Div (#)	5,052,513	559.56
ICICI Prudential Short Term Fund - DP - Monthly Div (#)	3,524,893	446.76
IDFC Bond Fund-Short Term Plan - Direct-Qtly Dividend (#)	4,160,761	434.74
Kotak Bond Short Term - Direct- Monthly Div. Reinvestment (#)	3,232,676	440.42
L&T Resurgent India Bond Fund - Direct - Annual Dividend (#)	3,540,024	425.44
Nippon India Strategic Debt Fund - Regular-Quarterly Dividend (#)	5,073,313	399.98
Nippon India Low Duration Fund - Regular-Quarterly Dividend (#)	29,516	300.17

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments (Contd.)

Particulars	Units	Amount
SBI Magnum Medium Duration Fund - Direct - Dividend	2,723,728	439.44
SBI Short Term Debt Fund - Direct - Monthly Dividend (#)	3,016,557	438.70
TRUSTMF Banking & PSU Debt Fund - Direct - Growth	2,510	25.15
		6,499.52

(#) Ear-marked for lien in favour of Citi Bank N.A. against SBLC amounting ₹ 5,550 lacs.

(b) Balance as at 31 March 2020:

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	475,722	53.96
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	7,706,265	33.41
Aditya Birla Sun Life Money Manager Fund - Growth-Direct Plan	11,265	30.52
Aditya Birla Sun Life Short Term Fund -Growth- Direct Plan	872,791	302.39
Franklin India Credit Risk Fund - Growth	997,572	186.52
Franklin India Credit Risk Fund - Growth (Seg. Port1,2&3)	997,571	-
HDFC Corporate Bond Fund - Direct Plan - Growth	1,782,074	411.37
HDFC Medium Term Debt Fund - Direct Plan - Growth	1,217,256	512.51
ICICI Prudential Credit Risk Fund-Growth	1,412,090	307.10
ICICI Prudential Corporate Bond Fund - Direct Plan- Growth	1,424,118	306.33
ICICI Prudential Medium Term Bond Fund-Direct Plan-Growth	1,241,143	412.22
ICICI Prudential Short Term Fund - Direct Plan - Growth	923,035	409.51
IDFC Bond Fund-Short Term Plan-Growth-Direct Plan	927,932	402.37
Kotak Dynamic Bond Fund - Direct Plan - Growth	1,463,427	411.14
Kotak Bond Short Term Fund - Direct Plan – Growth	1,013,215	406.44
L&T Triple Ace Bond Fund - Direct Plan - Growth	565,090	312.31
L&T Resurgent India Bond Fund - Direct Plan - Growth	1,952,197	300.61
SBI Dynamic Bond Fund - Regular Plan - Growth	1,194,237	310.89
SBI Magnum Medium Duration Fund - Direct - Growth	818,044	310.02
SBI Short Term Debt Fund - Direct - Growth	1,685,857	406.87
SBI Corporate Bond Fund - Direct - Growth	2,725,923	307.64
		6,134.13

7 Loans

	As at 31 March 2021	As at 31 March 2020
(a) Non-current:		
<i>(Unsecured, considered good)</i>		
Security deposits	3.47	5.25
	3.47	5.25
(b) Current:		
<i>(Unsecured, considered good)</i>		
Loan to subsidiaries (refer note below)	60.00	70.00
Loans and advances to employees	-	2.57
	60.00	72.57

Note: The Company does not have any loans which have been credit impaired or significant increase in credit risk.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

7 Loans (Contd.)

Loans to subsidiaries

The Company has given an interest free, unsecured loan to One Two Three Greetings (India) Private Limited for working capital requirement, amounting to ₹ 60 lacs (31 March 2020 - ₹ 70 lacs). The same is repayable on demand.

Disclosure as per clause 34(3), clause 53 (f) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the company	Amount outstanding as at 31 March 2021	Maximum balance outstanding during the year ended 31 March 2021	Amount outstanding as at 31 March 2020	Maximum balance outstanding during the year ended 31 March 2020
One Two Three Greetings (India) Pvt. Limited	60.00	70.00	70.00	75.00

The Company does not have any loans which have been credit impaired or significant increase in credit risk.

8 Other assets

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Balances with Government Authorities (Refer note below)	53.51	154.68
Prepaid expenses	5.32	2.11
	58.83	156.79

Note: Balances with Government Authorities primarily include amounts realisable from goods and services tax and transitional credit carried forward under the goods and services tax regime. These are expected to be realised in the future by refund or off-setting the same against the output services tax liability on services rendered by the Company. Accordingly these balances have been classified as non current assets.

	As at 31 March 2021	As at 31 March 2020
(b) Current		
Other advances	0.61	2.09
Income Tax refund receivable	5.96	13.65
GST refund receivable	113.40	122.45
Prepaid expenses	5.20	8.14
	125.17	146.33

9 Trade receivables

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	-	1.49
	-	1.49

The Company does not have any receivables which have been credit impaired or significant increase in credit risk.

The receivable amount is due from a related party.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

10 Cash and bank balances

	As at 31 March 2021	As at 31 March 2020
(a) Cash and cash equivalents		
Balances with banks		
- In current account	34.31	4.31
- Cheques in hand	1.75	-
- Deposits of original maturity of less than 3 months	243.91	38.02
Cash on hand	0.47	0.24
	280.44	42.57
(b) Other bank balances		
Unpaid dividend account [refer note (i) below]	5.12	5.54
Deposits with maturity of more than 3 months but less than 12 months [refer note (ii) below]	35.33	33.98
	40.45	39.52

Notes:

- The Company has transferred an amount of ₹0.66 lacs of unpaid dividend to the Investor Education and Protection fund for the financial year 2012-13.
- The Company has deposited ₹30 Lacs against fixed deposit with HDFC Bank for bank guarantee issued in favour of Santosh Promoters Pvt. Limited as per the order of Supreme Court dated 01 May 2017.

11 Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹10 each	25,250,000	2,525.00	25,250,000	2,525.00
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	14,731,678	1,473.17	14,731,678	1,473.17
	14,731,678	1,473.17	14,731,678	1,473.17

(a) Reconciliation of equity share capital

There is no movement in the equity share capital during the current and comparative periods.

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts if any. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

- No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

11 Equity share capital (Cont.)

(d) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholders	As at 31 March 2021		As at 31 March 2020	
	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹10 each:				
Arvind Kajaria	2,811,797	19.09%	2,811,797	19.09%
Sharad Kajaria	2,812,500	19.09%	2,812,500	19.09%
Padma Kajaria	1,400,000	9.50%	1,400,000	9.50%
University of Notre Dame Du Lac	1,085,015	7.37%	1,085,015	7.37%

(e) The Board of Directors at its meeting held on 28 June 2021 proposed a dividend of ₹1 per equity share (31 March 2020: ₹1 per equity share) amounting to ₹147.32 lacs (31 March 2020: ₹147.32 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

12 Other equity

	As at 31 March 2021	As at 31 March 2020
(a) Capital reserve	96.14	96.14
(b) General reserve	169.15	169.15
(c) Securities premium	5,527.11	5,527.11
(d) Retained earnings		
Opening balance	3,905.91	4,167.63
Profit for the year	323.92	118.88
Remeasurements of post-employment benefit obligations, net of tax	2.11	(6.98)
Less:- Appropriations		
Dividend on equity shares (including dividend tax)*	(147.28)	(354.38)
Others	-	(19.24)
Closing balance	4,084.66	3,905.91
(e) Debt instruments through OCI		
Opening balance	(7.10)	(9.92)
Net fair value loss on investment in debt instruments through OCI, net of tax	15.65	2.82
Closing balance	8.55	(7.10)
	9,885.61	9,691.21

*Paid to shareholders during the financial year 2020-21.

(f) Nature and purpose of reserves

Capital reserve

The Company has transferred the net surplus arising from amalgamation in accordance with the terms of Scheme of amalgamation.

General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

12 Other equity (Cont.)

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

Debt instruments through Other Comprehensive Income:

The debt instruments are measured at fair value and the change is recognised through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.

13 Lease liability

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Lease liability	-	36.43
	-	36.43
(b) Current		
Lease liability	0.63	3.51
	0.63	3.51

14 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Current		
Liabilities for expenses	30.05	27.38
Dues to employees	72.62	68.06
Liability for financial guarantee to subsidiary	13.88	13.87
Unpaid dividend	5.12	5.54
	121.67	114.85

15 Provisions

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Provision for employee benefits:		
- Provision for gratuity (refer note 19)	65.83	68.50
- Provision for compensated absences	10.85	13.60
	76.68	82.10
(b) Current		
Provision for employee benefits:		
- Provision for gratuity (refer note 19)	2.09	2.12
- Provision for compensated absences	0.62	0.75
	2.71	2.87

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

16 Other liabilities

	As at 31 March 2021	As at 31 March 2020
(a) Non-current		
Advances:		
Advance from related parties (refer note 26)	272.72	267.37
Others:		
Deferred revenue arising from government grant	99.50	101.49
	372.22	368.86
(b) Current		
Others		
Statutory dues	20.23	18.54
Deferred revenue arising from government grant	2.00	2.01
	22.23	20.55

17 Revenue from operations

	Year ended 31 March 2021	Year ended 31 March 2020
Sale of services	703.34	690.06
	703.34	690.06

Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

a) Revenue streams

The Company generates revenue primarily from a single business segment of internet based delivery of services.

b) Reconciliation of revenue from sale of services with the contracted price

	Year ended 31 March 2021	Year ended 31 March 2020
Contracted price	703.34	690.06
Less: Trade discounts, volume rebates, etc.	-	-
Sale of services	703.34	690.06

c) Timing of revenue recognition

	Year ended 31 March 2021	Year ended 31 March 2020
Services rendered at a point in time when performance obligation is satisfied	703.34	690.06
	703.34	690.06

d) Geographical information

Geographical information of the Company's revenue from operation has been disclosed below:

	Year ended 31 March 2021	Year ended 31 March 2020
United States of America	694.09	690.06
	694.09	690.06

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

17 Revenue from operations (Cont.)

e) Contract balance

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

	As at 31 March 2021	As at 31 March 2020
Receivables	-	1.49
Contract assets	-	-
Contract liabilities	16.26	-

Contract asset is the right to consideration in exchange for services transferred to the customer. Contract liability is the entity's obligation to transfer services to a customer for which the entity has received consideration from the customer in advance.

18 Other income

	As at 31 March 2021	As at 31 March 2020
Interest income:		
- Investments in debt instruments	77.56	133.32
- Others	27.17	2.34
Dividend income:		
- Dividends from mutual funds	28.87	-
Other gains and losses:		
- Net gain on sale of investments measured at FVTPL	429.33	226.94
- Net gain arising on remeasurement of investments measured at FVTPL	-	108.42
Others		
- Other miscellaneous income	4.46	5.99
- Gain on lease modification	2.60	-
- Unwinding of financial guarantee	27.75	27.75
	597.74	504.76

19 Employee benefits expenses

	As at 31 March 2021	As at 31 March 2020
Salaries and allowances	639.29	616.11
Contribution to provident and other funds [refer note (a) below]	18.73	29.08
Staff welfare expenses	1.00	2.81
	659.02	648.00

(a) Defined contribution plans

Eligible employees of the Company receive benefits under the provident fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the fund administered and managed by the Government of India and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to the Statement of Profit and Loss in the period in which they are incurred.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

19 Employee benefits expenses (Cont.)

(b) Defined benefits plan

Gratuity is a post employment benefit and is a defined benefit plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 ('the Act'). The liability recognised in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date, together with adjustment for unrecognised actuarial gains or losses and past service cost. Independent actuaries calculate the defined benefit obligation annually using the Projected Unit Credit Method. Actuarial gains and losses are credited/ charged to the Statement of Other Comprehensive Income in the year in which such gains or losses arise.

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
(i) Defined benefits obligations recognised:		
Present value of obligation:		
- Current	2.09	2.12
- Non-current	65.83	68.50
	67.92	70.62
(ii) Movement in the present value of defined benefit obligations:		
Balance at the beginning of the year	70.62	63.43
Current service cost	4.86	5.04
Past service cost	-	-
Interest cost	4.66	4.82
Actuarial (gain)/loss arising from assumption changes	(2.28)	7.71
Actuarial loss arising from experience adjustments	(0.64)	1.97
Benefits paid	(9.30)	(12.35)
Obligations at the end of the year	67.92	70.62
(iii) Components of the net cost charged to the Statement of Profit and Loss:		
Current service cost	4.86	5.04
Interest cost	4.66	4.82
	9.52	9.86
(iv) Remeasurement of the net defined benefit plans		
Actuarial loss arising from assumption changes	(2.28)	7.71
Actuarial loss arising from experience adjustments	(0.64)	1.97
	(2.92)	9.68

Particulars	Gratuity	
	31 March 2021	31 March 2020
(v) Assumptions		
Discount rate (refer note below)	6.90%	6.60%
Salary escalation rate	5.00%	5.00%
Withdrawal rate per annum	2.00%	2.00%
Expected average remaining working lives of employees (years)	20.06	20.94
Mortality rate	IALM 12-14 Ultimate	IALM 12-14 Ultimate
Retirement age	58 years	58 years

Note: The assumption of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

19 Employee benefits expenses (Cont.)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2017
(vi) Experience adjustments					
Defined benefit obligation at the end of the year	67.92	70.62	63.43	62.24	51.43
Experience gain/(loss) adjustments on plan liabilities	(0.64)	1.97	1.93	2.54	1.19

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
(vii) Sensitivity analysis		
Discount rate - Decrease by 1%	75.95	79.75
Discount rate - Increase by 1%	61.03	62.86
Salary escalation rate - Decrease by 1%	62.00	63.86
Salary escalation rate - Increase by 1%	74.71	78.39

Methods and assumptions used in preparing sensitivity analysis and their limitations:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality.

(viii) Maturity analysis of the benefit payments:

Weighted average duration of gratuity plan is 12 years. Expected benefits payments for each such plans over the years is given in table below:

Particulars	Gratuity	
	Year ended 31 March 2021	Year ended 31 March 2020
Year 1	2.09	2.12
2 to 5 years	26.35	9.09
6 to 10 years	10.30	27.85
More than 10 years	123.86	135.12

(c) Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

20 Finance cost

	Year ended 31 March 2021	Year ended 31 March 2020
Other borrowing costs	0.07	0.07
Amortisation of lease rentals [refer note 5(b)]	2.51	3.57
	2.58	3.64

21 Depreciation and amortisation expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property, plant and equipment [refer note 5(a)]	87.67	100.20
Amortisation of other intangible assets [refer note 5(c)]	3.49	8.34
Amortisation of right-of-use assets [refer note 5(b)]	4.37	5.59
	95.53	114.13

22 Other expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Electricity charges	17.53	40.89
Office expenses	12.84	22.04
Rent	17.84	18.16
Repairs and maintenance:		
- Others	15.58	16.07
Insurance	2.39	2.49
Rates and taxes	5.27	3.89
Travelling expenses	9.91	40.56
Legal and professional charges	73.11	54.14
Auditor's remuneration [refer note (a) below]	19.10	14.71
Director's sitting fees	13.40	7.80
Telephone and other communication expenses	5.00	8.19
Statutory release and publications	2.81	3.23
Loss on disposal of property, plant and equipment	10.60	-
Net loss on foreign currency transactions and translation	4.22	8.42
Impairment of non convertible debenture	5.00	20.00
Miscellaneous expenses	27.24	30.08
	241.84	290.67
(a) Auditor's remuneration (excluding taxes)		
Statutory audit	17.00	13.00
Tax audit	0.80	0.80
Other services	1.30	0.22
Reimbursement of expenses	-	0.69
	19.10	14.71

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Tax expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) Income tax in the Statement of Profit and Loss:		
Current tax	54.26	25.37
Deferred tax:		
- Deferred tax charge / (credit)	(23.34)	19.50
- MAT credit entitlement	(54.26)	(25.37)
- MAT credit entitlement - pertaining to LY	(0.69)	-
Tax adjustments pertaining to previous years	2.22	-
	(21.81)	19.50
(b) Income tax recognised in other comprehensive income comprises:		
Deferred tax on remeasurement of post-employment defined benefit obligations	(0.81)	2.69
Deferred tax on net gain in debt instruments through OCI	(6.03)	(1.09)
	(6.84)	1.60
Reconciliation of income tax expense and the accounting profit for the year:		
Profit before tax	302.11	138.38
Enacted tax rates (%)	27.82%	27.82%
Computed expected tax expense	84.05	38.50
Effect due to non-deductible expenses	(68.64)	(2.43)
Effect due to allowable expenses	46.26	(3.64)
Effect due to adjustment of unabsorbed losses	(106.42)	(14.75)
Effect due to Deferred Taxes	23.34	-
Adjustment for tax relating to earlier years	(1.53)	-
Others	1.13	1.82
Total income tax expense as per the Statement of Profit and Loss	(21.81)	19.50
Particulars	As at 31 March 2021	As at 31 March 2020
(c) Income tax balances		
Non-current tax assets:		
Opening balance	20.51	19.44
Add: Taxes paid	-	-
Less: Current tax payable for the year	-	-
Less: Re-classification to Income tax refund receivable	(17.77)	-
Add/(Less): Re-classification from/to current tax assets/(liabilities)	10.38	1.07
Closing balance	13.12	20.51
Current tax assets /(liabilities)		
Opening balance	9.69	(9.37)
Add: Taxes paid	39.71	35.22
Less: Current tax payable for the year	(54.26)	(25.37)
Less: Re-classification to non-current tax assets	(10.38)	9.37
Less: Prior year tax adjustments	-	(0.16)
Closing balance	(15.24)	9.69
Deferred taxes		
(d) Deferred tax assets		
Unutilised MAT Credit	1,863.43	1,809.86
	1,863.43	1,809.86

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Tax expenses (Cont.)

Particulars	As at 31 March 2021	As at 31 March 2020
(e) Deferred tax liabilities		
Deferred tax liabilities arising on account of:		
- Difference between written down value of property, plant and equipments as per books of accounts and Income tax Act, 1961	134.70	133.11
- Fair valuation on debt instruments through OCI	2.91	(2.24)
- Fair valuation on mutual fund investments measured at FVTPL	(0.20)	30.17
- Amortisation of financial guarantee	53.72	48.16
	191.13	209.20
Deferred Tax asset arising on account of:		
- Expenses allowable on payment basis	25.77	27.81
- Fair valuation of security deposits	-	0.44
- Fair valuation of lease rentals	0.03	0.66
	25.80	28.91
Deferred tax liabilities	165.33	180.29
Deferred tax assets, net	1,698.10	1,629.57

Note:

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

(f) Movement in deferred taxes

As on 31 March 2020

Particulars	As at 01 April 2019	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2020
Deferred tax assets				
Unutilised MAT credit	1,784.49	25.37	-	1,809.86
	1,784.49	25.37	-	1,809.86
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	26.31	1.50	-	27.81
- Fair valuation of security deposits	0.41	0.03	-	0.44
- Amortisation of financial guarantee	-	0.66	-	0.66
Total deferred tax assets	26.72	2.19	-	28.91
Deferred tax liability for deductible temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	129.21	3.90	-	133.11
- Fair valuation on debt instruments through OCI	(4.07)	-	1.83	(2.24)
- Fair valuation on mutual fund investments measured at FVTPL	1.40	28.77	-	30.17
- Interest on unwinding (Financial guarantee)	43.35	4.81	-	48.16
Total deferred tax liabilities	169.89	37.48	1.83	209.20
Deferred tax liabilities	143.17	35.29	1.83	180.29
Deferred tax assets, net	1,641.32	(9.92)	(1.83)	1,629.57

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Tax expenses (Cont.)

As on 31 March 2021

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2021
Deferred tax assets				
Unutilised MAT credit	1,809.86	53.57	-	1,863.43
	1,809.86	53.57	-	1,863.43
Deferred tax liability for deductible temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	133.11	1.59	-	134.70
- Fair valuation on debt instruments through OCI	(2.24)	-	5.15	2.91
- Fair valuation on mutual fund investments measured at FVTPL	30.17	(30.37)	-	(0.20)
- Interest on unwinding (Financial guarantee)	48.16	5.56	-	53.72
Total deferred tax liabilities	209.20	(23.22)	5.15	191.13
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	27.81	(2.04)	-	25.77
- Fair valuation of security deposits	0.44	(0.44)	-	-
- Fair value of lease rentals	0.66	(0.63)	-	0.03
Total deferred tax assets	28.91	(3.11)	-	25.80
Deferred tax liabilities	180.29	(20.11)	5.15	165.33
Deferred tax assets, net	1,629.57	73.68	(5.15)	1,698.10

24 Earnings per equity share (EPS)

	Year ended 31 March 2021	Year ended 31 March 2020
Net profit attributable to equity shareholders	323.92	118.88
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	14,731,678	14,731,678
Earnings per share (in ₹):		
-Basic earnings per share (₹)	2.20	0.81
-Diluted earnings per share (₹)	2.20	0.81

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Contingent liabilities and commitments

	As at 31 March 2021	As at 31 March 2020
(a) Contingent liabilities		
Guarantees given [refer note (i), (ii) & (iii) below]	5,581.25	5,581.25
Claims against Company, not acknowledged as debt [refer note (iv) below]	17.72	17.72
	5,598.97	5,598.97

Notes:

- (i) Guarantee given for step-down subsidiary 123Stores, Inc. is ₹5,550 lacs.
- (ii) Guarantee given to customs for bonded warehouse is ₹1.25 lacs.
- (iii) Guarantee issued in favor of Santosh Promoters Pvt. Limited amounting ₹30 lacs vide Supreme court order dated 01 May 2017.
- (iv) Claim for Service Tax and Hire Charges on facility agreement for ₹17.72 lacs.

26 Related party disclosures

Information on related party transactions as required by Ind AS - 24 for the year ended 31 March 2021.

(a) List of related parties

(i) Parties where control exists (subsidiaries)

Name of the Company	Country of incorporation	% of holding as on (direct/indirect)	
		31 March 2021	31 March 2020
Wholly owned subsidiaries			
- 123Greetings.com, Inc.	United States	100%	100%
- Intrasoft Ventures Pte. Limited	Singapore	100%	100%
- One Two Three Greetings (India) Private Limited	India	100%	100%
Step-down subsidiaries:			
- 123Stores, Inc.	United States	100%	100%
- 123Stores E Commerce Private Limited	India	100%	100%

(ii) Key management personnel

Name of the related party	Relationship
Arvind Kajaria	Managing Director
Sharad Kajaria	Whole-time Director
Mohit Kumar Jha	Chief Financial Officer
Ashok Bhandari	Non-executive Independent Director
Savita Agarwal	Non-executive Independent Director
Anil Agrawal	Non-executive Independent Director
Rupinder Singh	Non-executive Independent Director
Pranvesh Tripathi	Company Secretary

(iii) Relative of Key management personnel

Name of the related party	Relationship
Padma Kajaria	Relative of Director

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

26 Related party disclosures (Cont.)

(b) Transactions with related parties

Name of the party	Nature of transaction	Year ended 31 March 2021	Year ended 31 March 2020
123Greetings.com, Inc.	Sale of services	694.09	690.06
One Two Three Greetings (India) Private Limited	Sale of services	9.25	-
	Loans given repaid	10.00	5.00
Arvind Kajaria	Managerial remuneration (#)	72.11	72.11
	Dividend paid	28.12	56.24
Sharad Kajaria	Managerial remuneration (#)	67.61	67.61
	Dividend paid	28.13	56.25
Padma Kajaria	Dividend paid	14.00	28.00
Mohit Kumar Jha	Remuneration	43.20	39.38
	Short term employee benefits	3.05	3.13
	Post employment benefits	4.74	4.25
Pranvesh Tripathi	Remuneration	27.77	27.09
	Post employment benefits	2.06	1.67
Mr. Anil Agrawal	Sitting fees	3.60	2.20
Mrs.Savita Agarwal	Sitting fees	2.80	1.80
Mr. Ashok Bhandari	Sitting fees	3.40	1.60
Mr.Rupinder Singh	Sitting fees	3.60	2.20

(#) This aforesaid amount does not includes amount in respect of gratuity and leave entitlement as the same is not determinable.

(c) Balances of related parties

Name of the party	Nature of balance	As at 31 March 2021	As at 31 March 2020
123Greetings.com, Inc.	Receivable/(payable)	(16.26)	1.49
One Two Three Greetings (India) Pvt. Limited	Payable	256.46	267.37
	Loans recoverable	60.00	70.00
Mr. Arvind Kajaria	Payable	4.12	4.12
Mr. Sharad Kajaria	Payable	3.87	3.87
Mr. Mohit Kumar Jha	Payable	5.32	2.18
Mr. Pranvesh Tripathi	Payable	3.01	1.65

27 Segment Reporting

(a) As per the requirements of IND-AS 108 "Segment Reporting", no disclosures are required to be made since the Company's activities consist of a single business segment of internet based delivery of services.

(b) Other Information :

The Company does not have any revenue from external customers.

(c) The Company has entered into transaction with a single customer (related party), which amounts to 10% or more of the Company's total revenue from operations. (Refer note 26)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Fair value measurements

(a) Financial instruments by category

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

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in equity instruments (refer note 6)	884.25	-	-	884.25	884.25
Investments in non-convertible debentures (refer note 6)	53.08	-	-	53.08	53.08
Investments in perpetual bonds (refer note 6)	-	-	637.07	637.07	637.07
Investments in debt mutual funds (refer note 6)	-	6,499.52	-	6,499.52	6,499.52
Trade receivables (refer note 9) (*)	-	-	-	-	-
Cash and cash equivalents (refer note 10(a)) (*)	280.44	-	-	280.44	280.44
Other bank balances (refer note 10(b)) (*)	40.45	-	-	40.45	40.45
Other financial assets					
Loans (refer note 7)	63.47	-	-	63.47	63.47
	1,321.69	6,499.52	637.07	8,458.28	8,458.28

The carrying value and fair value of financial assets and liabilities by categories as of 31 March 2020 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in equity instruments (refer note 6)	884.25	-	-	884.25	884.25
Investments in non-convertible debentures (refer note 6)	308.62	-	-	308.62	308.62
Investments in perpetual bonds (refer note 6)	-	-	615.29	615.29	615.29
Investments in debt mutual funds (refer note 6)	-	6,134.13	-	6,134.13	6,134.13
Trade receivables (refer note 9) (*)	1.49	-	-	1.49	1.49
Cash and cash equivalents (refer note 10(a)) (*)	42.57	-	-	42.57	42.57
Other bank balances (refer note 10(b)) (*)	39.52	-	-	39.52	39.52
Other financial assets					
Loans (refer note 7)	77.82	-	-	77.82	77.82
	1,354.27	6,134.13	615.29	8,103.69	8,103.69

Notes:

(*) The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a stressed or liquidation sale.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Fair value measurements (Contd.)

(b) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the Statement of Profit and Loss are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 March 2021 and 31 March 2020 :

As at 31 March 2021		Level 1	Level 2	Level 3	Total
(i)	Measured at fair value through OCI (FVOCI)				
	Investments in perpetual bonds (refer note 6)	637.07	-	-	637.07
(ii)	Measured at fair value through profit or loss (FVTPL)				
	Investments in debt mutual funds (refer note 6)	6,499.52	-	-	6,499.52
		7,136.59	-	-	7,136.59

As at 31 March 2020		Level 1	Level 2	Level 3	Total
(i)	Measured at fair value through OCI (FVOCI)				
	Investments in perpetual bonds (refer note 6)	615.29	-	-	615.29
(ii)	Measured at fair value through profit or loss (FVTPL)				
	Investments in debt mutual funds (refer note 6)	6,134.13	-	-	6,134.13
		6,749.42	-	-	6,749.42

(c) Computation of fair values

Investments in mutual funds are investments made in varied tenure funds whose fair value is considered as the net asset value (NAV) declared by their respective fund houses on a daily basis. NAV represents the price at which the fund house is willing to issue further units in such fund/the price at which the fund house will redeem such units from the investors. Thus the declared NAV is similar to fair market value for these mutual fund investments since transactions between the investor and fund houses will be carried out at such prices.

The fair value of perpetual bonds is based on quoted prices and market-observable inputs.

29 Financial risk management

The Company's business activities expose it to a variety of financial risks such as credit risks, liquidity risk and market risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the standalone financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortised cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

29 Financial risk management (Contd.)

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

i) Trade receivables

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

As the Company does not hold any collateral, the maximum expense to credit risk for each class of financial instrument is the carrying amount of that class of financial instrument presented on the statement of financial position. Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, present financial conditions of customers and anticipated regulatory changes. Company does not hold any collateral in respect of such receivables.

ii) Financial instruments and cash deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Credit risk exposure

The Company is exposed to a concentration of credit risk with respect to its trade receivable balances from its subsidiary Company. At the reporting date, trade receivable balances from subsidiary Company represents 0% (31 March 2020 - 100%) of the total trade receivable balances, respectively.

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 was as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (refer note 9)	-	1.49
Investments (refer note 6)	8,342.50	8,183.11
Cash and cash equivalents (refer note 10(a))	280.44	42.57
Other bank balances (refer note 10(b))	40.45	39.52
Other financial assets		
- Security deposits (refer note 7)	3.47	5.25
- Loan given to subsidiaries and employees (refer note 7)	60.00	72.57
	8,726.86	8,344.51

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long-term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

29 Financial risk management (Contd.)

(b) Liquidity risk (contd.)

Maturities of financial liabilities

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

As at 31 March 2021

Particulars	Less than 1 year	1-2 years	2-4 years	4-8 years	Total
Lease liability	0.59	-	-	-	0.59
Other financial liabilities (refer note 14)	121.67	-	-	-	121.67
	122.26	-	-	-	122.26

As at 31 March 2020

Particulars	Less than 1 year	1-2 years	2-4 years	4-8 years	Total
Lease liability	6.78	7.18	13.80	26.68	54.44
Other financial liabilities (refer note 14)	114.85	-	-	-	114.85
	121.63	7.18	13.80	26.68	169.29

(c) Market risk

Market risk is the risk of potential adverse change in the Company's income and the value of Company net worth arising from movement in foreign exchange rates, interest rates or other market prices. The Company recognises that the effective management of market risk is essential to the maintenance of stable earnings and preservation of shareholder value. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the overall returns.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Company operates locally in INR and but is exposed to foreign exchange risk arising from foreign currency transactions (IT enabled services), primarily with respect to the US Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not hedge its foreign exchange receivables.

Foreign currency risk exposure:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (in USD lacs)	-	0.02
	-	0.02

Sensitivity analysis:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
USD sensitivity:		
INR/USD - increase by 5% (31 March 2020 - 5%)	-	-
INR/USD - decrease by 5% (31 March 2020 - 5%)	-	(-)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

29 Financial risk management (Contd.)

(c) Market risk (contd.)

(ii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The investments in mutual funds have been disclosed in Note 6 (b).

The Company is also exposed to the price risk for its investment in bonds and debentures. These being debt instruments, the exposure to risk of changes in market rates is minimal. The details of such investments in bonds are given in Note 6 (a).

The Company is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

The Company has laid policies and guidelines which it adheres to in order to minimise pricing risk arising from investments in debt mutual funds.

Sensitivity analysis:

Particulars	As at 31 March 2021	As at 31 March 2020
Price increase by (1%) - Investments measured at FVTPL	65.00	61.34
Price decrease by (1%) - Investments measured at FVTPL	(65.00)	(61.34)

30 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

31 Impact of Covid 19 pandemic

The spread of Covid-19 has severely impacted businesses around the globe. In many countries, including the US, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying amounts of property, plant and equipment, intangible assets, investments including investments in subsidiaries, receivables and other current assets. In developing assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements, has used internal and external sources of information including economic forecasts. The Company has performed sensitivity analysis on the assumptions used, and based on current estimates expects that the carrying amounts of these assets will be recovered. The Company has taken into account all the possible impacts of known events arising from the Covid-19 pandemic in the preparation of the financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its duration. The Company will continue to monitor any material changes to future economic conditions.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

32 Dividends

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Dividend on equity shares paid during the year:		
Final dividend for FY 2019-20 [₹ 1 (Previous year ₹ 2) per equity share of ₹ 10 each]	147.28	293.81
Dividend distribution tax on above	-	60.57

Proposed Dividend

The Board of Directors at its meeting held on 28 June 2021 proposed a dividend of ₹ 1 per equity share (31 March 2020: ₹ 1 per equity share) amounting to ₹ 147.32 lacs (31 March 2020: ₹ 147.32 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 28 June 2021

For and on behalf of the **Board of Directors of**
IntraSoft Technologies Limited

Arvind Kajaria
Managing Director
(DIN: 00106901)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)
Place: Kolkata
Date: 28 June 2021

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Notice

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of IntraSoft Technologies Limited will be held on 28 September 2021 at 3.00 P.M. through Video Conference ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The Venue of the Annual General Meeting be deemed as Registered Office of the Company at 502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai- 400013.

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the audited standalone financial statement of the Company for the financial year ended 31 March 2021, and the Reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement for the year ended 31 March 2021 along with auditors report thereon.
2. To declare Dividend on Equity Shares for the financial year ended on 31 March 2021.
3. To appoint a Director in place of Mr. Sharad Kajaria (DIN: 00108036), who retires by rotation and being eligible, has offered himself for re-appointment.

By Order of the Board of Directors

Pranvesh Tripathi
Company Secretary

Place: Kolkata

Date: 28 June 2021

Registered Office:

CIN: L24133MH1996PLC197857

502A, Prathamesh, Raghuvanshi Mills Compound,

Senapati Bapat Marg, Lower Parel (W),

Mumbai – 400 013

Tel: 022 2491 2123 Fax: 022 2490 3123

Email: intrasoft@itlindia.com Website: www.itlindia.com

Notes:

- a) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated 5 May 2020 read with Circular No. 14 dated 8 April 2020, Circular No. 17 dated 13 April 2020 and Circular No. 02 dated 13 January, 2021 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM mode without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM mode instead of physical presence of the Members at a common venue.
- b) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the said Circulars through VC/OAVM Mode, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- c) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

The copies of Notice of 26th AGM and the Annual Report 2020-21 shall be available on the Website of the Company at www.itlindia.com in Financials- Annual Reports section.

Since the AGM is held through VC/ OAVM mode, no road map of the location for the venue of the AGM is annexed to the Notice.

- d) The dividend on Equity Shares, as recommended by the Board of Directors, if approved by the shareholders, will be credited / dispatched on or after 29 September 2021 to those members whose names shall appear on the Company's Register of Members on 21 September 2021. In the case, if postal services are not working on to their capacity because of the current Covid-19 pandemic situation, the despatch of warrants may get delayed and the warrants will be despatched in due course of time upon normalisation of the postal. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities

Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

- e) Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 01 April 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to send the required documents in accordance with the provisions of the IT Act through email at intrasoft@itlindia.com or upload the required documents on LinkIntime India Pvt Limited's (RTA) web portal as mentioned hereinafter in the Notice.

The TDS provisions for various categories of shareholders along with required documents are provided below:

For Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositaries (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode). No deduction of taxes in the following cases – <ul style="list-style-type: none"> ♦ If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed Rs. 5,000/- ♦ If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submitting Form 15G/ Form 15H	NIL	Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years) - provided that all the prescribed eligibility conditions are met.
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income.	NIL	Documentary evidence that the person is covered under section 196 of the Act.
New Pension System Trust	NIL	Documentary evidence that the Trust is established in India and are the beneficial owner of the share/shares held in the Company; and our income is exempt under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882; and we are submitting self-attested copy of the PAN card and registration certificate, as applicable.
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act and a self- declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested)

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Alternative Investment fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 and a declaration that its income is exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of registration documents (self-attested) should be provided
Other resident shareholder without PAN/Invalid PAN	20%	Where the PAN is either not available or is invalid, tax shall be deducted at the rate prescribed as per Section 206AA of the Act or 20%, whichever is higher.

A Valid **Permanent Account Number ("PAN")** will be mandatorily required. Shareholders who are required to link Aadhar number with PAN as required under section 139AA (2) read with Rule 114AAA, should compulsorily link the same by 30 September 2021. If, as required under the law, any PAN is found to have not been linked with Aadhar by 30 September 2021 then such PAN will be deemed invalid and TDS would be deducted at higher rates u/s 206AA of the Act. The Government has not prescribed the mechanism to verify the said Aadhar linking with PAN, hence in order to comply with the provisions of the Act, Company will proceed on assumption that all shareholders are in compliance with the aforesaid provisions of the Act. However, we request you to inform us well in advance, if you have not linked your Aadhar with PAN as provided in section 139AA (2) read with Rule 114AAA. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

For Non-Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Non-resident shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors)	20% (plus applicable surcharge and cess) or Double Taxation Avoidance Agreement ("Tax Treaty") rate whichever is lower	<p>Non-resident shareholders may opt for tax rate under the Tax Treaty. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company</p> <ol style="list-style-type: none"> Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities; Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident; Self-declaration in Form 10F of the Act (refer format available on the Company's website), if all the details required in this form are not mentioned in the TRC; Self-declaration (refer format available on the Company's website) by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the Act). In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA). <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided or if document are not in order.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.</p>

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Submitting Order under section 195(3) /197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

- The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts. Aforesaid rates will be subject to applicability of section 206AB of the Act.
- In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format available on the Company's website) with Company in the manner prescribed by the Rules.
- In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.
- For All Shareholders: The aforementioned documents (duly completed and signed) are required to be uploaded on the URL <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>. On this page the user shall be prompted to select / share the following information to register their request:
 - Select the company (Dropdown)
 - Folio / DP-Client ID
 - PAN
 - Financial year (Dropdown)
 - Form selection
 - Document attachment – 1 (PAN)
 - Document attachment – 2 (Forms)
 - Document attachment – 3 (Any other supporting document).

Section 206AB of the Act

Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from 1 July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- i. at twice the rate specified in the relevant provision of the Act; or
- ii. at twice the rate or rates in force; or
- iii. at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- i. A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under the IT Act has expired; and
- ii. The aggregate of TDS and TCS in his case is Rs. 50,000 or more in each of these two previous years.

The non-resident who does not have the permanent establishment (PE) is excluded from the scope of a specified person.

Therefore, in order to comply with the provisions of the Act, and unless any mechanism is prescribed by the authorities in this regard, Company will proceed on the assumption that all shareholders are in compliance with the provisions of section 206AB of the Act. However, we request you to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Please note that duly completed and signed documents need to be submitted on or before Saturday 18 September 2021, 6:00 p.m. IST in order to enable the Company to determine and deduct appropriate TDS/Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of all dividend related activities.

Shareholders shall also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at new e-filing portal www.incometax.gov.in.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to file the return of income as per the Act and claim an appropriate refund, if eligible. **No claim shall, however, lie against the Company** for such deduction of TDS.

- f) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned

copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM Mode on its behalf and authorization for voting through remote e-voting/electronic voting at AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to js@rathiandassociates.com with copy marked to the Company at intrasoft@itlindia.com.

g) Registration of email ID / Bank Account details / Certificates:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

SEBI vide its Circular dated 21 March 2013 have asked all the listed companies that any payments to the investors shall be made through electronic mode.

In case, the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or **not updated the Bank Account mandate** for receipt of dividend, the following instructions to be followed:

(i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. **OR**

(ii) In the case of Shares held in Demat mode:

Alternatively, the shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

- h)** The Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 12 May 2020 and 15 January 2021. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company's website www.itlindia.com and websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.bseindia.com and www.nseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- i)** Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- j)** Relevant documents referred to in the accompanying Notice and the Statement are to be available and open

for inspection by the members on Company's website at www.itlindia.com up to the date of the Meeting.

- k)** The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 22 September 2021 to Tuesday, 28 September 2021 (both days inclusive) for the purpose of payment of dividend, if declared at the Meeting.

Registers maintained under the Companies Act, 2013 and available for inspection shall be made electronically available for inspection of members during the AGM at – 'Statutory Documents' section of the website of the Company – www.itlindia.com.

- l)** Shareholders who have not encashed their dividend warrants for the dividends declared for the financial years 2013-14 to 2019-20 (Interim and/or Final Dividend) are requested to send a letter along with unclaimed dividend warrant, if any, or letter of undertaking for issue of duplicate dividend warrant / demand draft. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29 October 2020 (date of last Annual General Meeting) on the website of the Company (www.itlindia.com) and also on the website of the Ministry of Corporate Affairs.

In terms of Section 124 of Companies Act, 2013 (corresponding Section 205A and 205C of the Companies Act, 1956), any dividend remaining unpaid for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the "Investor Education & Protection Fund" (IEPF). Members are requested to encash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

m) Instructions for Shareholders/Members to Attend the Annual General Meeting through Insta Meet:

Instructions for Shareholders/Members to attend the Annual General Meeting through Insta Meet (VC/OAVM) are as under:

- i)** Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes prior to the time scheduled of commencement of the Annual General Meeting and will be available to the Members on first come first serve basis.
- ii)** Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed 15 (fifteen) minutes after the conclusion of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination

and Remuneration Committee and Stakeholders' Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

- iii) Shareholders/ Members will be provided with Insta Meet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

Open the internet browser and launch the URL for Insta Meet <<<https://instameet.linkintime.co.in>>> and register with your following details:

Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

Click “Go to Meeting”

- iv) Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

- v) Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

- vi) Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at Company ID at intrasoft@itlindia.com from 25 September 2021 to 27 September 2021. Shareholders who have registered themselves as speakers will only be allowed to express their views/ask questions during the Meeting. Similarly, Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at intrasoft@itlinda.com. The same will be replied by the company suitably.

- vii) The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting. The Shareholders will get confirmation on first cum first basis depending upon the provisions made by the Company. Shareholders will receive “Speaking Serial No.’ once they mark attendance for the Meeting.

- viii) Please reach out to Mr. Rajeev Ranjan at instameet@linkintime.co.in and/ or Mr. Pranvesh Tripathi at intrasoft@itlindia.com should you have any queries on video conferencing.

- ix) The members are requested to contact on –Instameet Support Desk of Link Intime India Pvt. Ltd. at - instameet@linkintime.co.in or at the helpline number i.e. + 91 22 49186175 who need assistance for using the technology before or during the meeting.

- x) Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: Insta MEET and for Speakers.**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. Insta MEET, shareholders/ members **who are registered as speakers for the event** are requested to download and install the Webex application in advance by following the path of the Links provided as under on the Website of the Company.

https://itlindia.com/docs/InstaMeet_Platform_Special_Instructions.pdf

https://itlindia.com/docs/InstaMeet_Software_Installation_Guide.pdf

- n) Information and other instructions relating to voting by electronic means:**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI Circular- SEBI/ HO/CFD/CMD/CIR/P/2020/242 dated 09 December

2020, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed in this notice by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than at the time of AGM held through VC/ OAVM Mode, ("remote e-voting") will be provided by Link Intime India Pvt. Limited.

- ii. However, pursuant to the SEBI Circular- SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020 on "e-Voting facility provided by listed companies", e-Voting process has been enabled to all the individual demat account holders, by way of single log-in credential, through their demat accounts/ websites of Depositories / DPs in order to increase the efficiency of the voting process. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21 September 2021.
- iii. Individual Demat account holders would be able to cast their vote without having to register again with

the e-Voting services provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. The members who have cast their vote by remote e-voting may attend the meeting held through VC/ OAVM mode but shall not be entitled to cast their vote again. **Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.**

- iv. The remote e-voting period commences on Saturday, 25 September 2021 (9:00 am) and ends on Monday 27 September 2021 (5:00 pm). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on 21 September 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

v. The process and manner for remote e-voting post change in log in mechanism as per SEBI Circular dated 09 December 2020 are as under:

A. Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> ▪ If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. ▪ After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. ▪ If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp ▪ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is Linkintime.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

B. Log in Method for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

C. Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME and Institutional Shareholders as well, have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

D. Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

E. Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login

through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

F. Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

G. Any person, who acquires shares of the Company and become member of the Company after sending of the notice through E-mail and holding shares as on the cut-off date i.e. 21 September 2021 may obtain the login ID and password by sending a request at enotices@linkintime.co.in or intrasoft@itlindia.com**o) Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated, on the instructions of the Chairman, by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- i. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- ii. Enter 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for Insta Meet and click on 'Submit'.
- iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- iv. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

- v. After selecting the appropriate option i.e. Favour/ Against as desired and having decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be attending the Annual General Meeting and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through electronic voting facility during the meeting through InstaMeet facility.

Shareholders/ Members who have voted through Remote e-voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call at - Tel : (022-49186175)

- p) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained

by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM held through Insta Meet facility.

- q) Mr. Jayesh Shah, Practicing Company Secretary, Partner, M/s. Rathi & Associates has been appointed as the Scrutinizer to scrutinize the voting at VC/OAVM AGM and remote e-voting process in a fair and transparent manner.
- r) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting shall make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report and submit the same to the Chairman who shall counter sign the same and Chairman shall declare the results of the voting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.itlindia.com and on the website of Link Intime India Pvt. Ltd. <https://instavote.linkintime.co.in> immediately after the declaration of result by the Chairman. The results shall simultaneously be submitted with the stock exchanges where the Company's shares are listed. The resolutions shall be deemed to be passed at the AGM of the Company scheduled to be held on 28 September 2021.
- s) The Annual Accounts of the Subsidiary Companies shall be available on website of the Company in the Section "Financials- Annual Reports" for inspection by any shareholder.

Details of Directors seeking Appointment/ Re-appointment at the ensuing Annual General Meeting as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Sharad Kajaria
Date of Birth	17 March 1976
Date of Appointment/Re-appointment (w.e.f.)	01 April 2020.
Qualification	B. Com.
Brief Resume	Mr. Sharad Kajaria is a Commerce graduate. He is one of the Promoters of the Company. He is designated as Whole-time Director of the Company. He is well-versed with all the aspects of the Company's business operations and Technology developments and up gradations.
Area of Expertise	Business Operations, Internet Technologies & Software.
Experience	22 years
Other Directorship in Listed Entities	Nil
Name of the other Companies in Committees of which holds membership/ chairmanship	Nil
Disclosure of relationship between Directors inter-se	None of the Directors/ Key Managerial Personnel of the Company/ their relative are, in any way, concerned or interested, financially or otherwise, in such re-appointment of Mr. Sharad Kajaria by way of rotation as Director except Mr. Sharad Kajaria himself, Mr. Arvind Kajaria, Managing Director being brother of Mr. Sharad Kajaria and other relatives of Mr. Sharad Kajaria.
No. of Board Meetings attended during FY 2020-21	6
Number of Equity Shares held (as on 31 March 2021)	2812500

Notes

Notes

Corporate information

Board of Directors

Mr. Arvind Kajaria - *Managing Director*

Mr. Sharad Kajaria - *Whole-time Director*

Mr. Rupinder Singh - *Independent Director*

Mr. Anil Agarwal - *Independent Director*

Mr. Savita Agarwal - *Independent Director*

Mr. Ashok Bhandari - *Independent Director*

Auditors

M/s Walker Chandiok & Co LLP

Chartered Accountants

Kolkata

(resigned with effect from 11.09.2020)

M/s. Singhi & Co.,

Chartered Accountants

Kolkata

(appointed with effect from 11.09.2020)

Company Secretary & Compliance Officer

Pranvesh Tripathi

Registrar and Share Transfer Agents

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (W), Mumbai – 400 083

Tel: +022-49186270

Fax: +91-22-4918-6060

Email: rnt.helpdesk@linkintime.co.in

Bankers

1. HDFC Bank Ltd

2. State Bank of India

Registered Office

502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Tel: +91-22-4004-0008,

Fax: +91-22-2490-3123

Email: intrasoft@itlindia.com

Corporate Office

Suite 301, 145, Rash Behari Avenue, Kolkata – 700 029

Tel: +91-33-4023-1234

Fax: +91-33-2464-6584

Email: intrasoft@itlindia.com

Corporate Identification Number

L24133MH1996PLC197857



INTRASOFT TECHNOLOGIES LIMITED

502A, Prathamesh, Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Phone: 91-22-4004-0008, Fax: 91-22-2490-3123
Email: intrasoft@itlindia.com