

August 4, 2022

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

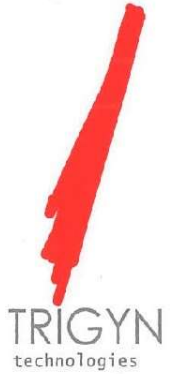
Scrip Code: 517562

Scrip ID: TRIGYN

**National Stock Exchange of India  
Limited**

Exchange Plaza  
Plot no. C/1, G Block  
Bandra Kurla Complex  
Bandra (East)  
Mumbai - 400 051

Company Code: TRIGYN



**Subject: Outcome of Board Meeting  
Board Meeting Commenced at 4:30 PM IST and Concluded at: 07:45 PM IST**

Dear Sirs,

This is to inform you that Board at its Meeting held today, approved the Un-Audited Financial Results of the Company for the first quarter ended on June 30, 2022 drawn up both on a Standalone and Consolidated basis. The same have been approved and taken on record at the meeting of the Board of Directors held today.

The copy of the Limited Review Report submitted by the Statutory Auditors both on the Consolidated and Standalone Results is attached.

Kindly take the same on record.

Thanking you,

**For Trigyn Technologies Limited**

**Mukesh Tank**  
**Company Secretary**

## **Ford Rhodes Parks & Co. LLP.**

### **Independent Auditor's Limited Review Report on Consolidated Unaudited Financial Results**

To,  
Board of Directors of Trigyn Technologies Limited,

### **Limited Review Report on un-audited quarterly consolidated financial results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended)**

We have reviewed the accompanying Statement of consolidated unaudited financial results of Trigyn Technologies Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended 30<sup>th</sup> June, 2022 ('the statement') attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 as amended.

#### **Management's Responsibility**

This statement which is the responsibility of the Parent's management and has been approved by the Parent's Board of Directors.

The statement, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard for Interim Financial Reporting ("Ind AS-34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

#### **Auditor's Responsibility**

Our responsibility is to issue a conclusion on the statement based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

These consolidated unaudited financial results include results of the following entities:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Relation</b>
<b>1</b>	Trigyn Technologies Limited	Holding company
<b>2</b>	Trigyn Technologies (India) Private Limited	Subsidiary
<b>3</b>	Leading Edge Infotech Limited	Subsidiary
<b>4</b>	Trigyn Technologies Inc.	Subsidiary
<b>5</b>	Trigyn Technologies Schweiz GmbH, Switzerland	Subsidiary

## Ford Rhodes Parks & Co. LLP.

Without qualifying our opinion, attention is invited to following matters:-

- **Note No. 5 a)** of the standalone financial statement with respect to nonaccounting of Quarterly Guaranteed Revenue totalling Rupees 80 Crores. The Company has carried forward expenditure amounting to Rupees 4.66 crores in respect of this project to be adjusted with future earnings. The Company's stand for non booking of revenue is on the ground that it is probable that the Company will not be able to collect the consideration to which it is entitled under the contract in the near future. We have relied on the independent expert's opinion that "**the company may postpone the recognition of revenue till such time there is reasonable certainty on realization of consideration**" (as fully explained in the Notes).

Also, ECL provision on receivables from this project is provided on the basis of independent expert's opinion obtained as of 31<sup>st</sup> March, 2022. For the quarter ended 30<sup>th</sup> June, 2022 ECL has been provided following the same basis of calculations (as fully explained in the notes).

- **Note No. 5 b)** of the standalone financial statement with respect to toll collection project for parking sites in Nashik there was no collection of tolls during the earlier financial year and in the current quarter on account of various issues. The Company is in discussion with Nashik Smart City Development Corporation Ltd for sorting out these issues. The Company is carrying in its Balance Sheet an amount of Rupees 8.40 crores towards capital cost of the project which includes Rupees 1.49 crores under CWIP. As the Company is in the process of resolving all the issues, this capital cost has not been impaired (as explained in the Notes).
- **Note No. 6 a) to c)** of the standalone financial statement, with respect to pending legal suits for recovery (As fully explained in the Notes).
- **Note No. 7** of the standalone financial statement regarding the change in the policy as on 31<sup>st</sup> March, 2022 for recognizing provision for Expected Credit Loss on trade receivables. The ECL provision for the current quarter is following the new policy and is not comparable with the corresponding earlier quarter (as explained in the Notes).
- **Note No. 8** of the standalone financial statement regarding departmental audit initiated by GST department of Andhra Pradesh Government u/s. 73 of the GST Act and subsequent show cause notice of demand raised. Since the Company is disputing the demand and is in the process of challenging the show cause notice, no provision has been considered (as fully explained in the notes).
- **Note No. 4** of the consolidated financial statement with respect to preparation of financial statements of two subsidiaries on going concern basis for the reasons stated in the said note.
- **Note No. 4** of the standalone financial statement, with respect to necessary approval and permissions from RBI under FEMA regulations and carrying forward of balances in respect of wound up overseas subsidiaries and step-down overseas subsidiaries. These balances which are fully provided for have no bearing on the profitability nor on the assets and liabilities position of the company (as fully explained in the Notes).
- **Note No. 7** of the consolidated financial statement regarding the management certified accounts of the subsidiaries as on 30<sup>th</sup> June, 2022 (as fully explained in the notes).

Our report is not modified on the above matter.

## **Ford Rhodes Parks & Co. LLP.**

### **Other Matter**

We did not review the financial information of four subsidiaries Trigyn Technologies Inc, USA, Trigyn Technologies (India) Private Limited, Leading Edge Infotech Limited and Trigyn Technologies Schweiz GmbH, Switzerland included in the statement, whose interim financial information reflects total revenue of Rupees 28,244.44 lakhs (Including group Company transaction), total net profit of Rupees 1,444.73 (Including group Company transaction) lakhs and total comprehensive income of Rupees 3,208.39 lakhs (Including group Company transactions) for the quarter ended 30<sup>th</sup> June, 2022, as considered in the unaudited consolidated financial statements. These interim financial statements have not been reviewed and are certified by the Management.

### **Conclusion**

Based on our review conducted and procedures performed as stated in above auditor's responsibility paragraph and based on the consideration of the review reports of the subsidiaries reviewed by us and management certified accounts furnished to us, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Ford Rhodes Parks & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No. 102860W/W100089**

ASTHA BHAVIK KARIYA  
2022.08.04 17:42:15 +05'30'

**Astha Kariya**  
**Partner**

**Membership No. 122491**  
**UDIN: 22122491AOHEUW1728**

**Mumbai: 4<sup>th</sup> August, 2022**

# TRIGYN TECHNOLOGIES LIMITED

Registered Office: 27, SDF-I, SEEPZ, Andheri (East), Mumbai 400 096



## STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rupees in lakhs)

		Quarter ended			Year ended
		JUNE 30, 2022	MARCH 31 2022	JUNE 30, 2021	MARCH 31 2022
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	28,527.40	27,328.16	25,034.66	104,058.35
2	Other income	51.41	163.08	62.69	297.79
3	<b>Total income (1+2)</b>	<b>28,578.81</b>	<b>27,491.24</b>	<b>25,097.35</b>	<b>104,356.14</b>
4	<b>Expenses</b>				
	Cost of materials consumed	-	-	-	-
	Purchases of Materials including overheads	762.43	83.37	63.22	247.56
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(639.73)	(33.81)	24.75	18.83
	Employee benefit expense	19,058.99	19,090.46	17,331.19	71,623.75
	Finance costs	70.45	84.74	67.16	276.62
	Depreciation, depletion and amortisation expense	165.26	200.03	129.06	670.08
	Other Expenses	8,035.07	7,381.71	5,516.84	25,636.45
	<b>Total other expenses (4)</b>	<b>27,452.47</b>	<b>26,806.50</b>	<b>23,132.22</b>	<b>98,473.28</b>
5	<b>Total profit/(loss) before exceptional items and tax (3-4)</b>	<b>1,126.34</b>	<b>684.74</b>	<b>1,965.13</b>	<b>5,882.86</b>
6	Exceptional items	-	-	-	-
7	<b>Total profit/(loss) before tax (5-6)</b>	<b>1,126.34</b>	<b>684.74</b>	<b>1,965.13</b>	<b>5,882.86</b>
8	Tax expense				
	Current tax	537.48	581.03	552.85	2,273.39
	Tax pertaining to prior years	-	6.48	-	6.48
	Deferred tax	(4.97)	(273.95)	(9.44)	(304.21)
9	<b>Net profit/(loss) for the period from continuing operations (7-8)</b>	<b>593.84</b>	<b>371.18</b>	<b>1,421.71</b>	<b>3,907.20</b>
10	Profit/(loss) from discontinued operations before tax	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-
12	Net profit/(loss) from discontinued operation after tax (10-11)	-	-	-	-
13	<b>Total profit/(loss) for period (9+12)</b>	<b>593.84</b>	<b>371.18</b>	<b>1,421.71</b>	<b>3,907.20</b>
14	Other Comprehensive income :				
	A (i) Items that will not be reclassified to profit or loss	8.83	(56.86)	3.48	(46.41)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.32)	(1.67)	(1.07)	(8.07)
	B (i) Items that will be reclassified to profit or loss	1,764.04	1,092.89	(523.63)	1,091.79
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
15	<b>Total Comprehensive Income for the period</b>	<b>2,364.39</b>	<b>1,405.54</b>	<b>900.50</b>	<b>4,944.52</b>
16	<b>Earnings per share</b> (not annualized for quarters & nine months)				
	<b>Earnings per equity share for continuing operations</b>				
	Basic earnings (loss) per share from continuing operations	1.93	1.21	4.62	12.69
	Diluted earnings (loss) per share from continuing operations	1.93	1.21	4.60	12.69
17	<b>Earnings per equity share for discontinued operations</b>				
	Basic earnings (loss) per share from discontinued operations	-	-	-	-
	Diluted earnings (loss) per share from discontinued operations	-	-	-	-
18	<b>Earnings per equity share</b>				
	Basic earnings (loss) per share from continuing and discontinued operations	1.93	1.21	4.62	12.69
	Diluted earnings (loss) per share from continuing and discontinued operations	1.93	1.21	4.60	12.69

For Trigyn Technologies Limited



*R. Ganapathi*

**R. Ganapathi**

Chairman & Non- Executive Director

Place : Chennai

Date : August 04, 2022

1 The unaudited financial statement for the quarter ended June 2022 has been reviewed by the audit committee and approved by the Board of Directors at their respective meetings held on August 4, 2022.

The financial results of the company have been prepared in accordance with Indian Accounting Standards (IND AS), the provisions of the Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India.

2 In terms of IND AS 108, the company is having single reportable segment i.e. “Communication and information technology staffing support services”.

3 The company has provided for gratuity and leave encashment on proportionate basis as per actuarial valuation report for the year ended 31st March 2022, except in case of overseas subsidiaries where provision is made as per local applicable laws.

4 The financial statements of subsidiaries Leading Edge Infotech Limited (LEIL) and Trigyn Technologies India Private Limited (TTIPL) have been prepared on going concern basis despite the negative net worth of the Company as at the quarter-end. As of 30th June 2022, both the above companies are not in a position to meet their commitments on their own and are totally dependent on the financial support of the Holding company. The management is in the process of taking steps to revive the business and is also exploring other alternates such as merger/amalgamation/liquidation. Since both the companies are supported by the holding company, the financial statements have been prepared on going concern basis despite the negative net worth of these Companies at the quarter-end.

5 During the year, the Group’s project teams and employees were “Working from Home”. Some of the Group’s projects particularly the Cloud-Based Virtual Classroom System at Andhra Pradesh and toll collection from the Parking project at Nashik were badly affected on account of the prolonged lockdown. The management of respective companies of the Group has evaluated the possible impact of this pandemic on the business operations and the financial position of the Group where fixed expenditures such as permanent staff salary, office and godown rent, finance costs, manpower agency charges, and others which have been accounted but could not be covered by revenue billing due to the prolonged lockdown.

6 The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these consolidated Financial Statements. The Group will continue to closely monitor any material changes to future economic conditions.

7 The quarterly results of four subsidiaries namely Trigyn Technologies Inc, USA, Trigyn Technologies (India) Private Limited, Leading Edge Infotech Limited and Trigyn Technologies Schweiz GmbH, Switzerland are management certified.

8 Figures of the previous quarter have been regrouped and reclassified, wherever considered necessary to correspond with the current period presentation.

Place : Chennai  
Date : August 04, 2022



**For Trigyn Technologies Limited**



**R. Ganapathi**  
Chairman & Non- Executive Director

## Ford Rhodes Parks & Co. LLP.

### Independent Auditor's Limited Review Report

To,  
Board of Directors of Trigyn Technologies Limited,

### Limited Review Report on Un-audited Standalone Quarterly Financial Results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended)

We have reviewed the accompanying Statement of standalone unaudited financial results of Trigyn Technologies Limited ('the Company') for the quarter ended 30<sup>th</sup> June, 2022 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 as amended.

### Management's Responsibility

This statement, which is the responsibility of the company's management and approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard for Interim Financial Reporting ("Ind AS-34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

### Auditor's Responsibility

Our responsibility is to issue a report on the statement based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Without qualifying our opinion, attention is invited to following matters:-

- **Note No. 4** of the statement, with respect to necessary approval and permissions from RBI under FEMA regulations and carrying forward of balances in respect of wound up overseas subsidiaries and step-down overseas subsidiaries. These balances which are fully provided for have no bearing on the profitability nor on the assets and liabilities position of the Company (as fully explained in the Notes).
- **Note No. 5 a)** of the statement with respect to nonaccounting of Quarterly Guaranteed Revenue totalling Rupees 80 Crores. The Company has carried forward expenditure amounting to Rupees 4.66 crores in respect of this project to be adjusted with future earnings. The Company's stand for non booking of revenue is on the ground that it is probable that the Company will not be able to collect the consideration to which it is entitled under the contract in the near future. We have relied on the independent expert's opinion that "**the company may postpone the recognition of revenue till such time there is reasonable certainty on realization of consideration**" (as fully explained in the Notes).

## **Ford Rhodes Parks & Co. LLP.**

Also, ECL provision on receivables from this project is provided on the basis of independent expert's opinion obtained as of 31<sup>st</sup> March, 2022. For the quarter ended 30<sup>th</sup> June, 2022 ECL has been provided following the same basis of calculations (as fully explained in the notes).

- **Note No. 5 b)** with respect to toll collection project for parking sites in Nashik there was no collection of tolls during the earlier financial year and in the current quarter on account of various issues. The Company is in discussion with Nashik Smart City Development Corporation Ltd for sorting out these issues. The Company is carrying in its Balance Sheet an amount of Rupees 8.40 crores towards capital cost of the project which includes Rupees 1.49 crores under CWIP. As the Company is in the process of resolving all the issues, this capital cost has not been impaired (as explained in the Notes).
- **Note No. 6 a) to c)** of the statement, with respect to pending legal suits for recovery (As fully explained in the Notes).
- **Note No. 7** regarding the change in the policy as on 31<sup>st</sup> March, 2022 for recognizing provision for Expected Credit Loss on trade receivables. The ECL provision for the current quarter is following the new policy (as explained in the Notes).
- **Note No. 8** regarding departmental audit initiated by GST department of Andhra Pradesh Government u/s. 73 of the GST Act and subsequent show cause notice of demand raised. Since the Company is disputing the demand and is in the process of challenging the show cause notice, no provision has been considered (as fully explained in the notes).

Our report is not modified on the above matter.

### **Conclusion**

Based on our review conducted and procedures performed as stated in above auditor's responsibility paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Ford Rhodes Parks & Co. LLP**  
**Chartered Accountants**  
**Firm's Registration No. 102860W/W100089**

ASTHA BHAVIK KARIYA  
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**Astha Kariya**  
**Partner**

**Mumbai: 4<sup>th</sup> August, 2022**

**Membership No. 122491**  
**UDIN: 22122491AOHEHC6240**



# TRIGYN TECHNOLOGIES LIMITED

Registered Office: 27, SDF-I, SEEPZ, Andheri (East), Mumbai 400 096



## STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rupees in lakhs)

		Quarter ended			Year ended
		JUNE 30, 2022	MARCH 31 2022	JUNE 30, 2021	MARCH 31 2022
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	2,699.30	2,469.43	2,247.78	9,425.59
2	Other income	21.58	1,175.35	40.83	1,808.83
3	<b>Total income (1+2)</b>	<b>2,720.88</b>	<b>3,644.78</b>	<b>2,288.62</b>	<b>11,234.41</b>
4	<b>Expenses</b>				
	Cost of materials consumed	-	-	-	-
	Purchases of Materials including overheads	762.43	83.37	63.22	247.56
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(639.73)	(33.81)	24.75	18.83
	Employee benefit expense	2,170.04	2,001.12	1,738.44	7,438.82
	Finance costs	39.75	60.44	51.91	207.54
	Depreciation, depletion and amortisation expense	101.91	102.49	81.57	361.28
	Other Expenses	1,142.35	739.69	440.00	2,600.80
	<b>Total other expenses (4)</b>	<b>3,576.74</b>	<b>2,953.31</b>	<b>2,399.90</b>	<b>10,874.83</b>
5	<b>Total profit/(loss) before exceptional items and tax (3-4)</b>	<b>(855.87)</b>	<b>691.47</b>	<b>(111.28)</b>	<b>359.58</b>
6	Exceptional items	1.59	0.74	-	4.30
7	<b>Total profit/(loss) before tax (5-6)</b>	<b>(857.45)</b>	<b>690.73</b>	<b>(111.28)</b>	<b>355.29</b>
8	Tax expense				
	Current tax	-	194.36	8.40	288.80
	Tax pertaining to prior years	-	6.48	-	6.48
	Deferred tax	(4.97)	(11.33)	(9.44)	(41.59)
9	<b>Net Profit/(Loss) for the period from continuing operations (7-8)</b>	<b>(852.48)</b>	<b>501.22</b>	<b>(110.25)</b>	<b>101.59</b>
10	Profit/(loss) from discontinued operations before tax	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-
12	Net profit/(loss) from discontinued operation after tax (10-11)	-	-	-	-
13	<b>Total profit/(loss) for period (9+12)</b>	<b>(852.48)</b>	<b>501.22</b>	<b>(110.25)</b>	<b>101.59</b>
14	Other Comprehensive income :				
	A (i) Items that will not be reclassified to profit or loss	9.21	(59.89)	4.23	(47.19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.32)	(1.67)	(1.07)	(8.07)
	B (i) Items that will be reclassified to profit or loss	-	5.48	-	5.48
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
15	<b>Total Comprehensive Income for the period</b>	<b>(845.59)</b>	<b>445.14</b>	<b>(107.08)</b>	<b>51.83</b>
16	<b>Earnings per share</b> (not annualized for quarters & nine months)				
	<b>Earnings per equity share for continuing operations</b>				
	Basic earnings (loss) per share from continuing operations	(2.77)	1.63	(0.36)	0.33
	Diluted earnings (loss) per share from continuing operations	(2.77)	1.63	(0.36)	0.33
17	<b>Earnings per equity share for discontinued operations</b>				
	Basic earnings (loss) per share from discontinued operations	-	-	-	-
	Diluted earnings (loss) per share from discontinued operations	-	-	-	-
18	<b>Earnings per equity share</b>				
	Basic earnings (loss) per share from continuing and discontinued operations	(2.77)	1.63	(0.36)	0.33
	Diluted earnings (loss) per share from continuing and discontinued operations	(2.77)	1.63	(0.36)	0.33



For Trigrin Technologies Limited

**R. Ganapathi**

Chairman & Non- Executive Director

Place : Chennai

Date : August 04, 2022

- 1 The unaudited financial statement for the quarter ended June 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 4, 2022.

The financial results of the company have been prepared in accordance with Indian Accounting Standards (IND AS), the provisions of the Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India.

- 2 In terms of IND AS 108, the company is having a single reportable segment i.e. “Communication and information technology staffing support services”.
- 3 The company has provided for gratuity and leave encashment expenses on proportionate as per actuarial valuation report for the year ended 31st March 2022.
- 4 Investments, Receivables and Loans and advances include balances in the accounts relating to overseas subsidiaries and step down overseas subsidiaries which were wound-up/liquidated/under liquidation in the earlier years and are fully provided for, are as under :

Particulars	<i>(Rupees in lacs)</i>	
	30th June 2022	31st March 2022
<b><u>Investments</u></b>		
Ecapital Solutions (Bermuda) Ltd*	50,972.96	50,972.96
<b><u>Debtors</u></b>		
Trigyn Technologies Limited, UK*	60.09	60.09
<b><u>Loans and Advances</u></b>		
Trigyn Technologies Limited, UK*	20.76	20.76
eVector Inc USA*	0.27	0.27
eCapital Solutions (Mauritius) Limited*	2.09	2.09
eVector India Private Limited*	0.10	0.10

\*The company has carried forward in the books of accounts the balance of the above-mentioned overseas subsidiaries which has been wound up. The company is awaiting approval from the Reserve Bank of India for writing off these balances.

The process for obtaining necessary approval and permissions from the Reserve Bank of India (RBI) under FEMA regulations is in progress. In view of this, Investments, Loans & advances, and provision for doubtful debts and impairment in the value of investments are retained and other entries are given effect in the books of account which are subject to the approval of RBI. This matter is being carried forward for more than 5 years.

## 5 Major Contracts of the company

### **A) Implementation and Management of Cloud-Based Virtual Classroom System in Identified Schools in Andhra Pradesh.**

The total contract value of the Andhra Pradesh State Fibernet Limited (APSFL) project amounts to Rs. 160 crores inclusive of GST. This comprises Rs. 80 crores for the supply of materials and installation of video conferencing equipment and the balance Rs. 80 crores towards operations and maintenance. The company has completed a major portion of the supply contract. As of 30th June 2022, balance work at 59 schools, 1 District Studio, and Central Studio is still pending completion due to the non-allotment of sites from APSFL.

The Company has recognized revenue of Rs. 79.90 crores in respect of the supply contract which includes unbilled revenue of Rs. 49.73 Lakhs up to 30th June 2022. This is in line with IND AS 115 – (Revenue from contracts with customers) accounting for contracts based on completion of the performance obligation. Prepaid expenses includes an amount of Rs.466.54 Lakhs representing project work in progress in respect of this project.

Against the milestone billings done of Rs. 79.40 crores, Rs. 17.85 crores have been received and balance of Rs. 61.55 crores is outstanding for more than 3 years. The Company is also holding an inventory of Rs. 2.33 crores as on 30th June, 2022.

The operation and maintenance part of the contract was taken up in February 2019. The management has not booked any Quarterly Guaranteed Revenue up to 30th June 2022 on this part of the contract amounting to Rs. 80 crores, in view of the uncertainty of collection.



Keeping in view the old outstanding of Rs. 61.55 crores being carried forward and poor collection till date, the management is of the view that their decision for not accounting unbilled revenue for AMC charges is justified and proper due to uncertainty of collection. In support of the management's stand, the company has obtained an opinion from a subject matter expert as of 31st March 2022.

The management has not classified the outstanding balance as doubtful of recovery and no provision has been made towards old outstandings. However, as per the Company's policy, the company has made an Expected Credit Loss (ECL) provision of Rs. 4.70 crores in Quarter 1 of the financial year 2022-23. The cumulative ECL provision made is Rs. 18.66 crores for the above outstanding. Also, in support of the management's stand, the company has obtained an opinion from a subject matter expert as of 31st March 2022.

**B) Design, Development, Implementation, Operation, and Maintenance of Smart Parking Solution at Nashik**

Due to various reasons, there was no collection of tolls from the 15 commissioned parking sites in Nashik. The company is in discussion with Nashik Smart City Development Corporation Ltd to sort out various issues related to the Smart Parking Project. During the quarter, the company has charged in the statement of Profit & Loss, the total expenditure of Rs. 40.04 Lakhs. The company has also amortized an amount of Rs. 22.48 lacs in respect of the capitalized portion of completed sites.

The unamortized Capital Cost carried forward in the Balance Sheet as at 30.06.2022 of Rs. 8.40 crores including Rs. 1.49 crores (Capital WIP) is not considered as impaired and not provided for pending resolution of issues with NMSCDCL.

**C) Supply, Installation & Commissioning of Computer laboratories for Odisha Adarsha Vidyalaya Sangathan (OAVS)**

During the quarter, the Company has won the project of implementation of 183 ICT Labs for Odisha Adarsha Vidyalaya Sangathan (OAVS). The total contract value of Odisha Computer Application Centre, Bhubaneswar project is Rs. 59.34 crores including GST. The Company holds stock relating to this project amounting to Rs. 6.24 crores as on 30th June 2022. Supply and installation of the materials will begin shortly.

**D) Revamp, Development and Operation & maintenance Support for eMitra Suite (Consisting of eMitra Service Delivery Platform, Mobile Applications, eMitra MIS and Analytics etc.) for Government of Rajasthan**

The total contract value of this project is Rs. 22.66 crores including GST. During the Quarter, The Department of Information Technology & Communication/ Rajasthan Info. Services Limited awarded the Company to develop eMitra application and five years maintenance services. As of now, requirement analysis and recruitment for the project is started. Cost incurred for the project till 30th June, 2022 is Rs. 29.55 Lakhs, which has been deferred.

**E) Creation of group for SITC of model digital smart class room for schools/ high schools in Dumka Block for Dumka District**

During the quarter, trigyn was awarded this contract of digital classroom for Dumka District. The total contract value of this project is Rs. 1.52 crores including GST. Cost incurred for the project as on 30th June, 2022 is Rs. 8.10 Lakhs

**F) IT professional manpower for "Study, Design, and Development" of One Nation One Data (ONOD) platform & other AICTE applications**

During the quarter, Trigyn has been selected by All India Council for Technical Education (AICTE) for providing services through IT professional manpower for "Study, Design, and Development" of One Nation One Data (ONOD) platform & other AICTE applications for the initial period of 3 years. The total contract value of this project is Rs. 17.35 crores including GST. The company is in the process of hiring resources for the project. Cost incurred for the project in the current quarter amounting to Rs. 2.88 Lakhs has been deferred.

**G) Study/Analysis, Design, Development, Customisation, Supply, Configuration, Operation, Rollout and Regular update/upgradation & Maintenance of Cloud Based ERP System Portal for NITIE, Mumbai**

During the quarter, the company has won project for study/analysis, design, development, customization, supply, configuration, operation, rollout and regular update/upgradation & maintenance of cloud based ERP system portal for NITIE, Mumbai. Total contract value is Rs. 2.42 crores including GST. The company has deferred staff cost of Rs. 0.41 Lakhs during the quarter.

## 6 Pending legal suits for recovery

### **a) Legal case filed against the State of Assam and the company by Vedang Radio Technology Pvt. Ltd. (VRTPL)**

The company had submitted a bid for the selection of a system integrator for the Supply, Installation, Testing, and Commissioning of Video Conferencing Equipments up to the Police Stations level in Assam. VRTPL submitted the bid but got rejected. They have filed a writ petition in Guwahati High Court against the State of Assam, DGP Assam, Addl DGP (Communication), Assam, GDP (Communication), Assam and TTL for incorrect rejection of their bill. The Honourable court on 18th March 2020 while entertaining the writ petition had directed all the parties to maintain the status quo in respect of the bidding process. Until further orders. The matter was disposed off and dismissed by the court.

However, VRTPL has filed a fresh writ petition on 7th July 2021 against the state of Assam and 14 other parties in which the company is respondent no. 6. The matter was listed last on 27-07-2022 for argument but could not be heard as the business of this Court could not permit so. The next date of hearing is on – 18th August 2022.

In view of the above litigation, the selection through the bidding process could not take place, and the Earnest Money Deposit of Rs. 70 lakhs paid in February 2020 against this bid continues to be outstanding. The company is confident of receiving back this deposit back.

### **b) Toshniwal Enterprises Control Limited (TECL)**

The company and TECL entered into an MOU on 24-April-2019 to work on the ONGC project. Insolvency proceeding against TECL was admitted on 22-11-2019 at NCLT – Kolkata. ONGC terminated the contract on 29-11-2019. The Company's advocate had filed an application with NCLT in September 2020. There were certain defects raised by the Registry department while scrutinizing the file. The same was duly corrected by the company's advocate and the matter was heard by the NCLT Kolkata bench on April 8, 2021. The Bench condoned the delay in submitting the claim by the company. Further, it allowed the application of the company and directed the resolution professional to verify and accept the claim on its merit. NCLT has ordered the commencement of liquidation of the Toshniwal Enterprises Control Limited on 4th April 2022 and the stakeholders were called upon to submit their claim with proof. The matter was last heard on 27.06.2022 and Counsel appearing for Liquidator submitted the preliminary report and list of stakeholder. The matter is now listed for reporting progress on 19.10.2022.

### **c) Writ Petitions filed by the company relating to Tamil Nadu projects**

#### **I) Coimbatore Smart City Limited**

The company had bid for the Selection of a System Integrator to Design, Supply, Implement, Operate, & Manage Integrated Command and Control Centre in Coimbatore Smart City Limited. The company's bid got rejected and therefore a Writ Petition challenging the disqualification was filed in Madras High Court. The writ petition was filed on 19th February 2021 with Madras High Court. The date of hearing for admission of the petition was 4th March 2021. The petition is pending for admission and a reply has been sought from the other party.

#### **II) Tiruppur Smart City Limited**

The company had bid for the Selection of a System Integrator to Design, Supply, Implement, Operate, & Manage Integrated Command and Control Centre in Tiruppur Smart City Limited. The company's bid got rejected and therefore a Writ Petition challenging the disqualification was filed in Madras High Court. The writ petition was filed on 11th February 2021 with Madras High Court. The date of hearing for admission was 23-02-2021. The petition is pending for admission and a reply has been sought from the other party.

The management has evaluated all the pending legal cases in consultation with their legal counsel and they believe that they have got a good case and expect a favorable outcome in the majority of the above cases.

- 7 The Company has revised its policy on ECL provisioning as on 31st March, 2022. The ECL provisioning for the quarter ended 30th June, 2022 is basis the revised policy. However, for the quarter ended 30th June, 2021, 30th September, 2021 and 31st December, 2021, the ECL provisioning was made as per the old policy. The ECL provision for the current quarter is Rs. 4.62 crores included under other expenses and year-to-date provision of Rs. 20.73 crores.

- 8 The company was served with an Audit report for its Andhra Pradesh unit under Section 65(6) of the CGST Act 2017 under rule 101(5) on 5th April 2021 for FY 2017-18 and FY 2018-19. The company did not agree with the contents of the said audit report and filed a detailed reply on 21st May 2021 raising various preliminary objections along with a rebuttal to various audit paras. The GST department issued one more audit report titled "Final Audit Report" dated 15th June 2021. The company replied to the final audit report vide its letter dated 26th June 2021 raising various preliminary objections against the said final audit report. The department issued a pre-SCN Consultation Notice dated 4th August 2021 to the company wherein tax amounting to Rs. 36.39 lakhs, interest amounting to Rs. 1.82 crores and a penalty amounting to Rs. 1.02 crores were quantified during the audit. The company paid Rs. 22.33 lakhs under protest against the said demand. The company has submitted to the GST department that the liability of tax, interest, and penalty as mentioned in Form DRC-01A is not acceptable. On 18th February 2022 GST department issued SCN and the company has replied on the same. No provision has been made as the company is contesting this demand.
- 9 A search u/s 132 of the Income Tax Act was conducted by the Income Tax department on 29th August 2018. Thereafter the notices were issued for the block assessment for the period 2014-15 to 2019-20 (7 assessment years). The company has received the assessment orders for said Block raising a fresh demand of Rs. 3.14 crores. The main reason for the demand is on account of adjustments to the returned income made at the processing stage and in one case dividend distribution tax credit has not been considered by the department which has resulted in wrongful addition. There being mistakes apparent from records, the company filed appeals/rectifications wherever applicable in consultation with the company's tax advisors.
- 10 The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these Standalone Financial Statements. The company will continue to closely monitor any material changes to future economic conditions.
- 11 The new code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) released draft rules for the Code on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.
- 12 The exceptional item for the quarter & year to date ended represents provision for the loan given to the subsidiary.
- 13 The balance of associate companies of United Telecoms Limited (UTL) in the books of Trigyn Technologies Limited as of 30th June 2022 is as follows:

Particulars	Amount (Rs. in lakhs)
Receivable from Promuk Hoffman International Pvt. Ltd.	70.00
Receivable from United Telelinks (Bangalore) Ltd.	1.32
Advance to United Telecoms Limited for future rent	68.21
Security Deposit to United Telecoms Limited for premises rented	34.55

- 14 Figures of the previous quarter/period/year have been regrouped and reclassified, wherever considered necessary to correspond with the current period presentation.

Place : Chennai  
Date : August 04, 2022



**For Trigyn Technologies Limited**



**R. Ganapathi**  
Chairman & Non- Executive Director