

July 28, 2021

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
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Dear Sir/Madam,

**Sub:- Second Integrated Annual Report along with Reasonable Assurance
Certificate from Independent Auditor Grant Thornton India LLP (GT).**

Ref.: Vakrangee Limited – Scrip Code – 511431/VAKRANGEE

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 2nd Integrated Annual Report and 31st Annual Accounts of the Company for the financial year 2020-21. The Integrated Annual Report has been sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Report is Vakrangee's 2nd Integrated Annual Report along with Reasonable Assurance from Independent Auditor Grant Thornton Bharat LLP (GT). The report elaborates on the organisation's inclusive approach of creating value for stakeholders. It covers information during the period 1st April 2020 to 31st March 2021.

This Report follows the Integrated Reporting Framework provided by the International Integrated Reporting Council (IIRC). It also incorporates the GRI Standards where relevant as per the Core reporting option. Financial and statutory information reported are aligned to leading frameworks. It adheres to reporting requirements of Companies Act, 2013 and rules thereunder, the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Indian Accounting Standards (IndAS). In addition, the National Voluntary Guidelines (NVGs) for Business Responsibility Report (BRR) and UN-Sustainable Development Goals (UNSDGs) are also considered while developing this Report.

Integrated Annual Report of the Company for the financial year ended March 31, 2021 is also available on the Company's website at the below mentioned link:
https://vakrangee.in/annual_general_meetings.html.

Thanking you,

Yours faithfully,

For Vakrangee Limited

Jay M. Bhonsali

Jay Bhonsali
Company Secretary
ACS:48251





Building Resilience by redefining the last mile



Building Resilience by redefining the last mile



‘Resilience’ is a word being used very often these days. Black swan events, like the coronavirus pandemic, is making the world ask some very fundamental questions on how to navigate the future. For many businesses, it’s been about having adequate financial liquidity; possessing sufficient balance sheet strength; and about the validity and relevance of their existing business model in a world beset with the ‘New Normal’. For Vakrangee, these basic questions were never needed to be asked. Thanks to our zero debt philosophy; robust balance sheet with embedded liquidity; and a time tested business model that has become even more relevant in a post-pandemic world, we have never been more sure about our capacity, purpose and relevance to an evolving marketplace.

For us, ‘resilience’ has been about how relevant we can be to our customers in times of adversity and tranquillity, and how many people we can reach within the world’s second most populous country. It is about re-inventing our last mile engagement with customers. It is about our customer centricity.



For Vakrangee, becoming more resilient has been about 'redefining the last mile'. We have not just been focussed on expanding our Kendra network, but also on how we deliver our services through physical and online models in a hybrid way. We have also redefined the last mile by bringing services to the very doorsteps of our consumers, ensuring their safety during this uneasy period. When one is dealing with vast clusters of customers in both urban and rural environments, the act of redefining the last mile is by no means an easy endeavour. In fact, our ability to serve the entire nation on an equal footing is playing a vital role in narrowing the divide between the underserved rural and the privileged urban India.

During the pandemic, the Vakrangee brand became ever so more meaningful and germane to our consumers. Today, we are increasingly being seen as an essential and indispensable service provider to the marketplace, in which the masses can carry out their basic crucial transactions, even at the worst of times. We made this possible by introducing new innovative ways of delivering our services, such as 'Doorstep Banking' and 'Digital Vakrangee Kendra'. These innovations now allow our customers to receive services from the comfort of their homes - especially the need of the hour while lockdowns were in force. We also became a trusted arbiter in delivering much needed tele-medicine services to our customers, such as online doctor consultations in regional languages, blood tests from homes, and doorstep delivery of medicines.

By redefining the last mile, we are super-gluing our bond with our consumers. The more customer-centric we become, the greater our capacity to serve a nation and create value for our stakeholders.

CORPORATE OVERVIEW

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About the report

This Integrated Annual Report ("Report") for FY 2020-21 highlights Vakrangee Limited's ("Vakrangee") creative approach towards value creation for its stakeholders by redefining the last mile service and thereby contributing towards building a resilient India.

The Report provides a comprehensive overview of how we create financial and non-financial value in terms of six capitals, for our stakeholders.

Scope

The Report covers information in the period of 1st April 2020 to 31st March 2021, unless otherwise stated. For the Report, we have adopted the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC). The Report provides a comprehensive overview of how we create financial and non-financial value in terms of six capitals of <IR>, for our stakeholders. The six capitals are financial, manufactured, natural, human, intellectual, and social and relationship capital. In addition to an inclusive approach for economic, social, and environmental impacts of the organisation, we aim to present our governance framework for robust business processes and long-term growth. The Report also includes method of engagement with identified key stakeholders and material topics discussed with them. It describes our corporate governance, risk management framework and strategies to mitigate risks.

Reporting Framework

This Report is the second Integrated Annual Report of Vakrangee and follows the Integrated Reporting Framework provided by the International Integrated Reporting Council (IIRC). It also incorporates the GRI Standards where relevant as per the Core reporting option. Financial and statutory information reported are aligned to leading frameworks. It adheres to reporting requirements of Companies Act, 2013 and rules thereunder, the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Indian Accounting Standards (IndAS). In addition, the National Voluntary Guidelines (NVGs) for Business Responsibility Report (BRR) and UN-Sustainable Development Goals (UN-SDGs) are also considered while developing this Report.

Reporting Boundary

The boundary of this report covers all information on business activities and their role in creating value to our stakeholders. Hence, this Report covers corporate and state offices of Vakrangee as well as 560 Next-Gen Vakrangee Kendras that are franchisee outlets for providing the services offered by Vakrangee. All Next-Gen Kendras covered in the report have been operational for a minimum of one year from the reporting date.

Reporting Period

The Report covers information in the period of 1st April 2020 to 31st March 2021.

Responsibility Statement

Vakrangee's senior management has reviewed the content of the Report, under the guidance of the Board. The Report's integrity, accuracy and completeness of information has therefore, been ensured.

Independent Assurance

We have reported performance of six capitals in terms of Key Performance Indicators (KPIs). Grant Thornton Bharat LLP has provided a reasonable assurance on select KPIs for FY 2020-21. They are mentioned in the assurance statement, which also forms part of the Report.



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Integrated Overview of our reports

Our sustainable value creation efforts are built on the basis of integrated thinking. We published our first integrated report in 2020 using the <IR> framework guidelines proposed by IIRC. Our Annual Integrated Report covers the company's material financial and non-financial performance in various capitals. We have also published a set of other reports that details out dedicated information and may be intended for specific audience.

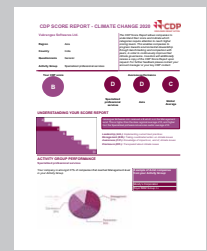
Strategy 2.0: Vakrangee's Physical Network Platform - Our next 5 year growth plan

It provides a detailed highlights of the company's Next 5 year growth targets and operational and financial deliverables of Physical network of Next-Gen Kendra outlets in detail.



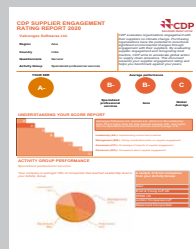
Vakrangee Ltd.'s CDP Climate Change 2020 Report

It provides a detailed disclosure of the company's strategy and performance with respect to climate change and its' impacts.



Vakrangee Ltd.'s CDP Supplier Engagement 2020 Report

It provides a snapshot of the company's strategy and performance with respect to engagement with suppliers on climate change and its' impacts.



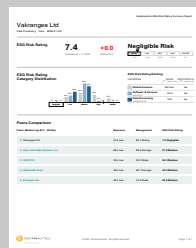
Assurance Statement for Integrated Report 2019-20

It provides the assurance on non-financial data reported in the year 2020 in the Annual Integrated Report.



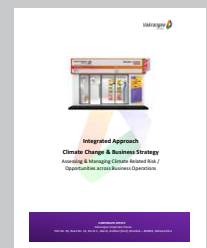
Sustainalytics ESG Ratings Report

It provides ESG Risk parameters and rating for Vakrangee Ltd. by Sustainalytics for year 2020.



Integrated Approach Climate Change & Business Strategy Assessing & Managing Climate Related Risk / Opportunities across Business Operations

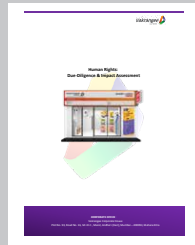
It provides climate change related risk and opportunity assessment and Vakrangee's climate related strategy.





Human Rights: Due-Diligence & Impact Assessment

It provides details on Vakrangee's commitment to human rights as well as their due diligence followed and impact of operations.



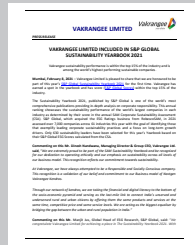
Update on Integrating UN SDG into Business Strategy & Setting Performance Targets

It provides details on Vakrangee's strategy to integrate SDG targets into their business, their targets and performance against these targets.



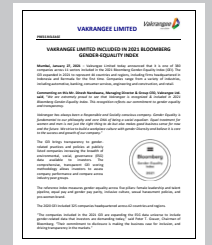
Vakrangee included in the S&P Global Sustainability Yearbook 2021

It provides details on Vakrangee's dedication to operate ethically and an in-depth analysis of corporate responsibility.



Vakrangee included in the Bloomberg Gender-Equality Index 2021

It elaborates on Vakrangee's effort towards transparent gender related practices and policies.



Achievements on global ESG ratings

At Vakrangee, we have always attempted to be a responsible and socially conscious. Through our network of Kendras, we are taking the financial and digital literacy to the bottom of the socio economic pyramid and serving as the last mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at affordable prices and same service levels. We are acting as the biggest equalizer by bridging the gap between the urban and rural population in India.

Vakrangee has been successful in benchmarking its performance on a wide range of industry specific ESG criteria that are relevant to the growing focus on business sustainability and financially relevant to the corporate success.

Global recognition reflects Vakrangee's commitment to further enhance its corporate governance and transparency standards. We have achieved Global recognition across various platforms for the superior ESG performance and long term business sustainability.



Sustainalytics ESG Risk rating

Sustainalytics is the leading independent global provider of ESG and corporate governance research and ratings to investors. Sustainalytics is also the Rating partner to National Stock Exchange (NSE). Vakrangee is proud of being ranked no. 1 out of the 816 companies worldwide assessed in the Software and Services industry. We have also ranked 22nd globally out of the 14051 companies (Global Universe). This has been achieved by establishing a robust structure of governance and interest in assessing the key risks associated with ESG parameters. The score not only motivates us to continue our efforts towards ESG risk management but also helps us identify areas where we may improve further in future.



RobecoSAM – S&P Global ESG Score

Vakrangee has been included in the S&P Global Sustainability Yearbook 2021 for the first time. Our sustainability performance is within the top 15% of the industry and is among the world's highest performing sustainable companies. Only 630 sustainability leaders have been selected out of 7,000 Companies assessed for this year's Yearbook based on their S&P Global ESG Scores calculated from the CSA. We have ranked 13th with a score of 70 in the Global industry ranking and ranked 9th with a score of 69 in the Corporate Governance global industry ranking based on RobecoSAM – S&P Global ESG Score. This showcases the high level of corporate responsibility and the continuous effort towards ethical business practice driving sustainability across all levels of our business model.



Disclosure through CDP

Vakrangee has been on the journey towards achieving sustainable operation and during the FY we have boosted our level of transparency on the environmental and climate change data by disclosing relevant information to the stakeholders through CDP. We have recognised the importance of environmental impacts and have taken strategic actions towards reducing the same by introducing initiatives such as "Go Green", AePS (Aadhaar enabled Payment System) model for our banking processes and disabling the generation of paper receipts on ATM transactions.



CDP Environmental Rating for Supplier Engagement

Vakrangee has achieved the leadership band score of "A-" from CDP for suppliers engagement which is higher than the Asia regional average of "B-", Global Average of "C" and higher than the specialized professional services sector average of "B-". It is a recognition of the concrete and constant commitment of the Company's engagement with its suppliers on climate change and implementation of sustainable approach throughout the value chain.



Bloomberg Gender-Equality Index

Vakrangee has been included in the Bloomberg Gender Equality Index among 380 companies across 11 sectors in 44 countries and regions. This achievement is an outcome of the belief and practice of gender equality and transparency. We have made consistent efforts in building an inclusive workplace without bias by being responsible and socially conscious at the same time. The reference index measures gender equality across five pillars of female leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, sexual harassment policies, and pro-women brand. Vakrangee has been transparent with the gender related data and provided investors an opportunity to assess the Company's performance in the ESG front as well as provided the market with a benchmark of gender related initiatives which may be a step towards transforming business altogether.



Participant and Member of UNGC

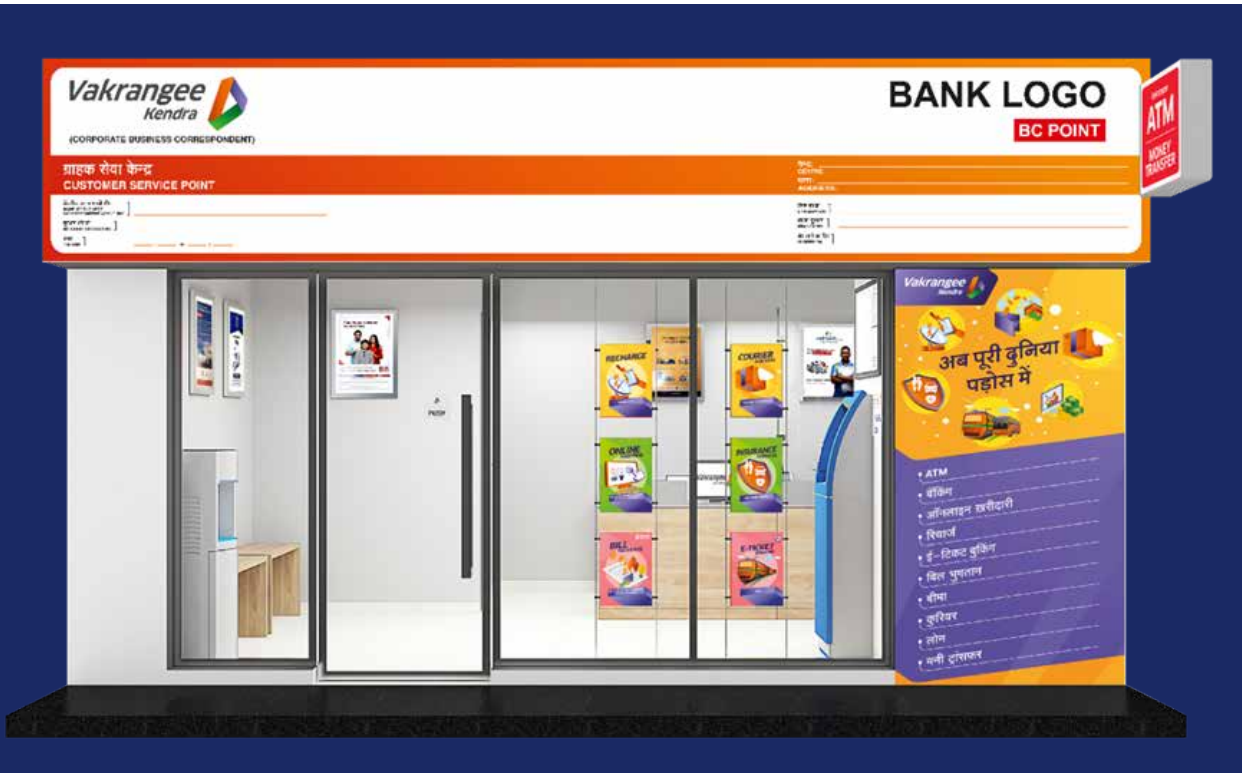
United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative. A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. Vakrangee is now a Participant and Signatory member of UNGC and our Company is entirely compliant with the ESG Framework. The participation and the membership adds to the commitment we have shown towards adoption and implementation of sustainable and socially responsible policies.

WOMEN'S EMPOWERMENT PRINCIPLES

United Nations Women Empowerment principles (UN WEP)

The United Nations Women's Empowerment Principles (UN WEPs) are a set of Principles offering guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women's empowerment. Vakrangee is a Signatory member of UN WEPs which further demonstrates the commitment towards gender equality as we believe that equal treatment of men and women is not only the right thing to do but also good for business. The seven steps of WEPs will help us realize these opportunities.

Highlights of Value Creation in FY 2020-21



Total Income

INR 38,395
Lakhs

PAT

INR 6,279
Lakhs

EBITDA

INR 9,762
Lakhs

Total Next-Gen Kendras

11,730

Presence in

518
districts

Presence in

4,588
postal codes



Next-Gen Kendras owned by:

Women **1,241**
Divyang **947**

Total Employees

800

Gold **39**

Silver **4,490**

Bronze **7,201**

Male Female Income Parity

1.21:1

Next-Gen Kendras in LWE, Tribal and Aspirational Districts

172

Next-Gen Outlets in Tier V and Tier VI

>70%

Skill Development Training

288 hours

Investment in R&D and advanced technology

INR 300
Lakhs

Franchisees trained in advanced technology

11,730

Percentage of Energy from Solar

15.4%

GHG Emission avoided through use of Renewable Energy

40,459

Paper saved through paperless transactions

199.36 MT
(Annual report)

Suppliers Assessed on ESG impact

9

Instances of Data Breach

0

CSR Expenditure

94.99
lakhs

Message from the Chairman



“As we journey through FY2022, I know that we have the best teams, a business that is tremendously resilient, and strong momentum to surpass our financial objectives”

Dear Stakeholders,

The COVID-19 pandemic has been a black swan tragedy for mankind, and our sympathy goes out to all those affected. This financial year has been challenging for all businesses around the globe as Covid-19 slackened growth and affected millions of families. Resilience in operation and innovative approach have been the key parameters to continue as a growing entity and serving humanity in the best possible way. Vakrangee has been a facilitator of the same and through multiple initiatives, we have been able to redefine the last mile service. We are not only expanding the business geographically but also addressing the need of the society by amalgamating technology with innovation through diversification of the services offered. Our Company has served the people by bringing the essential products and services at doorstep at the time of crisis.

Based on the essential services we provided during the pandemic, we are amongst the very few companies globally who were fully operational and brought our services to the unserved and underserved population in the remotest parts of the country and redefined the last mile service during the time of crisis. We further introduced new facilities such as Doorstep banking and Digital Vakrangee Kendras whereby customers could avail the facilities from the comfort of their homes and reduce possibilities of getting affected by Covid-19. We look forward to serving the community while expanding our operation through a sustainable approach and driving resilience by incorporating leading edge technology and innovation.



Following the onset of the COVID-19 pandemic, we have intensified our focus on ensuring the safety and health of our employees and customers, including the highest standards to ensure a consistently safe and sanitised experience across our Kendras. We believe these actions have been an important driver behind the significant customer loyalty and employee commitment we have seen through the recovery phase. The single most important aim we established for ourselves was to emerge from the crisis stronger than we entered it.

Our customers are our advocates

Our purpose extends beyond simply getting customers back on track after a crisis. We combine our financial strength and deep industry expertise to help build a resilient society. Our strength is based on living our Values, caring for people, being open and honest, taking accountability, and driving change. As we progress through the current year, substantial investments in technology, digital tools, design expertise and artificial intelligence (AI) are planned for delivering industry-leading digital platforms and provide more convenience for customers. Our new service app – “BharatEasy, India ka Super App” will make it easier for customers and franchisees to do business with us. By 2025, we aim to have three out of four customers as advocates by delivering second-to-none experiences. A unique differentiator and a Sustainable Competitive advantage is whereby our Digital Super App platform would be able

to leverage the Vakrangee OnGround Eco-system – a vast well diversified pan India level physical store network of Vakrangee as point of Physical Assistance especially to consumers to Semi Urban and rural remote locations.

Closing Remarks

While I’m optimistic for the future, the pandemic continues to have a profound impact on people, the global economy and society. While the social and economic upheaval caused by COVID-19 will likely continue for some time, our focus has always been on the long term. Returning to the ‘new normal’ will be a shared responsibility to be coordinated across governments, businesses and society.

We delivered commendable results throughout a challenging year, and I want to thank our people across India – you really stepped up. As we journey through FY2022, I know that we have the best teams, a business that is tremendously resilient, and strong momentum to surpass our financial objectives. We’re ready to continue delivering strong results and to play a role in rebuilding our communities and the economy. We are energized by the possibilities ahead.

With best wishes,

Ramesh Joshi

Non-Executive Chairman

Letter from the Managing Director & Group CEO



“We are confident of delivering strong growth momentum over the next 5 years as our network would grow from 11,700+ to 25,000+ Next-Gen outlets by March 2022 and to 75,000 Next-Gen outlets by March 2026. We estimate that our Gross Transaction value would cross US\$50 Billion on an annualised basis over the next 5 years, while the number of transactions would cross a billion transactions annually”

Dear Stakeholders,

The financial year 2021 was one in which your Company’s underlying purpose for serving individuals and communities in times of both adversity and celebration, was displayed in broad daylight. I am pleased to inform you that our business model resoundingly proved Vakrangee to be a reliable conduit for addressing the basic needs of the masses, no matter which part of the social pyramid they belong to, through our impactfully relevant products and services. This unprecedented pandemic has affected every one of us, unifying us in our vulnerability – as communities, cities, nations and as companies, sectors, and economies. This meant that at Vakrangee, we needed to be agile in finding new ways of serving our customers and delivering our services safely – and we did so diligently and imaginatively. There has never been a more pertinent time, when the true meaning of Vakrangee shone through. We were among the very few companies globally, that was fully operational at all times for providing key emergency and essential services to our citizens, even within the remotest parts of the country. I am truly proud of what our armies of more than 800+ workforce and 11,700+ franchisees across India were able to achieve in directly serving our customers and society at large, and indirectly our shareowners. I would like to offer my warmest thanks to our officers and staff for their determination and the tremendous work they have done.



During the last three years, we have been on a transformational journey whereby we focussed to transform our Business model from old format of Non Exclusive Vakrangee Kendras to a standardised and highly recognisable Exclusive “Next-Gen” format. They each became branded stores for delivering a consistent consumer experience and well-defined service levels. I am pleased to share that despite the Covid pandemic impact, currently; we have successfully launched 11,700+ Next-Gen Vakrangee Kendras and are on track to deliver 25,000 operational Next-Gen kendras before March 2022. I believe that we have reached an inflection point and from here we foresee a strong growth momentum in terms of financial as well as operational growth over the coming years.

Building Resilience by redefining the last mile

At the very beginning of our journey years ago, we fully understood the opportunity in front of us – the prospect of becoming the largest organised last-mile retail player to serve a 700+ million people market that represents a \$1 trillion economy. Today, we have an enormous opening to bridge the financial inclusion gap between developed urban india and underdeveloped rural india. We know that we can also bring a plethora of relevant products and services that are still out of reach in rural and semi-urban india. During the year under review, we did just that and stayed true to our mission, while being mindful of supporting and helping all our stakeholders impacted due to the pandemic.

The financial year 2021 also poured light upon the criticality of resilience, a virtue otherwise eclipsed during merrier times. We upheld our resilience by maintaining focus on our basic business opportunity, by narrowing the divide between rural and urban India’s consumerism, and by redefining the last mile in terms of geographical expansion; diversification of offerings as well as in new and innovative ways of making services available.

In terms of reach, we have redefined the last mile access by successfully crossing 11,700+ Next-Gen Vakrangee Kendras, spreading across covering 27 states and Union Territories, over 510 districts and 4,580 postal codes. Out of these outlets, 70% of our outlets are in Tier V & VI cities, ensuring a greater weightage of our presence into rural and semi-urban India. I am happy to inform you that your Company is currently the fourth Largest ATM operator in Rural India with more than 5,400 modern ATMs in operation.

In terms of our offerings, we introduced new ‘need-of-the-hour’ Tele-medicine services, which includes ‘Online Doctor’ consultation in regional languages, ‘Homes Blood’ test facility, and doorstep delivery of medicines. These were vital and indispensable services for many in this pandemic, during which mobility was severely restricted due to prolonged lockdowns. For these services, Vakrangee has partnered with vHealth by Aetna, part of the CVS Pharmacy Group – a Fortune 500 company ranking 5th, and the Top 10 m-Health providers in the world. Going forward, the Company plans to make more services live through this platform.

These were also supported by other new innovative services such as ‘Doorstep Banking’ facility, giving our customers the convenience of receiving services right to their homes. During the lockdown, our banking business correspondents provided doorstep banking services to Jan Dhan Account Holders in remote rural areas, especially to senior citizens and old age pensioners.

We also introduced our unique hybrid online-to-offline model ‘Digital Vakrangee Kendra’ through which our customers could get a plethora of basic services at their convenience from anywhere. With this, the existing Kendra network is able to provide physical assistance to the customer, fostering greater trust and sense of ease for our customers.

Your Company also aims to become India’s No. 1 retailer for facilitating universal financial, digital and social inclusion. We are leading the charge towards inclusion through innovative ideas and proven modern technologies, for all to experience at our outlets or “Next-Gen Vakrangee Kendras”. Keeping true to our vision for creating the world’s largest franchisee based distribution channel in India, we are making steady progress towards establishing our last mile presence across all postal codes, covering each and every Gram Panchayat in the country. The more we progress in this journey, the more resilient we become.

Launch of Digital Platform : BharatEasy Mobile Super App

We have also recently launched a Mobile Super App based business platform : BharatEasy App, India ka Super App. By downloading a single Vakrangee’s BharatEasy Super App mobile application, our customers can access a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience.

A unique differentiator and a sustainable competitive advantage of our Digital Super App platform would be our ability to leverage the Vakrangee OnGround Eco-system – a vast well-diversified pan-India level 11,700+ physical store network as points of physical assistance, especially to consumers in Semi Urban and rural remote locations. This Unique Proposition of Digital along with Physical: “Phyigital” would help the Digital channel to scale up rapidly, and would significantly reduce our costs related to acquiring customers, physical assistance, order fulfilment and returns management of online orders. Furthermore, leveraging our physical presence would result into better customer interaction, strong brand recall and better service experience and trust for our customers.

CORPORATE OVERVIEW

I would like to inform you that we are in the process of segregating (demerger) the business of Physical Vakrangee Kendra Outlets and Digital Vakrangee Kendra (our online based business). This would enable highly focused management of each business, and allow us to explore potential business opportunities more effectively and efficiently. This would also set the platforms for "value discovery" of the digital business at a later stage, with the ultimate objective of maximising shareholder returns.

We are also in the process of empaneling global consultants to understand the online market landscape and to further strategize and strengthen our business model offering.

Update on Strategy 2.0 : Our Next 5 year Growth Plan

I am pleased to inform you that we recently launched our "Strategy 2.0" Document, detailing our Next 5 year growth targets and operational and financial deliverables. This document focuses on the Core Business of the Physical network of Next-Gen Kendra outlets. This strategy plan document does not include any contribution from the digital mobile app platform.

Our vision is now set to create the world's largest franchisee based distribution channel in India with a strong focus on Rural India. We are confident of delivering strong growth momentum over the next 5 years as our network would grow from 11,700+ to 25,000+ outlets by March 2022 and to 75,000 outlets by March 2026. We estimate that our Gross Transaction value would cross US\$50 Billion on an annualised basis over the next 5 years, while the number of transactions would cross a billion transactions annually. This would result into significant growth in revenues and profitability, especially as we will continue to take advantage of our asset-light franchisee-based model with strong operating leverage. Our Cash Adjusted Return on Capital would improve significantly.

Financial Performance

As a year riddled with major disruptions and restricted footfalls to our Kendras throughout the year under review, your Company was able to achieve a total revenue of Rs. 383.95 crore, and Profit After Tax (PAT) at Rs. 62.79 crore.

In spite of COVID-19 Pandemic situation, Vakrangee's Kendra Network throughput crossed more than US\$ 5.2 Billion (₹ 37,600+ crore) in the Full year FY2021, and Our Total Number of transactions crossed 126.8 mn (~12.6 crore) transactions on an annualised basis. These numbers have been very encouraging to say the least.

During the financial year 2021, outlet revenues were impacted due to Covid-19 induced lockdowns, as only our key essential services such as Banking, ATM, Mobile recharges and Tele-medicine services were fully operational. Our E-Commerce and Logistics business was significantly impacted because of on-ground field level delivery challenges, and our Travel services were closed most of the time due to the lockdown. On a brighter note as situation is improving, our key services, such as Assisted Online Shopping and Online Healthcare have recently become operational, and are gradually reversing back towards pre-COVID-19 levels. The Company's return to normalcy on the business front has been progressing very well, with growing month-on-month improvement in sales.

As we are returning to normalcy, and as we continue to expand our operational Next-Gen Kendra outlets significantly, I would expect our Revenue and profitability to also improve sharply for the current and ensuing fiscal years.

Our commitment to sustainability

Aligned with Vakrangee's sustainability vision, your Company has embarked on its own sustainability journey, adopting the global best practices to fuel dreams and, in turn, augment long-term value creation for all its stakeholders. As India's largest network of last mile retail outlets to cater to the unserved and underserved markets, Vakrangee has a unique opportunity to make a positive difference in the communities we proudly serve. We take this opportunity seriously and feel an abiding responsibility to make the most of it. We see our sustainability efforts first and foremost as the right thing to do—the continuation of responsible corporate citizenship that began in our earliest days as a company. At the same time, we know that sustainability is also a business imperative: our Company can only be as healthy as the people and communities we strive to refresh.

I am pleased to report that we have made solid progress toward that end during FY2021. Through our network of Kendra's, we are taking financial and digital literacy to the bottom of the socio economic pyramid. By making our products equally accessible and affordable to all segments of society, we are facilitating universal economic suffrage and narrowing the urban-rural divide.

"I would expect our Revenue and Profitability to also improve sharply for the current and ensuing fiscal years."



In pursuit of attaining the highest ESG corporate culture, your Company has been successful in benchmarking its performance on a wide range of industry specific ESG criteria. Our global recognition reflects Vakrangee's commitment to further enhance its corporate governance and transparency standards. I am pleased to inform you that your Company has achieved major Global recognition across various platforms for its superior ESG performance and long term business sustainability. For instance, Vakrangee globally ranked 1st out of 816 Companies in the Software and Services industry based on Sustainalytics ESG Assessment. Vakrangee was recognized & included in 2021 Bloomberg Gender-Equality Index. Vakrangee was also ranked as No. 13 in the global industry ranking, and No. 9 in the Corporate Governance global industry ranking based on RobecoSAM – S&P Global ESG Score. Your Company has been included in the highly exclusive group of trendsetters in the S&P Sustainability Yearbook 2021 based on RobecoSAM Sustainability ratings. Under the CDP Environmental Ratings, Vakrangee has demonstrated robust Environmental transparency and achieved "B" Score from CDP for Environmental practices. During the fiscal period, Vakrangee is now also a Participant and Signatory Member of UNGC (United Nations Global Compact), and a Signatory Member of United Nations Women Empowerment principles (UN WEP).

Outlook

As we gradually return closer to pre-COVID-19 conditions, and as we continue to expand our operational Next-Gen Kendra outlets significantly over the next fiscal year, I would expect our top and bottom lines to also improve sharply for the current and ensuing fiscal years. This pandemic has highlighted the relevance of Vakrangee to our customers, creating a great deal of faith in our brand as a reassuring and trusted essential service provider. I expect the economy and general business conditions to rapidly return to normalcy, reaching pre-COVID-19 revenue levels by another quarter.

Our franchisee-based network is founded on an asset-light model, and we are well resourced to scale our network without the support of any debt. Financially resilient and with positive tailwinds under our wings, we expect our outlet expansion to cross 25,000+ Next-Gen outlets by FY2022. With enhanced brand awareness, and more than 1,28,000+ franchisee applications in place, we are currently at a good vantage point going forward.

Sustained Focus on Performance Culture

With the advent of the 'new normal', Vakrangee moved onto a digitally elastic workspace with alacrity. The COVID-19 pandemic has caused unprecedented disruption in how people work, and as a consequence, Vakrangee is leveraging technology and implementing process automation and innovative digital initiatives that allows us to adopt new ways of conducting everyday business and managing field operations. These initiatives should result into improved franchisee satisfaction and better centralized management of field operations. During the year, we implemented several process automation and technology initiatives, which should yield in an overall cost reduction and enhanced profitability going forward.

We further initiated digitization of the entire hire-to-retain cycle – starting with remote on-boarding of new joiners. As we pivoted to a hybrid working model, we ensured zero lost productive days and sustained the emphasis on operational excellence and going the extra mile through quality employee engagement and performance management, manifest in the resilient business outcomes.

These initiatives have significantly reduced the manpower requirement at the field level as well as resulted into improved franchisee satisfaction and better centralized management of field operations. The Company has also benefited of the same in overall cost reduction and enhanced profitability.

Closing remarks

In difficult times like these, it's more essential than ever before that society looks forward and addresses future issues. And that's what we're doing at Vakrangee. We're working on innovative products and services that help the masses. As we move along FY2022, there are strong expectations of recovery in the Indian economy. I am thankful to our franchisees, employees, business partners, customers and our shareholders for their continued support and confidence in our journey towards becoming the world's largest last-mile superstore. On behalf of the board, I would like to thank you for all your unwavering support, trust and perennial belief in our capabilities and competencies.

With best wishes,

Dinesh Nandwana
Managing Director & Group CEO



About Vakrangee

Vakrangee Ltd ('Vakrangee' or 'Company'), incorporated in 1990 is a technology-driven company aiming to bring about a social revolution in India. We are well on our way to building India's largest network of last-mile retail outlets to deliver our services to the unserved and the underserved rural, semi-

urban and urban population of the country. Our delivery outlets are Assisted Digital Convenience stores better known as Next-Gen Vakrangee Kendras. These kendras act as the 'One Stop Shop' for availing our products and services.

VISION



Vakrangee aims to be the most trustworthy physical as well as online convenience store across India. We will keep expanding this network until we are in close proximity to the last excluded person within the country.

MISSION



Vakrangee intends to become India's No. 1 retailer by offering innovative ideas and proven modern technologies for facilitating universal financial, digital and social inclusion.

BRAND PROMISE



Vakrangee aims to be the most trustworthy local convenience store across India. We promise to give every Indian, their rightful access to a wide range of modern-day products and services, which are reasonably priced and of high quality. We also aim to be present within a short travelling distance of every Indian and will continue to keep expanding our network until we are close to the last excluded person within the country.



Our Brand Principles

At Vokranginge, we endeavour to inculcate our brand principles into every aspect of our business operations. We believe that these principles are the bedrock that allows us to function efficiently and ethically, thereby delivering best-in-class customer experience.

Trust



The value that binds all our stakeholders – Government, Banks, Partners, Businesses and Franchisees.

Perseverance



The attitude we have to accomplish the unprecedented feat of creating the world's largest retail network, even in the most remote and inhospitable areas without electricity and connectivity.

Unyielding Rigor



The way we train our people and set high standards of quality in our systems and processes is the backbone of our success. We take ordinary individuals and train them with skill sets that help them yield remarkable results.

Entrepreneurial



An entrepreneurial spirit in our approach to business - both in our employees and our franchisees - our key business partners.

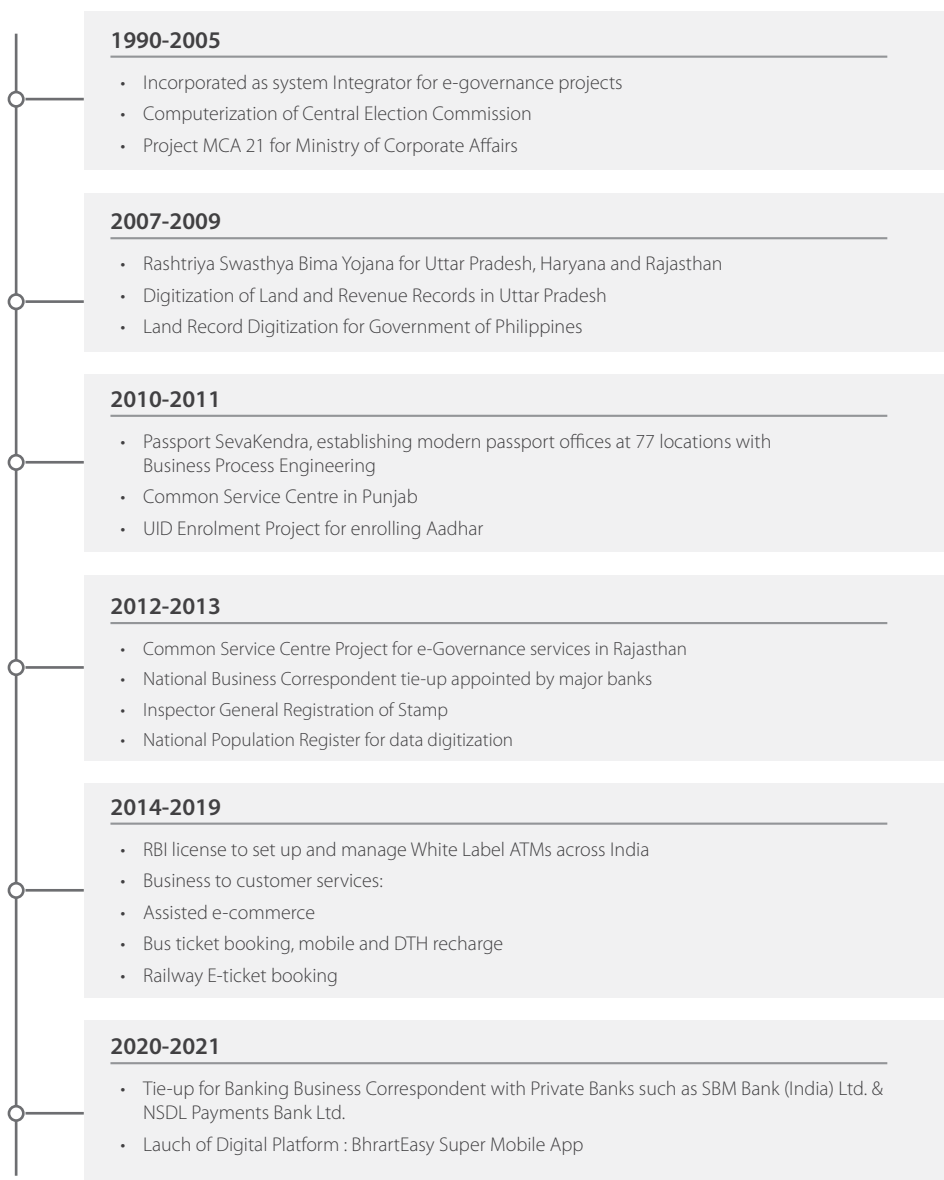
Prudent



Our basic approach to scalability, security, confidentiality, planning, risk management and value creation.

Our Business through the Years

We set out as a system integrator for e-Governance projects while transforming our business to fulfil the ever-changing needs of our customers. We started our first digital assistance stores in the Next-Gen Kendra model in 2018 and have expanded ever since all over the country. Following depict illustrates how we have evolved over time to serve citizens of India better.





Our Products and Services

Vakrangee offers a bouquet of services aimed at Financial, Social and Digital inclusion of our customers. We operate on an asset-light, franchisee-based business model to cater to the needs of its stakeholders. As a result, our franchisees own and operate relatively fewer capital assets. Our assisted digital convenience stores, called "Next-Gen Vakrangee Kendras", act as one-stop solutions for multiple products and services. We have carefully curated an array of digital offerings.

including banking, financial services, insurance, ATM, logistics, online shopping, healthcare, travel, telecom and bill payment services, to maximize benefits to people. Moreover, we enhance trust and loyalty of our stakeholders by offering the same product and services, at the same time, competitive price and same service levels. The services are specially focussed to provide facilities even at the remotest part of the Nation.

Vakrangee's services under each vertical

BFSI



Banking, Insurance, Financial Services

E-commerce & Logistics



Assisted Online Shopping, Assisted Total Healthcare, Assisted Online Travel Services, Telecom and Bill Payment services, Logistics

ATM



Financial Transactions, Non Financial Transactions

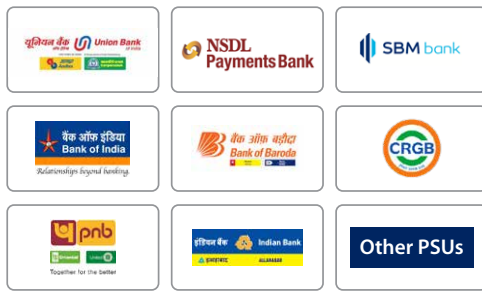


CORPORATE OVERVIEW

Our Esteemed alliances

We not only collaborate with the best in the industry, but also assist our partners in reaching the underserved and unserved markets of India.

Banking Service



Insurance service



Financial Service



Assisted online shopping



Assisted Total Healthcare



Logistics



ATM



Telecom and Bill Payments Services



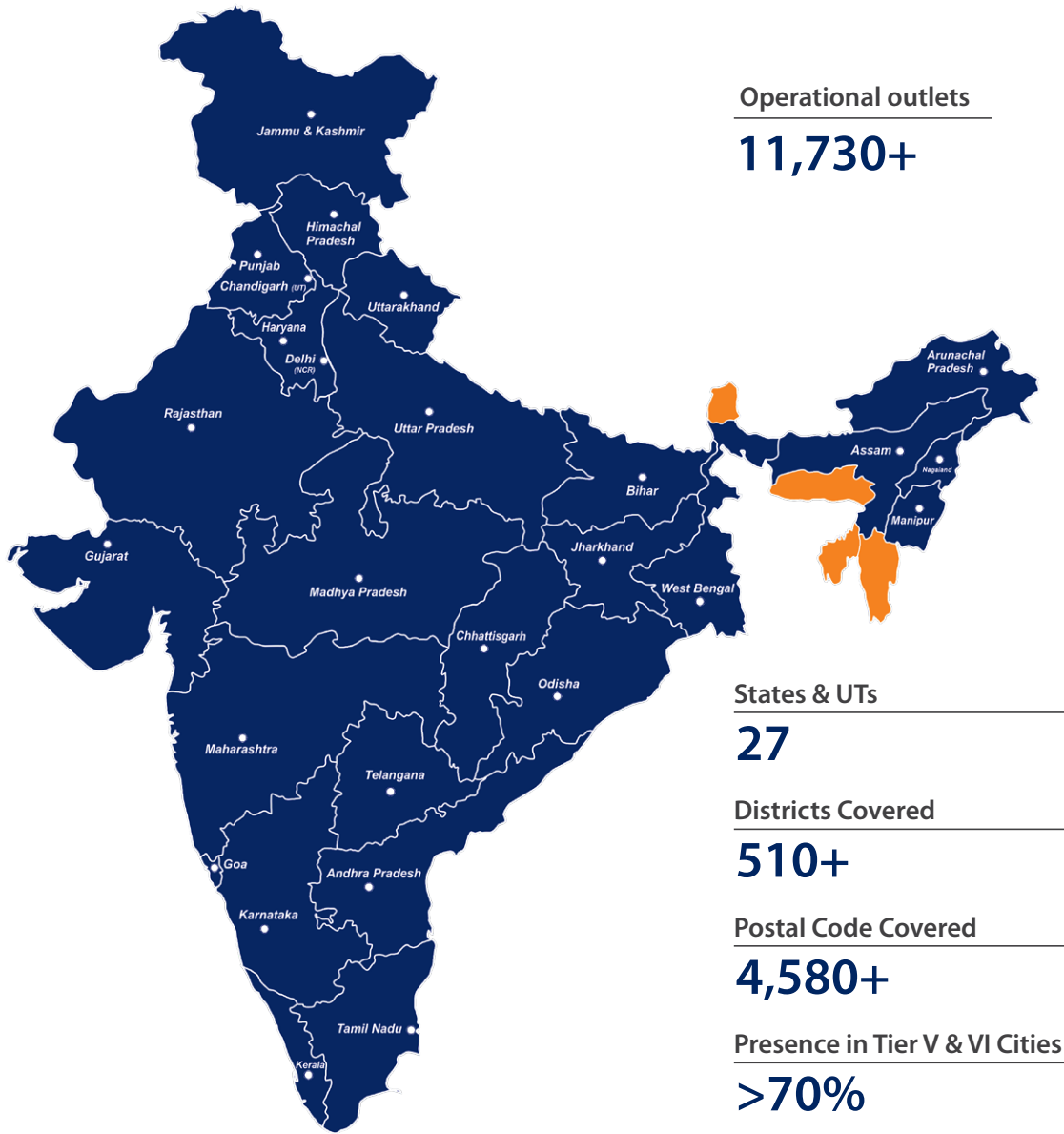
Assisted online travel services





Our Reach

We are providing the nation with a myriad of assisted digital services through our Next-Gen Kendras, spread over 27 states and union territories covering over 510 districts including more than 4,580 postal codes. Most of our Kendras (almost 70%) are located in Tier V and VI districts, thus serving the underserved in the remotest regions of India. We are also constantly expanding across the nation with more than 11,730 outlets (Kendras) rolled out until 31st March 2021.



* As of 31st March, 2021

Launch of Digital Platform : BharatEasy Mobile Super APP

Vakrangee has recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, company has evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services.

The company has initiated this Unique Hybrid proposition with launch of first Digital service of Total Healthcare services. The company plans to make many more existing Vakrangee services live through this platform.

The Company has now launched an All in one : "BharatEasy" Mobile Super App based business platform.

By downloading a single Vakrangee's BharatEasy Super App mobile application, our customers can get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This will lead to superior customer experience and convenience for the customer.

The Mobile super app platform is offering various consumer products and services under one umbrella. Consumers would use it every day because our app would offer a seamless, multi-service, integrated, contextualized and efficient experience.

To Download the BharatEasy Mobile Super App - **Scan the QR Code**

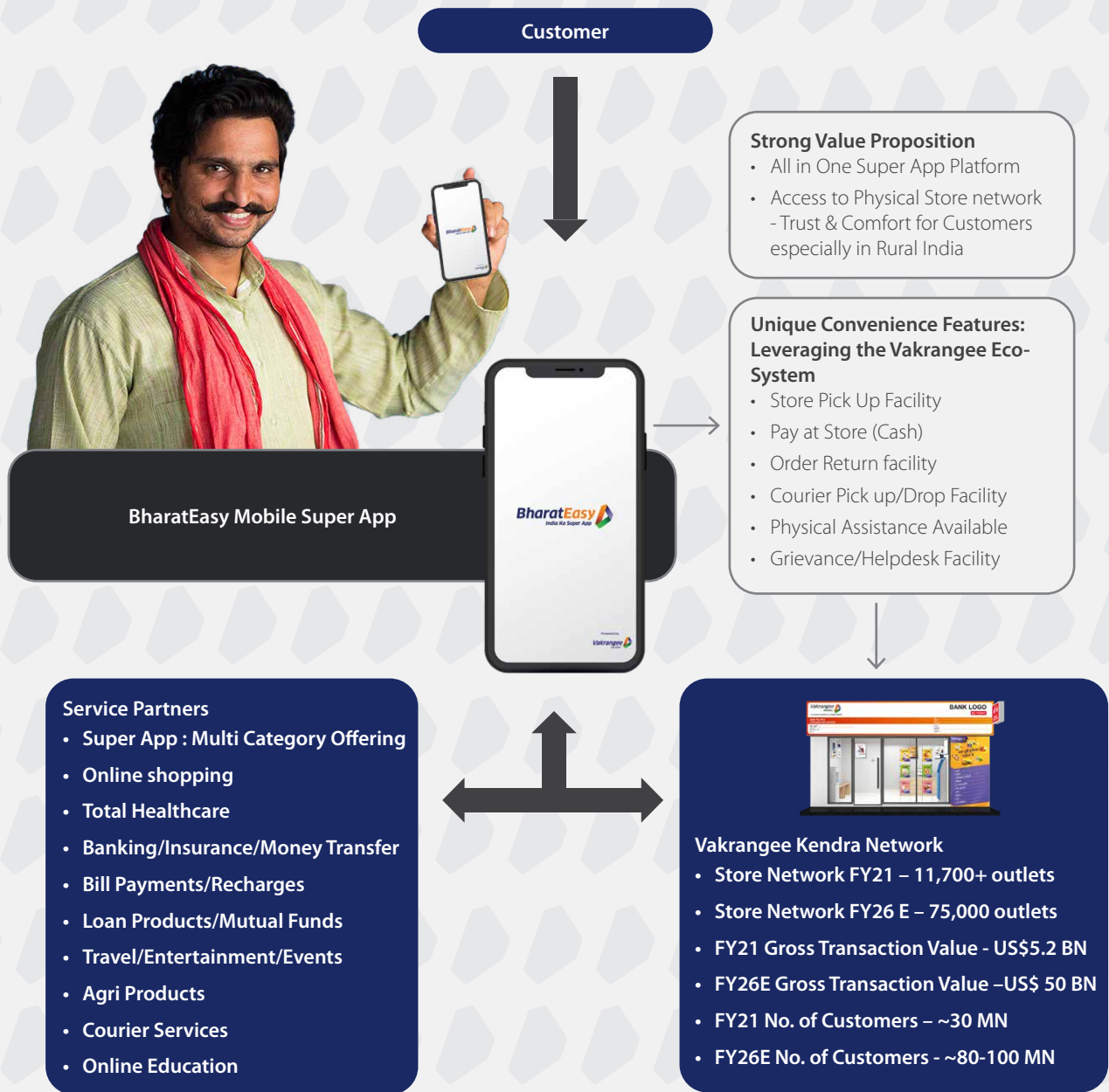


Business Model: Unique Competitive Advantages





**Our Business Model:
Understanding Our Unique Offering**



Vakrangee
Kendra



Vakrangee
ATM

वक्रांगी केंद्र

र्स

ERS

Vakrangee
Kendra



Vakrangee
ATM

सुविधा info

वक्रांगी केंद्र

ATM

RuPay
VISA

Vakrangee
Kendra

अब पूरी
पड़ोस





Our Efforts in Covid-19 Pandemic

As the entire world struggled to cope with the ongoing COVID-19 pandemic and its subsequent impacts on economy and way of life, Vakrangee was ready to be of service by providing emergency and essential services to the citizens of the country.

Our Next-Gen kendras were identified as essential services by Government of India due to them providing emergency and essential services like Banking, ATM, Total Healthcare, & Online ordering of Groceries and thus helping the citizens of the country, thereby serving the nation.

When the Government of India issued Lockdown in the country, more than 11,700 of our Vakrangee Kendras were operational to provide the essential services. About 80% of our outlets are located in Tier 4, 5 & 6 Rural locations thereby benefiting the unserved and underserved bottom of the Pyramid population. We also reduced the prices and offered discounts to make these services more affordable for the citizens. This would not only help our citizens but also help the nation to avoid any panic like situation. We are committed towards our duty and responsibility to make sure these key services are available to the citizens in this moment of crises.

This made us one of the very few companies globally who were operational during a lockdown while delivering essential services to the citizens in the remotest parts of the country.

At the same time, we also ensured the health and safety of our employees, franchisees and customers by maintaining complete safety protocols and maintaining proper hygiene at the outlets.

Distribution of Government Subsidy (Pradhan Mantri Garib Kalyan Yojna) during COVID-19 Pandemic Period

In order to help poor women in this difficult time when the livelihoods of most of them are disrupted, Finance Minister had announced an ex-gratia payment of Rs 500 per month for three months starting April 2020 which was distributed through the Vakrangee Kendra Network.

Doorstep Banking Facility

Amidst Lockdown, Our Banking Business Correspondents BCs provided doorstep banking services to Jan Dhan Account Holders in remote rural areas especially for senior citizens and old age pensioners.

Link - www.youtube.com/watch?v=UJVz15LTTDY



Launch of New services during COVID-19 Pandemic – Tele Medicine Services

During covid-19 pandemic: Vakrangee revolutionized Rural Healthcare by introducing vHealth by Aetna's (a CVS Health company, Fortune 500 Company) telemedicine services at Vakrangee Next-Gen kendras.

The Services Include:

- Telephone or video consultations with vHealth's in-house primary care doctors
- Home Blood Test Facility
- Online Pharmacy Vouchers

Link - www.vakrangee.in/pdf/press_release/Press%20Release%20-%20Launch%20of%20Telemedicine%20Services%20with%20vHealth%20-%20March%202020.pdf

Board of Directors

Ramesh Joshi (Non-Executive Chairman)



Ramesh Joshi has vast experience in Central Bank & Capital Market and is a graduate in Economics and Law from the University of Nagpur. In his long and illustrious career sprawling over 40+ years in the apex Bank, he has held several leadership positions in the Reserve Bank of India (RBI), such as General Manager-Exchange Control Dept., Rural Planning & Credit Dept., and also served as Chief General Manager until year 2000, in the financial regulator of the Country. Vakrangee is also in the business of financial services such as Banking and ATM which is also regulated by RBI and his vast experience in same industry in which our company is into and also has the financial experience which help us in our business, processes, audit and other corporate governance practices. He has been Nominee Director on behalf of RBI on the Boards of various banks and financial Institutions viz, State Bank of Mysore, (1996-1998) Ind Bank Mutual Fund, Inter Connected Stock Exchange of India Ltd, Malaprabha Gramin Bank, Karnataka State Financial Corporation and Maharashtra State Financial Corporation (1998-1999) and retired as an Executive Director of SEBI in the year 2002. He has travelled abroad widely and currently is serving as a senior corporate consultant to multiple companies. He is on the Panel of Arbitrators for NSE, BSE, and MCX.

Dinesh Nandwana (Managing Director and Group CEO)



Dinesh Nandwana holds a Chartered Accountant degree from the Institute of Chartered Accountants of India. He drives and oversees the overall business at Vakrangee since its inception in 1990. He has been instrumental in moulding Vakrangee from a modest consultancy Company to a prominent force to be reckoned with. He has scaled the Company to a new orbit of growth. Astute and dynamic leadership qualities back his vast experience. Under his vision, the Company has set a track record for consistent and able growth.

As a frontrunner of the organisation, he ensures a tone of integrity and ethics across the operations and establishes the highest standards of corporate governance.

Dr. Nishikant Hayatnagarkar (Whole Time Director)



Dr. Nishikant Hayatnagarkar is a Doctorate in Computer Science from IIT Powai, Mumbai and is associated with the Company since 1994. He is a wellknown personality in the field of microchip designing. He has also developed a voice recognition system, which was widely used in various applications like Tele Banking, Tele Gas Booking, amongst others. and has also designed and developed a multi-lingual Keyboard and was a consultant to Media Labs Asia -Kamal Rekhi School for Information Technology (IIT Mumbai) for development of Multi-lingual data input device -Marathi language Key Board (Key -Lekh) and E-Lekh (Tablet based Marathi language Input).



Avinash Vyas (Non-Executive Independent Director)



He has extensive experience in audit certification for externally aided projects funded by foreign agencies such as the World Bank and its extended arms, JICA-japan international cooperation agency, KFW Germany amongst others. He holds a bachelor's degree in Commerce and is L.L.B. (professional) which adds to his business acumen. He has been part of audit for various companies and which adds value to the Company. He serves as Chief Financial Officer (CFO) for Dinker Industries OPC Private Limited. His expertise into the financial industry.

Sujata Chattopadhyay (Non-Executive Independent Director)



Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the institute of Company Secretaries of India and an Insolvency Professional. She has 30 years of rich experience across various industries and geographies. Presently in full time practice as a Company Secretary. She is an Independent Director at Polygenta Technologies Limited, Steel Exchange India Limited, and Industrial Investment Trust Limited, IITL Projects Limited and Resident Director of Felguera Gruas India Private Limited.

Ranbir Datt (Nominee Director)



Ranbir Datt joined Life Insurance Corporation of India (LIC) as Assistant Administrative Officer in 1984. He worked as the Head of various channels in LIC of India viz., Department of Pension & Group Superannuation, Bancassurance, Micro Insurance, Office Service & Estates amongst others. He also worked in LICs vertical like LIC Housing Finance Ltd and LIC Nomura Mutual Fund. He was also in charge of two most significant Divisions at Nagpur and Karnal. He has experience of training at Director level. He has retired as Executive Director of Corporate Planning/New Projects.

Hari Chand Mittal (Non-Executive Independent Director)



Hari Chand Mittal is a postgraduate with a degree in Master of Commerce and a certified associate from Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions including Mumbai and then entire Maharashtra under Pune Zone as Field General Manager, from where he retired on 31 July 2019. He possesses vast exposure and practical experience in various fields of banking administration, enriched by deep understanding of operations as well as finance, ranging from MSME, Retail, Agriculture and other fields like Foreign Exchange, Import / Export & Financial Inclusion. He has not only been a passionate banker but also a devoted administrator, motivational speaker, guide, mentor, leader, evaluator, team builder, friend, visionary and crisis manager throughout his career.

He has also been appointed as Independent Director on the Board of Directors of Chandigarh Smart City Ltd by The Advisor to the Administrator, Union Territory, Chandigarh-cum-Chairman CSCL, vide notification No 15157-FII(9)-2020/15529 dated 10.12.2020 issued by Principal Secretary/Home-cum-Local Govt, Chandigarh Administration, Local Govt Department, Union Territory, Chandigarh.

Sunil Agarwal (Non-Executive Independent Director)



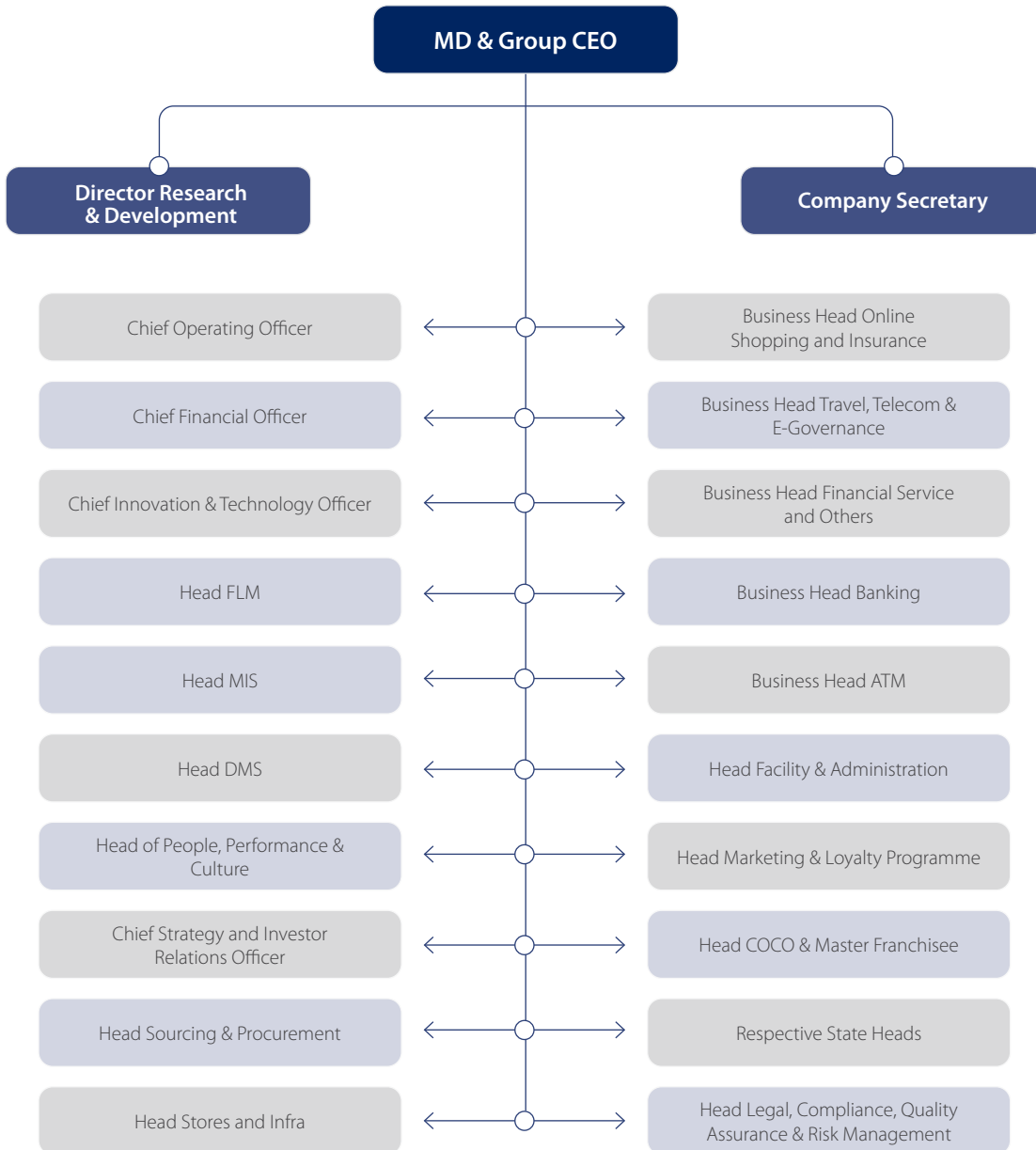
Sunil Agarwal has completed his Bachelor of Commerce and has over 35 years of strong experience in business management and administration. He is a successful businessman with good leadership qualities to control massive projects and explore new business opportunities.

B.L. Meena (Non-Executive Independent Director)



B. L. Meena has rich experience of having worked in different Government departments in the field of audit and accounting, including being FNCO (Financial Controller) of Indian Railway Traffic Service where he served for 28 years. He has vast experience in the field of audit and accounting and is the guiding force to the Company specially in the areas of audit and accounting. He also helped the Company in setting up processes for the accounting and corporate affairs.

Corporate Structure





Our Key Management

Our senior management team consists of the people who demonstrate exceptional leadership and are the key behind consistently providing a definite management focus to the Company. The senior management is the backbone for our goals, focused deliverables, continuous success and steady growth.



Dinesh Nandwana

Managing Director & Group CEO

Mr Dinesh Nandwana has over 30 years of business experience. He drives and oversees the overall business at Vakrangee since its inception in 1990. He is fully committed and will continue to play an active role in Business strategy and operations. Mr. Nandwana has been instrumental in moulding Vakrangee from a modest consultancy company to a prominent force to be reckoned with. He has scaled the Company to a new orbit of growth. Astute and dynamistic leadership qualities back his vast experience.

Under his vision, the Company has set a track record for consistent and sustainable growth. As a front-runner of the organisation, he ensures a tone of integrity and ethics across operations and establishes the highest standards of corporate governance. He has received a CA Entrepreneur Path Breaker Award 2017 by Institute of Chartered Accountants of India and memento from the former Honourable President of India, Late Shri Shankar Dayal Sharma in 1996. Additionally, he is a recipient of the 'CA Business Leader - SME (3rd Rank)' award by the Institute of Chartered Accountants of India for the year 1997. Mr Nandwana holds a bachelor's degree in Commerce from Rajasthan University and a Chartered Accountant degree from the Institute of Chartered Accountants of India.



Dr. Nishikant Hayatnagarkar

Whole Time Director – Research & Development

Dr. Nishikant Hayatnagarkar is a Doctorate in Computer Science from IIT-Powai, Mumbai. He is associated with the company since 1994. He is a well-known personality in the field of microchip designing. Dr. Nishikant has developed a voice recognition system, which is widely used in various applications like Tele Banking, Tele Gas Booking amongst others. He has also designed and developed Multilingual Keyboard and is a consultant to Media Labs Asia – Kamal Rekhi School for Information Technology (IIT Mumbai) for development of Multilingual data input device – Marathi language Key Board (Key – Lekh) and E-Lekh (Tablet based Marathi language Input).

Corporate Governance

Our robust philosophy of corporate governance is founded on a rich legacy of fair, ethical and transparent governance practices. We believe that strong corporate governance shapes a Company, and promotes ethics, accountability and transparency in an organization. It equips us for long-term success and strengthens trust of our shareholders, employees, business partners, customers, franchisees and local community in our organization. With strong corporate governance structure, guided by our inclusive policy, we continue to go from strength to strength.

Through the Corporate Governance structure, our Board, along with its Committees undertake fiduciary responsibilities for all stakeholders by ensuring transparency, fair play, independence in decision-making.

Adhering to our corporate governance policy, we respect and protect interests of our stakeholders. Shareholder returns, credit ratings, initiatives for Corporate Social Responsibility, Greenhouse gas emissions accounting and verification are few instances of our commitment to stakeholders and responsible business operations.

Our Board of Directors oversees the affairs of Company in the best interest of shareholders, providing necessary guidance and strategic vision. The Board meets at least 4 times in a year with a maximum time gap not exceeding 120 days intervening between two consecutive board meetings as per Section 173 of Companies Act, 2013 read with Regulation 17 of SEBI LODR 2015. We have identified following skills and competencies for effective functioning of the Company:

- Knowledge on Company's business, policies and culture, major risks, threats and potential opportunities of the Company
- Behavioral skills- attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business strategy, sales and marketing, corporate governance, forex management administration, decision-making
- Technical / professional skills and specialized knowledge in relation to Company's business

In this section, we present our corporate governance framework aimed to maintain the highest standards in business operations.



Corporate Governance Framework

Composition of Board

- Superior skills, diverse expertise and extensive years of experience.
- 9-member Board with a good mix of both Executive and Non-Executive Directors including Independent Directors.
- 6 Non-Executive Independent Directors (including 1 female Director), 1 Nominee Director (representing Life Insurance Corporation of India Limited, holding equity investment in Company) and 2 Executive Directors.

Functions of Board

- Board of Directors are the backbone of a Company. They not only provide overall direction and formulate strategy for Company, but also establish management policies, govern overall business performance for optimal effectiveness. They ensure business operations serve long-term interests of stakeholders. They report to shareholders on their stewardship of Company.
- Day-to-day operations of Company are driven by Managing Director and Group CEO, who reports to the Board of Directors.

Performance evaluation

- The Nomination and Remuneration and Compensation Committee shall evaluate the performance of each Director, Key Managerial Personnel and Senior Management of the Company and rate his/ her performance.
- The Board shall evaluate performance of the Independent Director in the same way as that of Executive Director of Company.

Effectiveness of Board of Directors

- Effectiveness of the Board shall be measured on the basis of ratings given by the Nomination and Remuneration and Compensation Committee to each Director.
- Accordingly, the Board shall decide on appointment, re-appointment and removal of the under-performing Directors of the Company.

Board/Executive Committes

Board and other Executive committees deal with particular issues requiring extensive knowledge and specialized areas of expertise. For smooth functioning of business, we have formed the following internal committees:-

Audit Committee

- B.L. Meena
- Ramesh Joshi
- Avinash Vyas

Nomination and Remuneration and Compensation Committee

- Avinash Vyas
- Sunil Agarwal
- Hari Chand Mittal

Stakeholder Relationship Committee

- Ramesh Joshi
- Nishikant Hayatnagarkar
- B.L. Meena

Corporate Social Responsibility Committee

- Dinesh Nandwana
- Sunil Agarwal
- Ramesh Joshi

Risk Management Committee

- Sujata Chattopadhyay
- Dinesh Nandwana
- Nishikant Hayatnagarkar
- Prabodh Bhusari

Anti-fraud Committee

- Dinesh Nandwana
- Avinash Vyas
- Ammeet Sabarwal
- Chetan Joshi
- Ajay Jangid

Board ESG Committee

- Avinash Vyas
- Ramesh Joshi
- Sujata Chattopadhyay

Vishakha Committee

- Veena Shetty
- Anagha Chitare
- Viral Majumdar
- Chetan Joshi

GHG Reduction Strategy Committee

- Divya Nandwana
- Ammeet Sabarwal
- Ajay Jangid



Factsheet

S. No.	Particulars	Response
01	Size of Board	9
02	Number of Independent Directors	6
03	Board orientation and education program	Yes
04	Annual review of independence of the Board	Yes
05	Separate Board Chair and CEO/ MD	Yes
06	Independent Board Chair	Yes
07	Charters for Board Committees	Yes
08	Independent Audit Committee	Yes
09	Number of financial experts on Audit Committee	3
10	Independent Compensation Committee/ Nomination and Remuneration and Compensation Committee	Yes
11	Number of Board meetings held in FY 2020-21	5
12	Independent Directors can hold meetings without the presence of Management	Yes
13	Tenure policy for Independent Directors	Yes
14	Holders of 15% / 10% of outstanding shares can call a special meeting	Yes
15	Annual Board and Committee evaluations	Yes
16	Annual Individual Director evaluations	Yes
17	Annual equity grant to non-employee Directors	No
18	Director stock ownership and holding requirement / ESOP policy	Yes
19	Executive stock ownership policy / ESOP policy	Yes
20	Corporate governance guidelines approved by the Board	Yes
21	Corporate compliance program	Yes
22	Standards of business conduct	Yes
23	Finance code of professional conduct	Yes

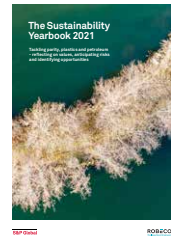
Rewards and Recognitions

Our prestigious rewards symbolize our commitment to a valuable and growing organization. We have elaborated few recent achievements below:

Vakrangee has been ranked amongst Top 100 Franchisee Opportunities for the year 2021 by the Franchisee India in the Franchising World's Annual Survey.



Included in S&P Global Sustainability Yearbook 2021



Vakrangee has received Certificate of Excellence award for India Corona Warrior for social contribution towards serving the un-served community during the Pandemic



Membership of Association

We are member of the following major trade and chamber or association:



Associated Chambers of Commerce and Industry of India (ASSOCHAM)



Confederation of ATM Industry (CATMI)



Signatory member of United Nations Women Empowerment principles (UN WEP)



CSC e-Governance Services India Limited



Signatory member of United Nations Global Compact



Member of BCFI



Member of NPCI



Corporate Information

Board of Directors

Ramesh Joshi

Non-Executive Chairman

Dinesh Nandwana

Managing Director & Group CEO

Dr. Nishikant Hayatnagarkar

Whole Time Director

Sunil Agarwal

Non-Executive Independent Director

B.L. Meena

Non-Executive Independent Director

Avinash Vyas

Non-Executive Independent Director

Sujata Chattopadhyay

Non-Executive Independent Director

Hari Chand Mittal

Non-Executive Independent Director

Ranbir Datt

Nominee Director

Chief Financial Officer

Ajay Jangid

Company Secretary & Compliance Officer

Jay Bhansali

Statutory Auditor

M/S A.P. Sanzgiri & Co.

Chartered Accountants, Mumbai

Bankers

Union Bank of India

HDFC Bank Limited

Axis Bank Limited

IndusInd Bank Limited

Yes Bank

SBM Bank (India) Limited

IDBI Bank Limited

Bank of Maharashtra

Bank of India

Allahabad Bank

Punjab National Bank

Bank of Baroda

Purvanchal Bank

Baroda Uttar Pradesh Gramin Bank

Chhattisgarh Rajya Gramin Bank

Rajasthan Marudhara Gramin Bank

Registrar

M/s. Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis,

Makwana Road, Marol, Andheri (East),

Mumbai, Maharashtra - 400059

Telephone No. : 022- 62638200

Fax No. : 022- 62638299

Email : investor@bigshareonline.com

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Vakrangee Limited

Vakrangee Corporate House,

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M.I.D.C. Marol, Andheri (East),

Mumbai, Maharashtra - 400093

Telephone No. : 022-28503412 / 67765100

Email : info@vakrangee.in

Website : www.vakrangee.in





R.K. CLASSES

संस्कृत
H & SEMI-ENGLISH MEDIUM
Commerce

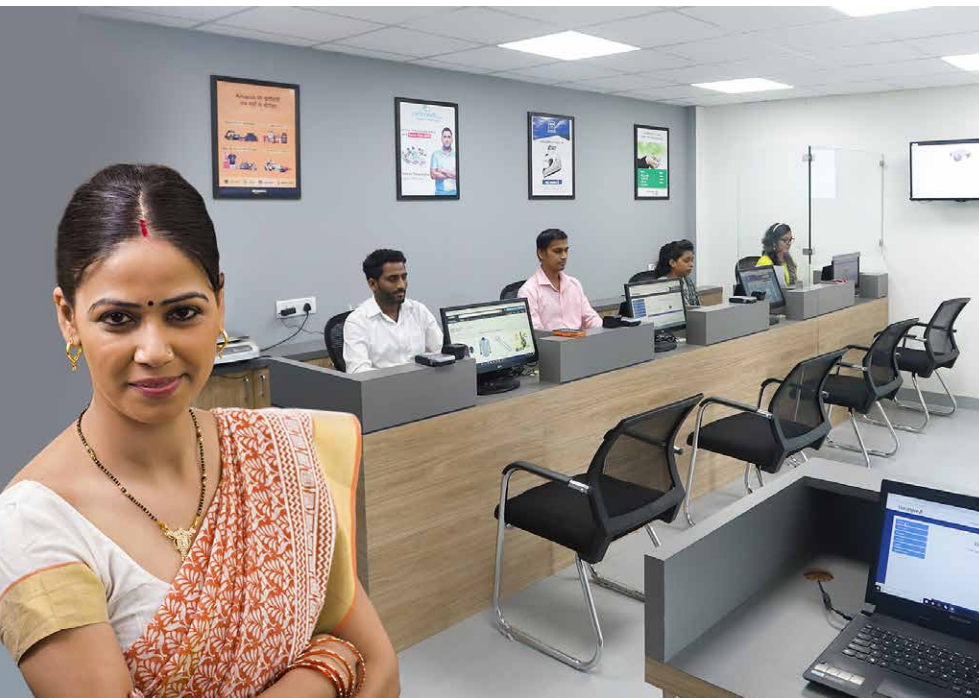
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STRATEGY AND PERFORMANCE

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Stakeholder Engagement and Materiality Analysis



We have formal mechanisms in place to ensure continuous bilateral engagement with key stakeholders to understand their expectations and concerns. We identify our key stakeholders based on their influence on our organization and extent of impact our operations have on them. All our key stakeholder groups participate actively in our materiality analysis exercise.

After identification of stakeholders, a formal engagement is carried out at a fixed frequency or as required. It also helps us in sharing information on its approach and actions in areas of stakeholder interest. We have multiple communication/engagement channels mentioned in the stakeholder engagement framework below, which provide us with valuable feedback which are incorporated in our business decisions. We evaluate a variety of sources in order to obtain a precise picture of our stakeholder's concerns. This involves various communication channels like customer and employee surveys, meetings, specialist unit workshops and discussions with individual stakeholder groups.

Ongoing Stakeholder Engagement

An integral part of our values is trust, which acts as the foundation for the relationship we maintain with all our stakeholders including Government, Banks, Partners, Businesses, Franchisees and many more. Through our values and policies, we aim to foster entrepreneurial spirit in our employees as well as franchisees, who are our key partners.




Our strategy is to develop effective engagements with our stakeholders to create long-term sustainable value.



Stakeholder Engagement Details for FY 2020-21

Stakeholder	Engagement Method	Key topics highlighted
 <p>Franchisees</p>	A designated Relationship Manager present for each franchisee cluster, Regular store surveys to ensure franchisee and customer satisfaction, Field team on Ground, Webinars with Business Service Heads and State level or District level Franchisee meets with Senior Management including MD/CEO and State Heads, Rewards & Recognition schemes	<ol style="list-style-type: none"> 1. Marketing Support & Strategy 2. Training, guidance and support 3. Franchisee Satisfaction 4. Grievance addressal
 <p>Employees</p>	Training & communications, Annual employee surveys, Mentorship programs and Employee affinity groups, Rewards & Recognition schemes	<ol style="list-style-type: none"> 1. Human Rights issues 2. Employee Engagement & Feedback 3. Operational aspects 4. Performance review 5. Talent development Training, skill development 6. Code of conduct and Business conduct processes and policies 7. Company business initiatives and strategies 8. Franchisee and Customer behavior and response towards Company's Business model
 <p>Business Partners</p>	Regular Quarterly and ad hoc need based interactions with Business Service Partners and senior management, team webinars, training	<ol style="list-style-type: none"> 1. Service availability in remote locations 2. Service Manual and Training Guidelines 3. Customer reach and business sales targets strategy 4. Business risks and their mitigation strategies 5. IT related Integration; Data privacy and security
 <p>Shareholders and Investors</p>	Quarterly Conference call, press releases, analysts meet, one-on-one meetings, Board presentations, Annual General Meetings, Reports, Investor presentations on quarterly basis, Domestic as well as International Roadshows, Site visits, ESG Audits & Ratings	<ol style="list-style-type: none"> 1. Environment, Social and Governance strategy 2. Key company level Strategy and developments 3. Company Business Performance 4. Technological innovations 5. Shareholder voting rights
 <p>Customers</p>	Regular store surveys to ensure franchisee owner and customer satisfaction, Chatbots and Virtual Assistant, SMS/ WHATSAPP Campaign for any offers or service introduction	<ol style="list-style-type: none"> 1. New services and offerings 2. Customer Grievance addressal and Satisfaction 3. Customer Queries 4. Data Privacy and Security
 <p>Community</p>	Monitoring of community interventions, CSR programs, recruitment of franchisee owners	<ol style="list-style-type: none"> 1. Livelihood generation 2. Social Infrastructure development for local rural communities 3. Financial, social and Digital inclusion 4. Easy access to basic services like Universal Banking, Insurance and social security benefits through DBT (Direct benefit transfer)
 <p>Suppliers and Vendors</p>	Monitoring and review, regular meetings with Contract Manager – progress review meetings, technical review meetings, longer-term review and audits, Supplier code of conduct undertaking by the suppliers and vendors	<ol style="list-style-type: none"> 1. Product and service requirement 2. Quality Check and Pilot testing 3. ESG Compliance on the product (EPEAT certification) and of supplier and vendor <p>Code of Conduct for Suppliers</p> <ol style="list-style-type: none"> 4. Performance review and audit survey review on supply chain monitoring 5. Performance review on product and service as per the requirement 6. Feedback on support and maintenance of the respective product or service 7. Grievance Addressal 8. Product Customization (Example ATM made Divyang friendly as well as paperless ATM customization done as per our discussion with Supplier OEMs.)

STRATEGY AND PERFORMANCE

Stakeholder	Engagement Method	Key topics highlighted
Industry bodies (Confederation of ATM Industry, CATMi) 	Trade events, conferences, newsletter, publications, Interaction with regulatory bodies on an on-going basis through Industry body membership such as CATMI for ATM, BCFI, Meetings with NPCI (National payment corporation of India), Meetings with RBI	<ol style="list-style-type: none"> 1. ATM growth 2. Advocacy for best industry practices 3. Technological innovations in ATM industry 4. Education and training 5. WLA initiatives and Financial Inclusion initiatives 6. Financial and social inclusion initiatives in Rural India. 7. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 8. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) 9. Prevention of any unethical practices if any and corrective strategy being implemented 10. Digital India, RuPay cards and ATM expansion initiatives
NGO, NPO and civil societies 	Monitoring of community interventions, CSR programs	<ol style="list-style-type: none"> 1. Healthcare access 2. Promoting education 3. Youth employment 4. Environmental sustainability
Government and Regulatory bodies 	Meetings and representation to Regulatory bodies on periodic basis, membership in associations	<ol style="list-style-type: none"> 1. Promotion of financial, social and digital inclusion 2. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 3. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) 4. Review discussion with National Payments Corporation of India (NPCI) 5. WLA License renewal and periodic Audit performed by RBI

Materiality

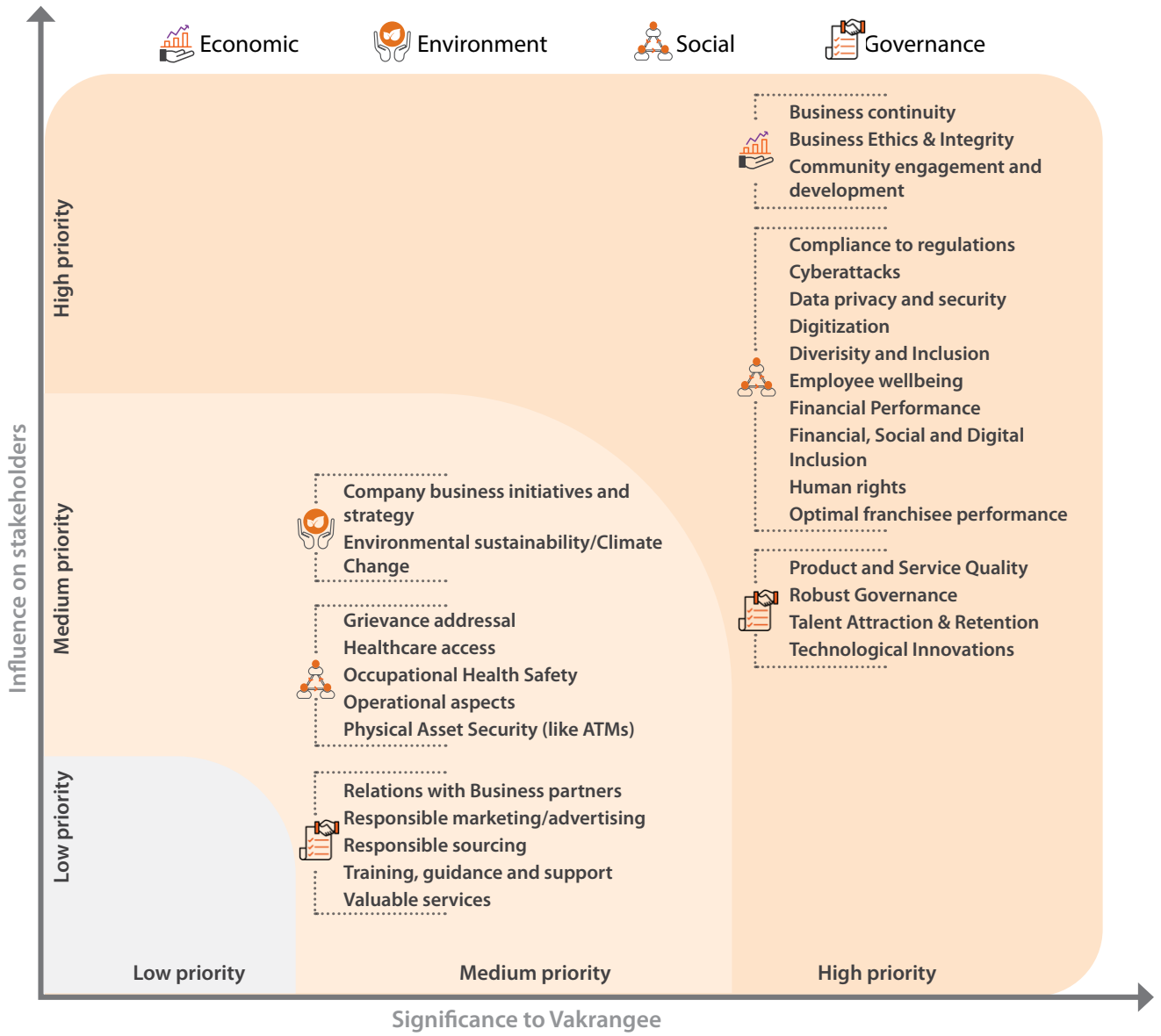
Vakrangee is now offering even greater range of services in our last mile delivery retail outlets. The main driver for our evolving business strategy is ongoing stakeholder engagement. Our continuous stakeholder engagement is crucial in assessing the materiality of risks identified by our stakeholders. Our materiality exercise covered all our stakeholders who communicated the material topics in relevance to their relationship with Vakrangee.

Materiality assessment was performed through engaging with all stakeholder groups and listing the material topics identified by them. A rating exercise was conducted to identify the material topics of high, medium and low priorities. The prioritisation considered importance to the stakeholders as well as importance to Vakrangee. The materiality assessment was carried out against the following filters – financial impacts & risks, legal drivers,

internal policy drivers, peer performance and stakeholder concerns.

This led to the generation of the materiality matrix, which is shown in this section. We have considered the topics in the high and medium priority zone to be our focus material topics. Our strategies and progress are measured with respect to how well they address the material issues identified. The identified material topics are mapped with GRI topics.

Based on this prioritization, we have considered only the topics in the high and medium priority zone to be our focus material topics as detailed below. These focus material topics have been classified into economic, environment, social and governance aspects which are aligned with our business principles. Various sections in our report details our strategies and progress with respect to these focus material topics. The materiality matrix is given below.



CORPORATE OVERVIEW

STRATEGY AND PERFORMANCE

PERFORMANCE OF CAPITALS

STATUTORY REPORTS

FINANCIAL STATEMENTS

Value Creation Model

Inputs

1. Financial capital

- > Paid-up capital – INR 1,05,94.05 lakhs
- > Capital work-in-progress – INR 461.82 lakhs

2. Human capital

- > 800 employee strength
- > 13.77% women at corporate HQ
- > 1,100 hours of training for permanent employees

3. Social and relationship capital

- > CSR expenditure – INR 94.99 lakhs
- > Efficient grievance redressal mechanism

4. Manufactured capital

- > 11,730 Next-Gen Vakrangee Kendras as of FY 2020-21
- > Introduction to services accessible through the digital platform

5. Intellectual capital

- > Implementation of advanced technology - IoT, VA, AR, Virtual Assistance, AI, ML, blockchain and BharatEasy Super Mobile APP

6. Natural capital

- > Initiatives – Save paper, green building, green data centres, ISO certifications

Untapped rural market

Business model in sync with government policies

Rapid changes in technology

Business enablers

Strategic focus

1. Asset-light business

2. Diversified business units

3. Exclusive technology platform

Geographical presence

Workforce presence till grass-root level

Support from ancillary units like banks, petrol pump, SHG

Revenue-generating capability of Next-Gen Vakrangee Kendras

Heavy dependence on franchisee model



Young entrepreneurial rural workforce

High brand recognition in semi-urban to rural region

Unique features offered by business partners

Numerous empanelment and licenses in insurance, banking and e-commerce

Rapid changes in government policies

Outputs

1. Financial capital

- > Total Revenue – INR 38,395.13 lakhs
- > PAT – INR 6,279.13 Lakhs
- > Return on Net Worth – 2.36%

2. Human capital

- > Diversity at workplace
- > Voluntary attrition rate – 4.83%
- > Average years of association – 5.1 years

3. Social and relationship capital

- > 0 complaints concerning breach of customer privacy from customers, third party, regulatory bodies and local community members
- > Support in healthcare – CTVs setup at the hospital
- > Support in education – IIIT Kota – Support for improving education and infrastructure

4. Manufactured capital

- > Accessibility to essentials such as telemedicine and doorstep banking among others
- > Introduction to a Unique Hybrid Model combining physical stores with digital platform to offer multiple products and services

5. Intellectual capital

- > Monitoring 11,730 outlets with IoT

6. Natural capital

- > 40,816,785 paperless ATM financial transactions
- > 64,963,790 paperless Banking financial transactions

Outcomes

1. Financial capital

- > Revenue for FY21 has been impacted due to Covid-19 Pandemic & Lockdown situation.

2. Human capital

- > Equal opportunity at work
- > Increase in motivation and employee satisfaction
- > 82% employees feel happy and proud working at Vakrangee

3. Social and relationship capital

- > Strong relations with all stakeholders
- > Enhanced trust of stakeholders

4. Manufactured capital

- > Employment among local community

5. Intellectual capital

- > Robust systems and processes

6. Natural capital

- > Natural resource conservation



Business Risks and Opportunities

Risk management framework

In 2020, the pandemic of Covid-19 created havoc in the world affecting millions of lives. The business environment also got quite a jolt, as there was a drastic shift from business as usual scenario. With market conditions becoming more volatile and complex, it is imperative to identify risks proactively and respond to them suitably. To ensure sustainable and resilient business growth, and promote a proactive approach in evaluating, resolving and reporting risks associated with business, we have formulated a Risk Management Policy. Our policy adheres to Regulation 21 of SEBI LODR and RBI's guidelines on Risk Management in Banking Correspondence and White Label ATM (WLA) business.

Risk management is active identification, analysis, evaluation, treatment and documentation of risks that may pose a threat to our business. Our Board of Directors periodically review and evaluate risk management system of the company. Similarly, our Head of Department is responsible for implementing the risk management system, as applicable, and report to the Board and Audit Committee.

For a comprehensive management of risks to organization, our Board shall:

1. Be responsible for framing, implementing and monitoring risk management plan for the Company;
2. Ensure that SOPs of all departments and verticals are prepared as per the best global practices and are compliant with ESG parameters and UN-SDGs and are free from any business or legal risks;



3. Define roles and responsibilities of Risk Management Committee and may delegate monitoring and reviewing of risk management plan to the Committee and such other functions as it may deem fit;
4. Ensure that the appropriate systems for risk management are in place;
5. Independent Directors shall help in bringing an independent judgement to bear on Board's deliberations on issues of risk management and satisfy themselves that the system of risk management are robust and defensible. They shall also participate in major decisions affecting organization's risk profile;
6. Have awareness of and continually monitor management of strategic risks;
7. Be satisfied that processes and controls are in place for managing less significant risks; be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly; ensure risk management is integrated into board reporting and annual reporting mechanisms;
8. Convene any board-committees that are deemed necessary to ensure risk is adequately managed and resolved where possible.

We have constituted a Risk Management Committee with majority members of the Board of Directors. Composition of our Risk Management Committee is:

S. No.	Name of Director	Designation
1	Ms. Sujata Chattopadhyay	Chairperson
2	Mr. Dinesh Nandwana	Member
3	Dr. Nishikant Hayatnagarkar	Member
4	Mr. Prabodh Bhusari	Officer

Terms of references for the Risk Management Committee are:

- To ensure that all the current and future material risk-exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e to ensure adequate systems for risk management.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- To assure business growth with financial stability.
- To evaluate actual and potential Human Rights risk related to data privacy.
- To verify the Human Rights Risk Assessment framework related to data privacy.
- To monitor implementation of Human Rights Risk Assessment framework related to Data Privacy.
- To report Human Rights Risk Assessment to the Board of Directors related to Data Privacy.
- To evaluate actual and potential risk identified related to Human Capital.
- To approve the action plan created as per the risks identified.
- To monitor implementation of the detailed action plan.
- To report the findings of Human Capital Risk Assessment to the Board of Directors.

The Committee shall have free access to management and management information. It shall meet at least once a year. Moreover, as its authority, it may seek advice of external experts or consultants, wherever judged necessary.

Furthermore, the Committee shall review the policy at least every year to ensure it meets the requirements of legislation and the needs of the organization. Once the risk management committee reviews risks, they are disclosed to all stakeholders.



While we have been proactive in mitigating risks, we have also been successful in transforming them into business opportunities. In these pandemic times, we were committed to serve the nation through our essential services like banking facilities and ATM at over 11,700+ Next-Gen Vakrangee Kendras. Our business correspondents are offering banking services by distributing Government subsidies at the doorstep of Jan Dhan Account holders in remote locations across the country. Furthermore, to eliminate the need for citizens to travel, we have successfully deployed mobile van facilities across Mumbai Metropolitan Region to provide essential services like banking, ATM, online pharmacy, telemedicine health services, mobile recharge and online shopping of groceries. We plan to extend mobile van services across India shortly.

We also have constituted a dedicated Board ESG Committee.

The objective of the Committee is to consider the material environmental, social and governance issues relevant to our business activities and support us in maintaining our position as a global leader in ESG performance.

The minimum frequency of the committee review is once a quarter. However, the review is done on need basis to review key business strategic decisions and implementation requirement of any ESG related initiatives.

STRATEGY AND PERFORMANCE

The role of the Committee is to support the Board in:-

- Understanding how Vakrangee's ability to create value is impacted by environmental, social and governance issues - monitoring external ESG trends and understanding associated risks and opportunities
- Understanding the expectations of key stakeholders
- The Committee acknowledges that the Board People & Remuneration Committee and Board Corporate Social Responsibility Committee also assist the Board in meeting its ESG responsibilities. Composition of board ESG committee is:

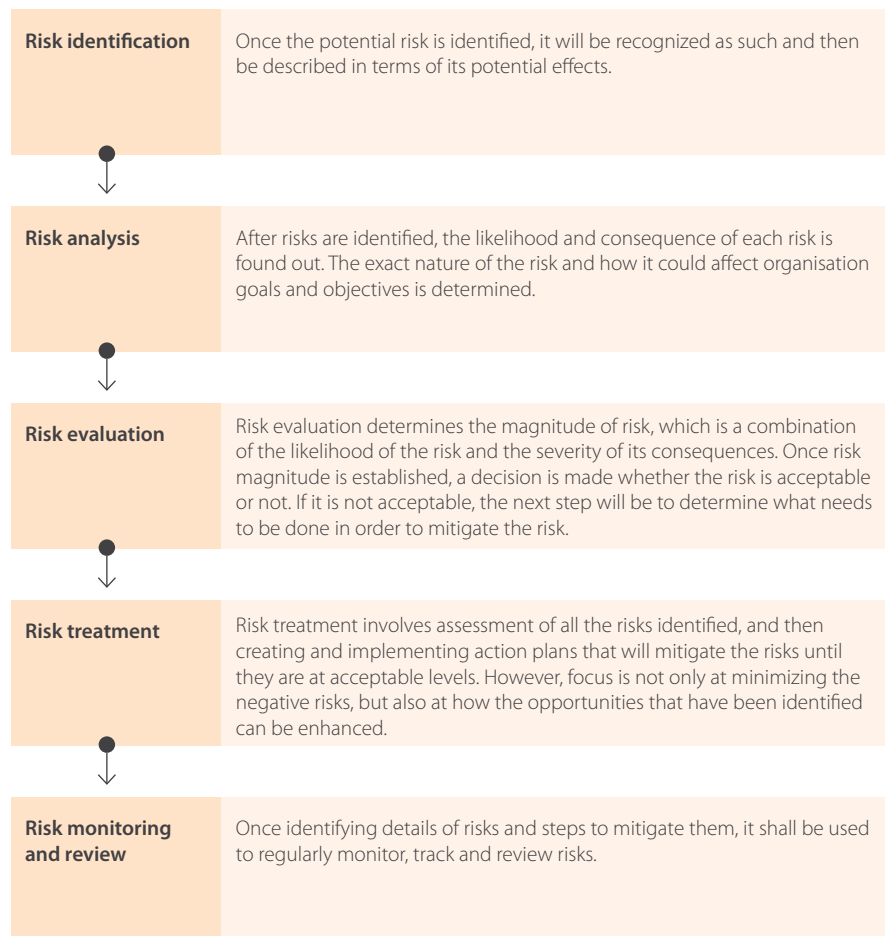
Name	Designation
Mr. Avinash Vyas	Chairman
Mr. Ramesh Joshi	Member
Ms. Sujata Chattopadhyay	Member

The Role and responsibilities of the Board ESG committee include-

- Reviewing the performance and results of key ESG investor initiatives / surveys and global benchmarks - Overseeing the implementation of key initiatives identified, or areas for improvement identified from ESG investor surveys and global benchmarks
- Considering emerging ESG issues to understand their materiality with regard to Company's long term value creation
- Review and evaluate the overall business strategy from an ESG impact perspective
- To monitor and review if the sustainable development goals are integrated into any new business strategy or new business initiatives
- Assist the NRC Committee to review the performance of senior management from an ESG deliverable perspective

Business risks

For long-term value, we anticipate risks threatening our development and that of our stakeholders, while capitalizing on new opportunities offered by a changing world. At Vakrangee, we have adopted formal and systematic approaches to mitigate our risks. We conduct risk assessments to identify and evaluate risks. The risk assessment involves a detailed study on threats and vulnerability resulting in risks and having the potential to affect our organisation. Steps followed in assessing and evaluating risks are:





Risks identified and evaluated through these assessments are enumerated below:

S. No.	Risk	Significance	Mitigation measure	Linkage with capital
1	Changes in government policies	Among others, our business is dependent on government policy for financial inclusion in semi-urban and rural India. Changes in government policies may affect our business.	We proactively engage with various stakeholders, continuously review and monitor India's economic and financial policies, and participate in representation at trade bodies.	1. Financial 2. Social and relationship
2	Rapid technological transformation	As a financial-technology company, we use electronics such as laptops, printers and technology like IoT and biometric identification, to provide our services. disruptive innovations may hit company's margins.	<p>> We understand the importance of a next generation business model in the digital age. To align with the government's mission of digital payment and leverage the advantage, we have launched a Unified Payment Platform to process all payments including card payment, UPI, AEPS, Aadhaar Pay, QR, amongst others. It will enable our Next-Gen Vakrajee Kendras to accept payment from our customers through any mode of payment. We are one of the pioneers of Aadhaar enabled Payment System (AePS) based banking. Implementation of an integrated digital payment mechanism empowers us to make banking services available to every citizen of India. We are already in final stage of launching all types of payment mechanisms at our Kendras.</p> <p>> We understand that technological obsolescence is a practical reality. We continuously evaluate technological obsolescence, and makes necessary investments to employ the best available technology. Our procurement policy considers all regulatory requirements and capabilities of future upgrades.</p> <p>> Our Company has further recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, we have evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services. The company has Initiated this Unique Hybrid proposition with launch of first Digital service of Telemedicine services. The company plans to make many more services live through this platform. We are also launching a Mobile Super App based business platform : BharatEasy App, India ka Super App.</p>	1. Intellectual 2. Natural 3. Financial
3	Heavy dependence on franchisee model	Though franchisee model enables aggressive expansion, risks associated with the franchisee model persist. If any franchisee suffers a reputation loss, our brand name and image may take a hit. Moreover, the margins on franchisees are less and legal issues may disrupt the smooth operations.	We can opt for an alternate arrangement of franchisee model in future, as require. We can easily deploy revenue-based banking correspondence and White Label ATMs in future as an alternate arrangement.	1. Human 2. Manufactured 3. Social and relationship 4. Financial
4	Legal risk	As we are governed by various laws and regulations, we are exposed to legal risks in case of any violation.	Our experienced team of professionals and advisors evaluate risks of a contract, ascertain our responsibilities, and restrict our liabilities in a contract to ensure that we adhere to all contractual commitments.	All

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AND PERFORMANCE**

S. No.	Risk	Significance	Mitigation measure	Linkage with capital
5	Financial reporting risk	Changing laws, regulations and standards in accounting, corporate governance and public disclosure such as SEBI rules and Indian stock market listing regulations, create uncertainty in business. Possible lack of specification in new laws, standards and regulations can lead to varying interpretations. Their application may evolve over time, as and when regulatory and governing bodies provide new guidance. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance because of ongoing revisions to such corporate governance standards.	We maintain high standards of corporate governance and public disclosure to abide by evolving laws, regulations and standards.	1. Financial 2. Social and relationship 3. Human
6	Corporate accounting fraud	Accounting fraud or corporate accounting fraud arise from misusing or misdirecting funds, overstating revenues, understating expenses, etc. pose a risk to business.	We mitigate these risks by: <ul style="list-style-type: none"> > Understanding applicable laws and regulations; > Conducting risk assessment; > Enforcing and monitoring code of conduct for key executives. > Instituting whistleblower mechanisms; > Deploying strategy and process for implementing new controls. > Adhering to internal control practices that prevent collusion and concentration of authority. > Employing mechanisms for multiple authorization of key transactions with cross-checks. > Scrutinizing management information to identify dissimilarity of comparative figures and ratios; > Creating a favorable atmosphere for internal auditors in reporting. > Highlighting any instance of minor non-adherence to procedures and manuals, and a host of other steps throughout the organisation. 	1. Financial 2. Social and relationship 3. Human



S. No.	Risk	Significance	Mitigation measure	Linkage with capital
7	Cyber risk	Breach of user data privacy, data leakage, cyber-attacks are reasons of concern in today's business environment. Increasing number of devices connected to the internet not only helps in data management but also makes data more vulnerable and unprotected.	<p>We prioritize privacy and security of data. Few of our mitigation measures include:</p> <ul style="list-style-type: none"> > Validation and filtration of end-point inputs- End-point devices are the entry point for authentic and valid data into the system. We use an authentic and legitimate end-point device. > Mandatory Access Control (MAC) limits the access of each user to a set of tasks and timeframe. > Digital signatures using asymmetric encryption: regular audits, hash chaining are standard practices to keep our data secure. > Monitor logs on a real-time basis to identify anomalies, misuses and abnormality. > Data tagging and time stamps to trace unauthorized activity. > Encryption is a crucial part of maintaining confidentiality and integrity of data. Database contents of data in-transit and at rest is encrypted. We apply additional protection for data in-transit through SSL encryption to connect the client and server, ensuring that only trusted computers can access the encrypted data. Encryption of data within the database, access control, masking sensitive data and stringent authorization policies, keeping security patches up to date. Deploying encryption on all data on a granular basis helps ensure that even if there is a system breach, the data itself remains protected. > Key exchange policy: Loading and managing ATM encryption keys. Hardware Security Module (HSM) facilitate key life-cycle management, including generating, distributing and injecting ATM encryption keys. These tamper-evident, tamper-responsive servers are equipped with an internal secure cryptographic device for key storage and comply with all other major industry standards like ISO, PCI, DSS, etc. > We have installed "anti-skimming card reader" at its ATMs to prevent skimming attacks. 	<ol style="list-style-type: none"> 1. Financial 2. Social and relationship 3. Human 4. Intellectual
8	Theft of physical assets	Security and safety of franchisee and outlets is of utmost importance. Hence, any risk arising from theft, physical burglary attack, any damage or loss to outlet has to be evaded. ATM is a valuable asset of the company, which is given to the franchisee on a custodian basis. Therefore, proper maintenance of the ATM asset as well as security of the asset has been of prime importance to the company.	<ul style="list-style-type: none"> > We have implemented a master Insurance policy which now covers the entire hardware of the Kendra, ATM machine, cash-in-transit and cash at outlet up to INR 10 lakhs. > ATM maintenance is completely taken care of by a unique offering. Herein, all year servicing of ATM along with coverage of any damage of spare parts is taken care of by simple maintenance plus insurance product. 	<ol style="list-style-type: none"> 1. Financial 2. Social and relationship 3. Human 4. Manufactured

STRATEGY AND PERFORMANCE

Risk identified and mitigated for the current financial year

Risk Identified	Mitigation Strategy
<p>The COVID-19 pandemic has affected various business services. The lockdown implemented across the country impacted customer visits to outlets as well as field visits to monitor and train the franchisees.</p>	<p>Mitigation 1: Vakrangee being an essential service provider, our services of banking and ATM have been operational during lockdown, which has benefitted our franchisees, as their core services were being operational.</p> <p>Mitigation 2: Doorstep banking facility: During lockdown, Vakrangee banking Business Correspondents (BCs) provided doorstep banking services to Jan Dhan Account Holders in remote rural areas especially for senior citizens and old age pensioners.</p> <p>Mitigation 3: Launch of Digital Vakrangee Kendra: Unique Hybrid Model (Online to Offline)</p> <ul style="list-style-type: none"> Vakrangee has entered online space with the launch of digital total healthcare services. Vakrangee has evolved into a unique Hybrid O2O (Online to Offline) platform, whereby there is assistance available through the physical store network along with digital online services. With this, the company intends to offer its customers an option to utilize various partner services at company's physical outlets as well as online digital platform. This would help customers to transact seamlessly. Further, the existing Kendra network acts as a unique offering of physical assistance being available for the customer which brings in more trust and comfort. This has evolved into a Unique Hybrid proposition whereby the customers can choose to avail Vakrangee services as per their own convenience. <p>Mitigation 4: COVID-19 pandemic has caused unprecedented disruption in the world of work and thereby the company is leveraging technology, implementing process automation and innovative Digital initiatives as new ways of conducting everyday business and managing field operations.</p> <ul style="list-style-type: none"> There has been dedicated business vertical wise VC channels being set up whereby franchisees can login on daily basis and get online training sessions, communication sessions with direct business teams as well as centralized HO level relationship managers to resolve their queries on real time basis. The training calendar for all these sessions is communicated to the franchisees directly through VKMS portal, email as well as Whatsapp. Additionally, dedicated centralized RMs at HO level are assigned to each franchisees and RMs have access to centralized CCTV monitoring systems for better monitoring as well as Troubleshoot helpdesk to resolve the issues and queries of the franchisees. These initiatives have significantly reduced the man-power requirement at the field level as well as resulted into improved franchisee satisfaction and better centralized management of field operations. The company has also benefited of the same in overall cost reduction and enhanced profitability.



Risk Identified	Mitigation Strategy
<p>Security and safety of the franchisee and its outlet is of utmost importance, hence any risk arising out of theft, physical burglary attack, any damage or loss to the outlet needed to be taken care of. Further, ATM is a valuable asset of the company, which is given to the franchisee on a custodian basis. Therefore, proper maintenance of the ATM asset as well as security of the asset has been of prime importance.</p>	<p>Mitigation 1: We have implemented a master Insurance policy, which now covers the entire hardware of the Kendra, ATM machine, cash-in-transit and cash at outlet upto Rs. 10 Lakhs.</p> <p>Mitigation 2: ATM maintenance is completely taken care off by a unique offering whereby the all year servicing of the ATM along with coverage of any damage of spare parts is taken care off by the simple maintenance + insurance product.</p>
<p>The Government of India has been focusing on digital payments across the country. Currently, not all payment mechanism are enabled at the Kendra network such as QR code and UPI payments.</p>	<p>We understand the importance of having a next generation business model in the digital age. To align with the government's mission of digital payment and leveraging on the advantage, we have launched a Unified Payment Platform to process all payments including card payment, UPI, AEPS, Aadhaar Pay, QR amongst others. This will enable our Vakrangee Kendras to accept payments from our customers through any mode of payment. We are one of the pioneers of Aadhaar enabled Payment System (AePS) based banking system. The implementation of an integrated digital payment mechanism is empowering us to make the banking services available to every citizen of India, till the last tier. We are already in final stage of launching all type of payment mechanisms at our Kendra.</p>

STRATEGY AND PERFORMANCE

Risk monitoring and communication

The company has adopted well established process to monitor and identify any arising risk which are as follows:

1. Risk monitoring tool

Granular auditing: We analyse network logs which is always advantageous and helpful in recognizing any kind of cyber-attack or malicious activity.

Data provenance: We classify data to determine its origin accurately, so that it can be further validated and we can gain access control over it.

2. Periodic Audit

Audits provide a disciplined documentation process that continually measures operational reality against stated policies and standards. It also helps in complying to regulatory requirement.

3. Training management

To ensure effectiveness, learning and improvement of our employees. Our training programs are provided through various media. Detailed training is provided to staff, ATM custodian and banking operator.

4. Surveillance

Centralised closed-circuit surveillance (CCTV) is installed at all Next-Gen Vakrangee Kendra, surveilling ATM and banking operations round the clock. In addition, our outlets are always manned during business hours.

5. Risk Communication

After successful monitoring and identification of risk, the Risk Management Committee immediately informs the Managing Director and/or Compliance Officer about risk identified and mitigation steps to be taken. Further, the same is also communicated to the Board of Directors in Board meeting.

In case of critical and significant risk, it will be immediately informed to the Board for their deliberation and their opinion on mitigation steps to be taken.

Internal control system and adequacy

We have always focused on maintaining a strong internal control system, which is commensurate with the Company's size and nature of operations. Vakrangee's internal controls are structured in a manner to ensure reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of corporate policies, laws and accounting standards.

Our Board of Directors periodically review and evaluate risk management system of the company. Similarly, our Head of Department is responsible for implementing the risk management system, as applicable, and report to the Board and Audit Committee.



Business opportunities

1. Revolutionizing rural healthcare

Vakrangee's recent alliance with vHealth by Aetna expands our offerings of essential products to the underserved and unserved citizens of India. vHealth, a fully-owned subsidiary of Aetna Inc and a CVS Health Company is one of the world's leading health services providers of Telemedicine services. It offers privileged access to its nationwide network of hospitals and clinics.

The telemedicine service is set to provide patients in rural locations a different experience when they consult a doctor virtually. We shall also be able to arrange home blood tests, doorstep delivery of medicines through vHealth's partner network. With this partnership, we have expanded the bouquet of services available at our exclusive Next-Gen Vakrangee Kendras making them into one stop shop for all the healthcare requirements of our customers.

2. Business expansion

We are planning to expand our business to North East, Tamil Nadu and Jammu & Kashmir and cater to the requirements of the rural customers in these regions.

3. Launch of Digital Platform : BharatEasy Mobile Super App

Our Company has recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, we have evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services. The company has initiated this Unique Hybrid proposition with launch of first Digital service of Telemedicine services. The company plans to make many more services live through this platform. We are also launching a Mobile Super App based business platform : BharatEasy App, India ka Super App.

By downloading a single Vakrangee's BharatEasy Super App mobile application, our customers would get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience for the customer. Consumers would use it every day because our app would offer a seamless, multi-service, integrated and efficient experience.



BharatEasy
India's No. 1 Super App

Powered by
Vodafone

PERFORMANCE OF CAPITALS

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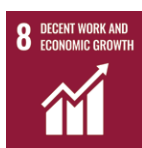
Financial Capital



Integrating Robustness of Financial Growth with Contribution to Financial Inclusion

We have reached an inflection point and from here on, we would witness strong growth momentum in terms of financial as well as operational growth over the coming quarters and future years.

SDGs Aligned



Our Vakrangee Kendra serves as India's largest network of last mile retail outlet available at every postal code. Our focus is on building largest network of last-mile retail outlets driven by technology and deliver services like real-time BFSI, ATM, e-commerce and logistics to the unserved rural, semi-urban and urban markets in the local/ state/national ecosystem providing financial inclusion in line with the government policies.

Over the last decade, there have been several initiatives by the government that has helped in accelerating the growth of financial inclusion in India. Initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY), Direct Benefit Transfer (DBT) and issue of RuPay cards etc have helped our business to align our financial inclusion goals with the policies of the government.

During the last three years, we have been on a transformational journey whereby we focussed to transform our Business model from old format of Non Exclusive Vakrangee Kendras to a standardised and highly recognisable Exclusive "Next-Gen" format. They each became branded stores for delivering a consistent consumer experience and well-defined service levels.

The financial year of 2020-2021 has been a crucial part of the transformational journey of Vakrangee. We have expanded operations from 10,027 operational Next-Gen Vakrangee Kendras in the financial year of 2019-2020 to 11,730 in the financial year of 2020-2021, which is an increase by more than 16%. Our doorstep facility and access to services even in the most remote areas will ensure Indians to benefit from financial, social and digital inclusion. We aspire to have a Vakrangee outlet in each Gram panchayat in Rural India and in Each Urban ward in Urban India. Aligned to our goal, our long-term target is to reach 75,000 outlets by 2026. Our planned target is to reach at least 25,000 Next-Gen Vakrangee Kendras by FY 2022.



During the financial year 2021, outlet revenues were impacted due to Covid-19 induced lockdowns, as only our key essential services such as Banking, ATM, Mobile recharges and Tele-medicine services were fully operational. On a brighter note as situation is improving, our key services, such as Assisted Online Shopping and Online Healthcare have become operational, and are gradually reversing back towards pre-COVID-19 levels.

The Company's return to growth path on the business front has been progressing very well, with growing quarter on quarter improvement in Revenues and profitability.

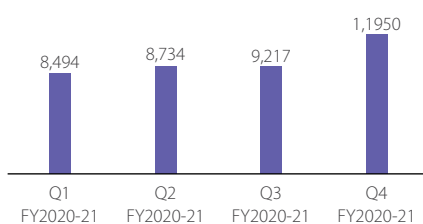
We have reached an inflection point and from here on, we would witness strong growth momentum in terms of financial as well as operational growth over the coming quarters and future years.

Quantifying Financial Performance

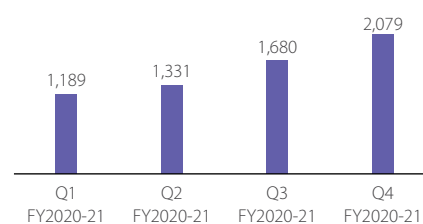
The financial robustness and the performance can be highlighted and brought into comparison with the FY 20. Beyond creating value and driving the financial inclusion through reaching beyond the last mile, we have demonstrated strong numbers, which reflects on growth and progress through the financial year.

Particulars	Standalone (in lakhs)		Consolidated (in lakhs)	
	2020 - 2021	2019-2020	2020 - 2021	2019-2020
Revenue from Operations	22,743.67	62,335.23	31,429.14	68,522.16
Other Income	6,815.25	7,599.58	6,965.99	7,747.82
Profit / Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	8,216.94	9,153.39	9,762.32	10,140.46
Less: Depreciation/ Amortization/ Impairment	1,478.35	1,486.04	1,480.51	1,488.60
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	6,738.59	7,667.35	8,281.81	8,651.86
Less: Finance Costs	0.00	0.00	0.00	0.00
Profit /Loss before Exceptional items and Tax Expense	6,738.59	7,667.35	8,281.81	8,651.86
Add/(Less): Exceptional Expense	0.00	503.41	0.00	503.41
Profit /Loss before Tax Expense	6,738.59	8,170.76	8,281.81	9,155.26
Less: Tax Expense (Current & Deferred)	1,602.47	1,718.38	2,002.68	2,027.26
Profit /Loss for the year (1)	5,136.12	6,452.38	6,279.13	7,128.01
Total Comprehensive Income/Loss (2)	89.24	18.42	88.50	54.34
Total (1+2)	5,225.36	6,470.80	6,367.63	7,182.35
Balance of profit /loss for earlier years	1,90,153.46	1,86,894.00	1,91,811.00	1,87,875.91
Less: Transfer to Reserves	0.00	0.00	0.00	0.00
Less: Dividend paid on Equity Shares	(2,648.51)	(2,648.51)	(2,648.51)	(2,648.51)
Less: Dividend Distribution Tax	0.00	(544.41)	0.00	(544.41)
Balance carried forward	1,92,641.07	1,90,153.46	1,95,441.62	1,91,811.00

Total Revenue (In ₹ Lakhs)



PAT (In ₹ Lakhs)



Total Income

The total income stood at INR 38,395.13 lakhs for the financial year. Revenue for FY21 has been impacted due to Covid-19 Pandemic & Lockdown situation.

PAT

There has been a slight decrease in the profit after tax as compared to the previous FY which stood at INR 6,279.13 lakhs. The company has leveraged technology and process automation initiatives which has resulted into enhanced profitability and therefore the profit margins has been improved.

EBITDA

The EBITDA stood at INR 9,762.32 lakhs. The EBITDA in absolute amount has been slightly decreased with respect to the previous financial year due to lower revenue base. However, in terms of Margins it has improved. The company has leveraged technology and process automation initiatives which has resulted into enhanced operating margins.

Return on Net Worth

The profit for the FY has slightly decreased leading to a lesser return on net worth which stood at 2.36%.

EPS

Earnings per share EPS (basic) for the face value of INR 1 stood at INR 0.59 in FY21.

Returning to Pre-Covid growth path, witnessing strong Business growth momentum.

PERFORMANCE OF CAPITALS

Operating with an asset light model indicates the relatively lower ownership of capital assets. We were focused on our capital management objectives to safeguard our ability to continue as a going concern, so that we can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The total net borrowings of cash and cash equivalents stood at zero and thereby refrain from the exposure to the payment of interest making our company debt free, which extrapolates, to us having zero interest coverage ratio and debt to equity ratio.

Standalone:

Our company's total income during the year under review was INR 29,558.92 Lakhs as compared to INR 69,934.81 Lakhs in the previous year. The Profit after tax was INR 5,136.12 Lakhs as compared to INR 6,452.38 Lakhs in the previous year.

Consolidated:

Our company's total income during the year under review was INR 38,395.13 Lakhs as compared to INR 76,269.98 Lakhs in the previous year. The Profit after tax was INR 6,279.13 Lakhs as compared to INR 7,128.01 Lakhs in the previous year.

An amount of INR NIL lakhs is proposed to be transferred to the reserves.

Our Paid-up Equity Share Capital as on March 31, 2021 stands at INR 1,05,94,05,640/- comprising of 1,05,94,05,640 equity shares of INR. 1/- each.

CSR: Boosting the change and development

With respect to the unspent CSR amount for the financial year 2020-21, we would like to state that, the CSR Committee has put in its best efforts, considered/evaluated various proposals diligently, and selected few of them like, Bharat Vikas Parishad Sewa Sanstha and My Home India.

The Board is fully confident that the overall CSR spends in these projects would fully meet the guidelines.

However, the schedules of these projects are spread over 2 to 3 years, which would also cover the unspent amount of previous years and will meet the future guidelines too.

Our CSR initiatives aim to create a positive impact within communities through deeper engagements. During the past few years, we have invested INR 94.99 Lakhs in FY 2020-21, INR 84.85 Lakhs in FY 2019-20 and INR 92.50 Lakhs in FY 2018-19. Towards various social interventions like healthcare, education and other initiatives.

We engage and interact with multiple stakeholders through our CSR activities, bolstering our ability to bring about change and development.



Below are the details of CSR expenditures:

FY 2020-21:

(INR In Lakhs)

(1) Sr. No.	(2) Name of the project	(3) Items from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent for the project (in ₹ Lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Education	Cl.(ii) Infrastructure for Education	No	Maharashtra	Mumbai	20.00	No	VIPRA Foundation	-
2	Health Care	Cl.(i) Health Care	No	Delhi	Delhi	5.00	No	Mental Health Foundation (India)	-
3	Eradicating Hunger	Cl.(i) Eradicating Hunger	Yes	Maharashtra	Mumbai	3.63	No	Wockhardt Foundation	-
4	Eradicating Hunger	Cl.(i) Eradicating Hunger	No	Rajasthan	Kota	38.36	No	Kota Dall Mill	-
5	Education	Cl.(ii) Infrastructure for Education	Yes	Maharashtra	Mumbai	3.00	No	Lions Club of Juhu	-
6.	Promoting Education	Cl.(ii) Promoting Education	Yes	Maharashtra	Mumbai	25.00	No	RVG Educational Foundation	-
TOTAL						94.99			

Average net profit of our company for last three financial years	INR 37,252 Lakhs
Prescribed CSR Expenditure (two percent of the average net profit)	INR 745.04 Lakhs
Details of CSR spent during the financial year	
(1) Total amount to be spent for the F.Y. 2020-2021	INR 745.04 Lakhs
(2) Amount unspent	INR 650.05 Lakhs





Manufactured Capital

SDGs Aligned



With a vision to expand our services till the last mile and building resilience across the Nation in the challenging time, we prioritised growing our geographical reach and service offerings. Introduction to new and essential services to contribute towards serving the citizens have helped us build trust and ensured that people have improved access to the facilities. We have expanded operations from 10,027 operational Next-Gen Vakrangee Kendras in the financial year of 2019-2020 to 11,730 in the financial year of 2020-2021, which is an increase by more than 16%.

By amalgamating innovation with our vision to reach the last mile, we have introduced new service lines to cater to the essential needs of the population. A large percentage of the population were served by our consistent supply of essential products and services even though lockdowns and restrictions reduced access to other stores and places for the population. Our doorstep facility and access to our services even at the remotest part of the Nation has helped us build resilience against disruptions and challenges.

We have also added to the resilience of the Nation by building a more robust system and catering to the needs of the people. We have a proper quality management and monitoring mechanism achieved by ensuring unified consumer and service experience at each of our Vakrangee Kendra and franchisee.

Unique features and advantages of Next-Gen Vakrangee Kendra



Store exclusivity and consistent branding

- Exclusive store model with same service level and same customer experience
- Standardised layout and design by L&H (Lewis & Hickey)
- Uniform and consistent branding for higher brand recall and visibility



ATM in outlet

- ATM installed in outlet
- Potential to enhance the footfall significantly
- Additional stream of revenue for both – the franchisee and the company



Centralized monitoring system

- Centralised CCTV system
- Better security at the store
- Full compliance with RBI guidelines to maintain more than 90 days video recording backup



Digital advertising

- Digital signage to enable centrally monitored advertisement campaigns
- To enhance the interaction between consumer and partners
- Focus to initiate advertising revenue



Pin pad device

- To enable various kinds of payment modes at any Vakrangee Kendra
- Integration in process to start accepting RuPay, Debit and Credit card payments

- **Standardised & Exclusive Format of Store for Unified Consumer & Service Experience**

Our outlets are assisted with digital convenience stores with a multi-line of services, powered by an exclusive model. With a modern and standardised format and a uniform look and feel, they embody consistent levels of service and a uniform customer experience across all locations even at the remotest areas of operation.

Source - https://vakrangee.in/pdf/reports_hub/Survey%20Report%20by%20GT_December%202020.pdf:
Quality Analysis of Next-Gen Vakrangee Kendra by Grant Thornton Bharat LLP (GTBL)

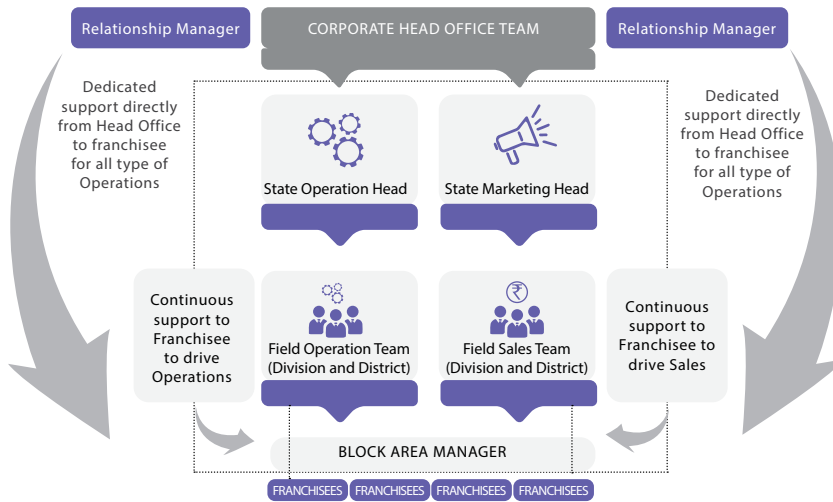
We have gone under major transformation over the years from being non-exclusive stores offering a single line of services, these have evolved into a multispecialty, exclusive stores with a multi-line of services with an enviable presence in the marketplace.

To ensure standardisation of the look and feel of the outlet, availability of the services and validating customer and franchisee satisfaction index, we have engaged Grant Thornton to conduct an independent physical survey of the current and upcoming Vakrangee Next-Gen outlets in the country. As part of the survey, GT periodically verifies the physical availability of the outlet; exclusivity and availability of services; the franchisee experience and customer feedback of our outlets.

- **Organization hierarchy till ground level to Monitor and Train the Franchisees and provide operational/marketing support**

We have a robust organizational structure with field staff till the block level. We have an established organizational design in place which includes State Head, Divisional Manager, District Manager and Block Area Manager present on field to monitor the activities consistently. Furthermore, we have a dedicated team of relationship managers at Head Office to assist the franchisee in case of any issues.

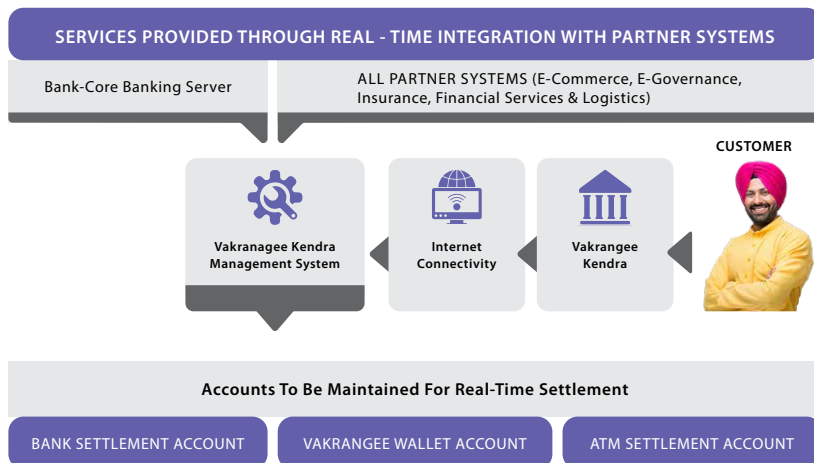
PERFORMANCE OF CAPITALS



Robust infrastructure of technology systems in place

We have an advanced technology proprietary platform VKMS (Vakrangee Kendra Management system) that allows us to offer services through systematic real-time secured integration with our partner systems. We have a qualified team of professionals to provide technical and quality assistance to our franchisees at any point of time. For every user we have a defined a user policy that ensures user authentication for navigating through the server. This enables safe and secured transactions even while operating in the last mile.

Our Proprietary Technology Platform



Live CCTV with access to Dedicated Relationship Manager

All the Vakrangee Kendra outlets are enabled with IP based CCTV Cameras with 90 days back up. Real time CCTV Feed has been setup and is available at our central office for all the outlets which helps in regular monitoring of the franchisees.

ISO Certifications –

Our ISO 9001:2015 Quality Management Systems (QMS) policy.

ISO 9001:2015 is an international standard dedicated to Quality Management Systems (QMS). The QMS is the aggregate of all the processes, resources, assets, and cultural values that support the goal of customer satisfaction and organizational efficiency. QMS outlines a framework for improving quality and a vocabulary of understanding for any organization.

We have been ISO 9001 certified QMS (Quality Management System) Company since 1998. We always put an effort to prove to our customers that we want to be the best at what we do and we are committed to their needs by providing our quality services to each of the citizens.

The standard ISO 9001:2015 is used by us to demonstrate our ability to consistently provide products and services that meet customer and regulatory requirements and to demonstrate continuous improvement. By being ISO certified, it sets us apart from the rest, bringing great value to our business. This standard focuses more on risk-based thinking, which means it helps to address organizational risks and opportunities using a systematic approach. It puts a greater emphasis on leadership engagement within the organization and aims to address supply chain management more effectively.



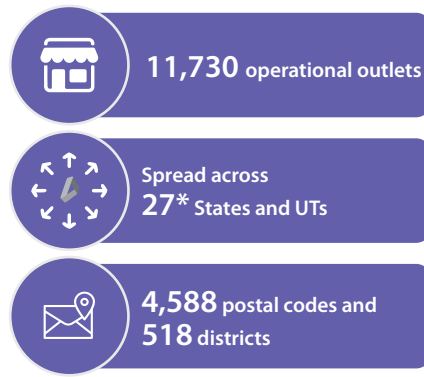
It is of high significance to us because:

1. This achievement demonstrates to our customers that the quality of the services we provide them with, is highly material for us and that they can trust us to be a well-managed Company.
2. It lets our customers know we care about the quality of service we provide them.
3. It means you are choosing a company that puts the customer's need first.
4. It represents our determination to better our customer service.
5. It means you will get the highest-possible quality for your communication needs. Information Security management -System Acquisition, Development, and Maintenance.

the digital platform to drive resilience across the Nation.

Our Last Mile Infrastructure

Our Business model is focussed on sustainability and enables Indians to benefit from financial, social and digital inclusion. We are aiming to bring our services to the doorstep of every citizen thereby driving growth and building a resilient Nation.



*26 States, UTs and 1 region (NCR) has been clubbed together as 27 States and UTs

increasing accessibility and affordability. Our planned target is to reach at least 25,000 Next-Gen Vakrangee Kendras by FY 2022.

Vakrangee Kendra outlets are one stop shops providing key Essential and necessary services to the citizens of the country in Rural India such as –

- Banking Services
- ATM Services
- Online Pharmacy
- Digital Healthcare - Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility
- Assisted E-Commerce - Online shopping of Groceries & Other products
- Travel Ticket Booking & Utility Bill Payment services.

We have integrated our business strategy and mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. These goals are a blueprint to achieve a better tomorrow and our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, financial inclusion, social inequality, climate, environmental degradation, economic growth & prosperity, and peace and justice.

Vakrangee Next-Gen Kendras, across various states, caters to the rural customers by meeting their regular needs. Our purpose is to shape the Vakrangee Next-Gen outlets as a source, which will enable every Indian to seamlessly benefit from financial inclusion; social inclusion; digital India; skill development; employment generation; government programmes; and a wider access to basic goods and services, thereby bringing urban convenience at the doorsteps of rural dwellers.

We are continuously expanding its bouquet of services and expanding footprint such that the services are available to maximum number of people. Further, we are providing last mile support through State level Field teams as well as dedicated Relationship Managers for the Franchisees.

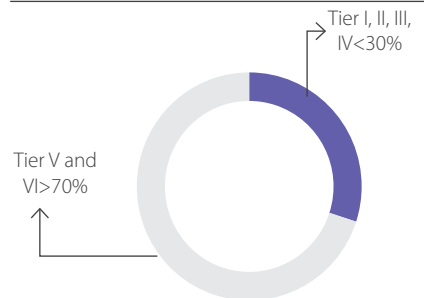
Our Future Strategy for Next-Gen Vakrangee Kendras

Our FY2022 target is to reach 25,000 Operational Vakrangee Kendras. We aspire to have a Vakrangee outlet in each Gram panchayat in Rural India and in Each Urban ward in Urban India. Aligned to our goal, our long-term target is to reach 75,000 outlets by FY2026.

The average distance between two Next-Gen Kendras is approximately 2-5 kms which enables us to expand our reach of service. We have built state and Field team in all the states across Pan India basis. We are currently present in each state of the country including Jammu and Kashmir as well as Northeast India thereby establishing our presence till the last mile.

Our strategic approach towards promoting social and digital inclusion has benefitted the people across several locations. The introduction to the digital platform in addition to the physical stores has given the people access to our essential services from the comfort of their homes. We look forward to multiply our services through

Geographical Presence



Our business model is led by innovation and strong last mile infrastructure built across the country in deep rural locations. We leverage our In-house proprietary built technology platform to provide a one-stop solution and real-time access to over 100 million products and 1,000 services under a single roof, thereby creating last mile infrastructure for distribution of various products and services.

We are continuously increasing and expanding its network of Vakrangee Next-Gen Kendras. Our business model and the products / services we provide are promoting sustainable change by

**PERFORMANCE
OF CAPITALS**



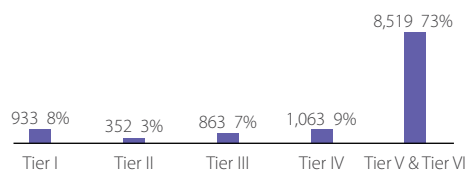
Awards and Recognition

We achieved ranking amongst the top 100 Franchisee Brands for the year 2021 in The Franchising World's annual survey for the consistent efforts to expand our footprint and services.

Our Footprint and Expansion

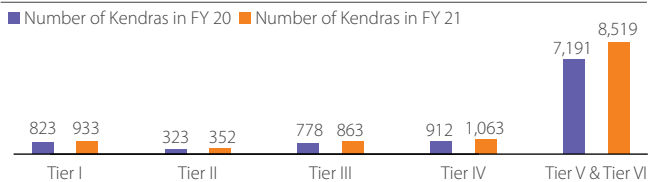
We have expanded geographically with our services such that it would benefit the people and drive resilience across the Nation. Our presence of 11,730 Kendras were spread across six Tiers and 518 unique general, LWE, tribal and aspirational districts.

Number of Kendras in FY 21 across Tiers



The above graph elaborates our extended reach to the remotest parts of the Nation by offering more than 70% of our emergency and essential services through our 8519 Kendras in Tier V and Tier VI locations.

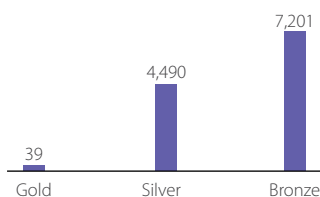
Comparison with FY 20 across Tiers



There has been a rise in the number of operational Kendras from 10,027 in FY 20 to 11,730 in FY 21. Subsequently there has been a rise in the number of operational Kendras in each Tier. Compared to FY20, there has been a steady growth in the number of Kendras across all the Tiers. We look forward to add more Kendras thereby expanding our boundaries and serving the people.

Our franchisees have an option to establish gold, silver or bronze model outlet, as per their requirement. While these models differ in terms of financial investment, area of outlet and number of counters, they are common in terms of services offered, and look and feel of the outlet. The total number in each category of Operating Model is highlighted below:

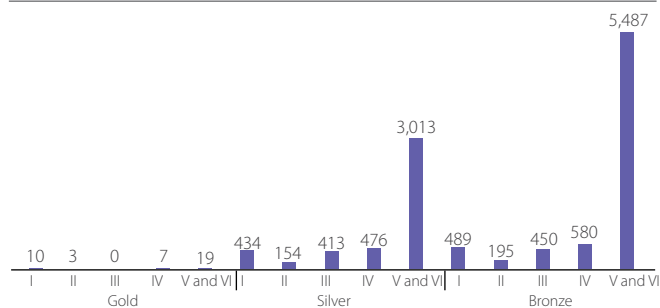
Number of Gold, Silver & Bronze operating models



The total number of Kendras in each type of Operating model is depicted in the graphs. 39 Kendras with Gold Operating Model, 4,490 Kendras with Silver Operating Model and 7,201 Kendras with Bronze Operating model is currently operational.

Out of 11,730 Kendras, we have 39 Gold Operating Model (0.3%), 4490 Silver Operating Model (38.4%) and 7201 Bronze Operating Model (61.39%). Our presence across six Tiers for each of these three types of Operating Models have been highlighted below:

Number of Kendras in each Operating Model across Tiers

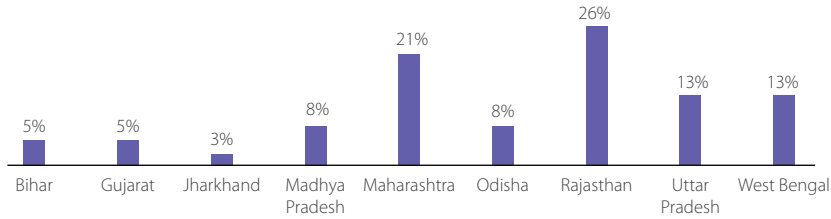




The above graph illustrates the number of Kendras for each type of Operating Model, spread across the six tiers we operate. As depicted, for each of the three types of Operating Model we have, maximum number of Kendras is operating in Tier V and Tier VI locations.

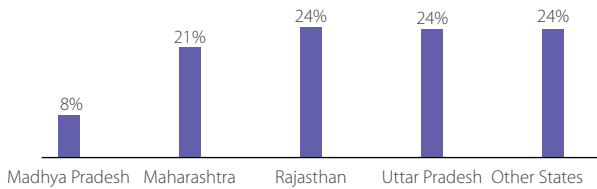
Each of the Operating Models' major distribution across States have been represented in the graphs below.

Operating Model: Gold



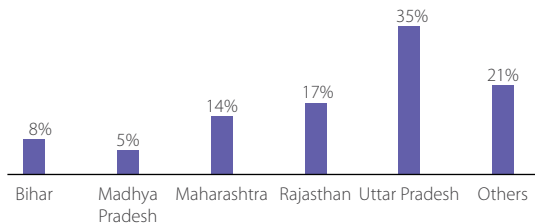
The above graph depicts the expanse of our new Kendras for the "Gold" Operating Model. 26% of the total number of Kendras are operating in Rajasthan. Rajasthan and Maharashtra with 26% and 21% respectively are leading with maximum number of "Gold" Operating Model.

Operating Model: Silver



The above graph depicts the expanse of our new Kendras for the "Silver" Operating Model. 48% of the total number of Kendras are operating in Rajasthan and Uttar Pradesh. Rajasthan and Uttar Pradesh with approximately 24% Kendras each has the maximum number of "Silver" Operating Model. Other States including Andhra Pradesh, Bihar, Chandigarh, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Delhi NCR, North East, Odisha, Punjab, Tamil Nadu, Telangana, Uttarakhand and West Bengal have 24% of the total operating Silver model Kendras.

Operating Model: Bronze



The above graph elaborates the expanse of our new Kendras for the "Bronze" Operating Model category. 35% of the total number of Kendras are operating in Uttar Pradesh. Uttar Pradesh and Rajasthan with approximately 35% and 17% Kendras respectively has the maximum number of "Bronze" Operating Model. Other States including Andhra Pradesh, Chandigarh, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Delhi NCR, North East, Odisha, Punjab, Tamil Nadu, Telangana, Uttarakhand and West Bengal have 21% of the total operating Bronze model Kendras.

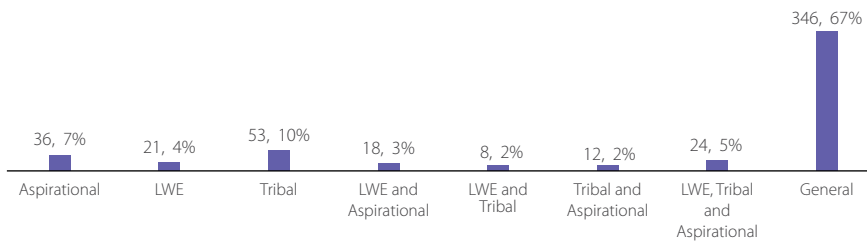
Our business model is led by innovation and strong last mile infrastructure built across the country in deep rural locations. Our purpose is to shape the Vakrangee Next-Gen outlets as a source that enables every Indian to gain benefits like social and financial inclusion, amongst others.

PERFORMANCE OF CAPITALS

Our Presence in LWE, Aspirational and Tribal Districts

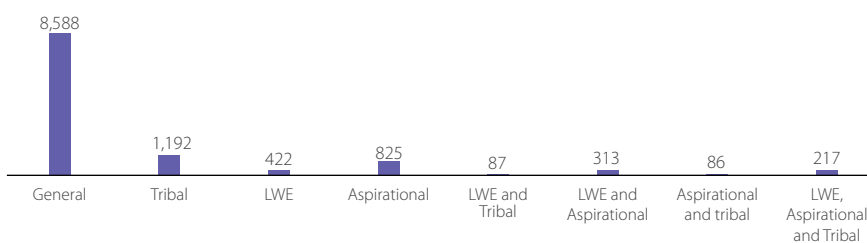
Our presence can also be felt across several Left Wing Extremist (LWE), Tribal and Aspirational districts. The total number of districts with our presence is 518 out of which we have extended our reach to the following categories of districts:

Count of District Type



The distribution as illustrated in the chart, emphasize our effort in reaching the last mile across the Nation. With a total of 172 LWE, tribal and aspirational districts (more than 33% of the total districts) where we have extended our outreach, we look forward to further accelerate our presence and service at each part of the Nation. Out of these 172 districts, 87 districts (50.1%) have 130 field staffs available, which showcases our employees' intent to lead and implement our vision to reach the last mile.

Number of Kendras



As illustrated above, we have: 825 Kendras in aspirational districts; 422 Kendras in LWE districts; 1192 Kendras in tribal districts; 313 Kendras in LWE and aspirational districts; 87 Kendras in LWE and tribal districts; 86 Kendras in tribal and aspirational districts; 217 Kendras in LWE, tribal and aspirational districts has helped us deliver quality services at the underserved parts of the Nation.

Our impacts on the communities through our business model and services

Creating a positive impact on the community has always been the priority of our services. Our introduction to new innovative services and providing the Nation with essentialities during the pandemic establishes our effort in bridging the gap between rural and urban India.

Due to the nature of our services which are essential to the citizens, we are among the very few companies globally who are fully operational during the lockdown. We ensured to operate in the most environment friendly manner even while serving the remotest parts of the country. Introduction to the following key initiatives paved the way for increasing the positive

impact on the community during the pandemic.

Tele Medicine Services

We have partnered with vHealth by Aetna (Fortune 500 Company, Rank 5th) for Digital Healthcare services in Rural India which is a subsidiary of CVS Health Corporation (largest Pharmacy Company globally). Our healthcare services include Unlimited Tele consultation with Expert doctors, Home Blood test facility, Doorstep delivery of medicines and Discount vouchers across partner network of hospitals.

Launch of Digital Vakrangee Kendra: Unique Hybrid Model (Online to Offline)

With our focus on digitising operation and bringing the services we offer at the doorstep, we have launched digital total

healthcare services. By entering in the online space, we have transformed into a Unique Hybrid O2O (Online to Offline) platform, whereby there is assistance available through the physical store network along with digital online services. With the introduction of this amalgamated platform, we intend to offer our customers an option to utilize various partner services at our physical outlets as well as online Digital platform which would help customers transact seamlessly. Additionally, we aim at bringing more trust and comfort through our unique offering of physical assistance in the existing Vakrangee Kendra network. The first step of implementation of this unique proposition has been taken through the launch of the first digital service of Telemedicine Healthcare services. We look ahead to offer more innovative essential services, accessible through the platform.

Doorstep Banking Facility

With our vision to create the last mile reach for our services, during restrictions and lockdowns our Banking Business Correspondents (BCs) provided doorstep banking services to Jan Dhan Account Holders in remotest parts of the country especially for senior citizens and old age pensioners. This enabled the citizens to avail our services during the difficult period of Covid '19 and promoted resilience across the Nation.

Being one of the largest franchisee-based, multi-service retail networks, we are focused on creating India's extensive network of last-mile retail outlets at every postal code in the country.

Expanding our network of outlets and the range of services, we are at the forefront of promoting financial, digital and social inclusion in rural India. With a vision aimed at benefitting the unserved population by enhancing accessibility to the global marketplace, we are taking strides by bridging the gap between the urban and rural India through financial, digital and social inclusion. Financial inclusion is achieved through the promotion of Government's financial and social inclusion initiatives such as Pradhan Mantri Jan Dhan Yojna (PMJDY) and social security insurance schemes. Through our Kendras, we provide universal access to banking, insurance and pension schemes as well as Direct Benefit Transfer of subsidies.

We are taking the financial and digital literacy to the bottom of the socio-



economic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban communities by offering them the same products and services at the same time, competitive price and same service levels. We are acting as the biggest equaliser by bridging the gap between the urban and rural population in India.

We follow a franchisee-based model whereby the franchisee is a member of the local community.

Skill development and Job creation at rural level

Our business model facilitates skill enhancement. We take ordinary individuals and train them with skill sets that help them yield remarkable results. Additionally, a basic certification is needed for rendering Banking and Insurance Services, which helps these individuals to enhance their technical skills. This further supports in the economic growth of the local community and eradicates poverty.

Our franchisees create local work opportunities by hiring resources and undertaking skill development, with certification for banking and IRDA certification for Insurance services. We make people contribute to India's economic growth to achieve fair globalization and poverty reduction. Therefore, through our expansion we have positive impact not only in terms of business but also on the community at large.

Our assisted online shopping platform provides our customers with access to multiple product options from daily staples, fashion items, to electronics. Our business model acts as a Social Equalizer as we provide the same products at affordable prices in the remotest parts of the country. We also offer the convenience of getting the products delivered to our Kendra from where the customers can pick up the order. This not only enhances accessibility but also builds reliance across all levels of the society.

Through its Assisted E-Commerce model for online shopping, we are providing a trusted, secure and convenient option to its customers in the unserved and underserved rural locations to get access to a wide range of products at the most competitive prices. The store person at the Next-Gen Vakrangee Kendra is able to showcase millions of products to the consumer and assist him/her in selecting

the right product, placing the order and making the payment.

We offer a complete Health package through our network of Kendras across the country at the most affordable prices with a focus on unserved and under-served communities in Rural India. Our assisted online healthcare platform provides our customers with access to telemedicine and pharmacy services at the remotest parts of the country.

Our Entire business is focussed towards delivering Financial Inclusion, Social Inclusion and Digital inclusion to the Communities. Thus, there are no current or expected negative impacts on the communities due to our services.

Divyang Facility at the Next-Gen Vakrangee Kendra

Aligning with our vision of social inclusion, we focus on promoting equality all across our outlets irrespective of gender, caste, creed, race, etc. We currently have more than 11,700 outlets, out of which almost all ATMs are divyang-friendly, in other words, user-friendly for specially abled persons (disabled and visually impaired). Few unique features offered by our outlets are:

- All our ATMs are talking-ATMs and have Braille friendly keypads

Security Measures available at Kendra



Locker Safety Facility

Every Next-Gen Vakrangee Kendra has a Safe Locker, which is part of the mandatory hardware kit. The key role of the safe locker to ensure safety of the cash available at the outlet



Centralized Monitoring CCTV Surveillance

We have installed Centralised CCTV system for enhanced security at our store. CCTV along with a NVR and a 2 TB hard disk is part of our overall franchisee hardware kit. We adhere to RBI guidelines to maintain more than 90 days video recording backup



Fire Extinguisher at the Outlet

As a fire safety measure, every Vakrangee Kendra outlet has an arrangement for a fire extinguisher, as per the store design guidelines, to prevent against fire outbreak



Insurance Policy for Next-Gen Vakrangee Kendra Outlets

Vakrangee Kendra Insurance policy includes hardware at the outlet, ATM as well as cash in ATM up to Rs.10 lakhs, including cash in transit. As on date, 31st March 2021, 5,576 outlets have been included in this Insurance scheme. This insurance and maintenance policy is mandatory once the ATM machine is installed and made live

- Any visually challenged customer accessing our ATM can use the headphone and transact on the ATM with the help of Braille enabled pin pad
- We have followed and implemented the IBA norms for our talking-ATMs
- We have requested our franchisees to install ramps in outlets, wherever feasible for easy access to the ATMs through wheelchairs

Security Measures available at Kendra

Our line and location of business may expose our outlets to theft, burglaries, fire outbreak, etc. For instance, our Next-Gen Vakrangee Kendras are located at various Tier IV and Tier V locations, which have history of similar incidents. In order to ensure safety of our financial and non-financial assets and our employees, we have adopted various safety measures to facilitate smooth flow of operations. Our effort in promoting security measures can also be gauged as we have published our policy on safety measures at Vakrangee Kendra outlets to ensure implementation of best practices from a safety and security measures perspective. It is our duty to ensure that money deposited by our customers at the outlet remains safe. A snapshot of our initiatives are listed below:

Human Capital



The year 2020 was a tough year as it showed us a world grappling with the pandemic of coronavirus. This virus affected thousands of people and country was put on lockdown to curb the spread of the virus. In these tough times, our prime focus was the health and well-being of our employees. To safeguard the health of our employees, we shifted from an offline working model to an online working model.

SDGs Aligned



Our long-term success in today's business environment is closely linked to our human capital. We strive to become an employer of choice by providing a compelling employee value proposition and creating a safe as well as healthy workplace. Our strong workforce of 800 employees bear testimony to our commitment.

In this section, we aim to provide information on how we engage our human capital to translate our strategic priorities into action. We aim to explain both quantitative and qualitative details on our internal human capital or employees for a comprehensive understanding of our readers.

Organisational Culture

We believe that a professional and respectful work culture supports productivity, growth and positivity. We aim to build a work culture of meaningful work as well as continuous engagement. We seek fair resolutions; base our decisions on merit, deal fairly and honestly with stakeholders, and maintain transparency in decision-making. For appropriate workplace decorum and employer-employee relationship, we have laid down a code of conduct for all employees.

We maintain the highest standard of moral principles and ethics in the organisation. We preach and practise a defined code of ethics and moral values at workplace. All employees are required to follow the code of conduct irrespective of hierarchy and designation. The code of conduct includes terms such as alcohol and drug free workplace, health and safety for all employees and the organisation, integrity, respect for individuals, protection of Company property, maintaining professionalism within office and while representing our Company outside office. For more details, please refer to Code of Conduct – for Employees.



To inculcate a transparent and progressive work culture, we encourage our employees to share their new and innovative ideas to improve employee engagement at workplace. We respect and consider their ideas, views and opinions. We often praise and reward them thereby, inspiring them to give their best at work. Our incentive schemes, rewards and recognition programs, engagement activities create a sense of belongingness for employees and boost their morale. If at any point, an employee feels mistreated, he can report to humanresource@vakrangee.in or on (022) 67765130.

We have instilled a culture of open-door policy wherein employees are free to approach any superior or peers at our organization. We invite and welcome inputs from different levels of employees. They can give feedback to any of their colleagues irrespective of hierarchy. Peer-to-peer feedback makes employees feel valued and

helps in improving performance of under-performing employees. In addition, we conduct employee surveys for employees' feedback on human capital; and publish survey results in our internal portal.

We take feedback from employees or any external source seriously. As self-appraisal, our Human Resource department regularly conducts employee survey to find out gaps in management policies, leadership methodology, etc. Thereafter, we update responses on our human resource management portal, and work on key areas of improvement. Such steps allow us to bring high levels of transparency in the organisation.

We use multiple platforms to broadcast our values, principles, standards and norms to employees across the Company. Following are few methods to communicate with our employees.



Induction program:

Designed to equip new joiner with Company's policies, processes and business conduct.



Human resource management system:

Portal provides Company's updated policies, circulars, notices for employees' reference.



Group e-mail id: We have created common e-mail id groups for all employees to communicate important information regularly. Information includes circulars, notices, updating employees on norms of behavior or standards or processes.



HR manual: Handbook of Company's policies, values, standards and norms, updated regularly. Soft copy of the manual can be accessed by all employees on the internal server. Moreover, a print-out of manual is available with the HR department and respective Department Heads for employees' reference.



Whatsapp group:

We broadcast all updates on Company's policies and processes timely.



VKMS: Our IT platform, accessible by all employees. It is also a medium to keep employees updated about Company and its values.

We conduct business on the principles of fairness, honesty, integrity, and respect. We do not tolerate bribery and corruption in any form. Our employees and franchisees should not, directly or indirectly, offer or receive any illegal or improper payments or comparable benefits intended or perceived to obtain undue favours for the conduct of our business. In FY 2020-21, there were no confirmed incidents of corruption recorded at the organization.

Human Rights

Given the model of our business, there are inherent risks of human rights violation with potential repercussions on our reputation. We are therefore responsible and accountable for upholding human rights across our value chain, which includes not only our workforce, but also of our communities and other stakeholders impacted by our operations, including franchisees, vendors and business partners. In addition to ourselves, our Human Rights Policy applies to entities we own, entities wherein we hold a majority interest, and facilities we manage. International bodies and documents such as United Nations Universal Declaration of Human Rights, United Nations Global Compact and International Labor Organisation's conventions, guide us to deliver our commitments well.

Our Human Rights policy encourages socio-economic empowerment through inclusive growth. It provides a broad framework to ensure that all employees are treated with respect and dignity. In effect, we seek to identify, assess and minimise potential adverse impacts through due diligence and management of issues, and resolving grievances of our stakeholders. We have communicated about the policy to our employees and included it as part of agreement and code of conduct of franchisees. Moreover, our Corporate Human Resources team is responsible for reviewing and updating standards on social policies, and providing support to all concerned.

Our initiatives adhering to our human rights policy:

1. Compliance with labor laws:

We abide by all applicable laws, namely wages, work hours, overtime, benefits; pay practices, classification of employment according to job level and status. We also commit to protect data of customers, vendors and employees, ex-employees and retirees by using multi-layered password protected authentication systems, automated tools, tracking mechanisms and information-sharing on a need-to-know basis.

PERFORMANCE OF CAPITALS

2. **Continuous engagement:** We create awareness of human rights among employees at various levels of operations through training and communication. For continuous improvement, we share our good practices, set and review targets, monitor and report on our performances. We establish accountability by assigning adequate responsibilities for effective management of human rights risks. Any employee who believes there is a conflict in our policy and practices can raise concerns with the HR department, legal department and the local management.
3. **Diversity at workplace:** We respect rights of all our stakeholders. Our diversity philosophy celebrates the common values that bring joy, happiness, energy and enthusiasm to the community and focuses on bridging differences by enhancing commonalities among the diverse work pool. To ensure diversity of our workforce, we exercise positive discrimination in favour of socially disadvantaged communities provided potential employees fulfil its merit-based criteria. These systems and processes are monitored for compliance and are subject to continuous improvement.
4. **Harassment-free workplace:** We commit to maintain a workplace free of violence, harassment, intimidation and any other unsafe or disruptive conditions due to internal and external threats. We prohibit child labour, forced/trafficked labour including indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking. In the reporting year, we received zero complaints regarding child labour, forced labour or sexual harassment.
5. **Support and Respect for internationally proclaimed Human Rights:** As part of our commitment to the United Nations Global Compact, we have a responsibility to uphold human rights in our workplace and within our sphere of influence. To this accord, we follow the below steps.
 - Develop and encourage a transparent and rights aware approach in our business operations.
 - We also have also formed appropriate grievance redressal mechanism to report any human rights concerns.
 - The Grievance redressal mechanism ensures that no reprisal or retaliatory action will be taken against any employee or stakeholder for raising concerns under this policy.
6. **Freedom of association:** We respect our employees' right to form, join or not join labour union without fear of reprisal, intimidation or harassment. We are part of the Information Technology industry, which typically has relatively fewer labour unions compared to manufacturing industry. Due to nature of our business, we do not have a gathering of several employees under one roof, at a time, except corporate employees that contribute to only 24.5% of total employees. Maximum employees are field-employees spread out in different locations across the country. Therefore, we do not face situations of freedom of association in business usually.
7. **Healthy and safe workplace:** Our healthy and safe workplace aligns with our requirements as well as those of applicable health laws and regulations. We consult employees to address and remedy identified risks of accidents, injury and health impacts. Moreover, we encourage employees to highlight concerns or health and security hazards to the management.
8. **Grievance redressal mechanism:** We have an online portal for open and structured discussions to address employees' concerns related to human rights and decent labour. We have also formed a Vishakha Committee to address incidents related to sexual harassment. For more details, please visit our Human Rights Policy.

Different business and functional leadership teams own our progress on aspects of human rights. It is under constant review of the Board of Directors. During annual review system, we survey our employees each year. Thereafter, we provide each employee's feedback to the Nomination, Remuneration and Compensation Committee, for its review and further action.

Our Human Rights policy encourages socio-economic empowerment through inclusive growth. It provides a broad framework to ensure that all employees are treated with respect and dignity.



Diversity and Inclusion

We are committed to grow as a truly diverse and inclusive Company. We embrace people of varied culture and encourage different perspectives to build a sustainable business. Valuing our employees helps us create high-performing teams of individuals from diverse backgrounds. As a responsible organisation, we prohibit discrimination based on individual’s race, colour, religion, disability, gender, national origin, sexual orientation, age, genetic information or any other legally protected status. In FY 2020-21, we faced zero instance of discrimination on the aforementioned aspects. We provide equal opportunities to all employees in the process of hiring, promotion, talent development and retention, trainings, mentorship program, and employee affinity group.

In order to accomplish our commitments in Diversity Programme and Inclusion Policy, we have formed an independent sub-committee of Board members, called “Nomination, Remuneration and Compensation Committee”, responsible for initiatives of diversity. The committee submits a quarterly report on diversity initiatives of the

organization to the Board of Directors during Board meeting. Following are few Key Performance Indicators (KPIs) reviewed by the Nomination, Remuneration and Compensation committee:

- Employees hired in districts are local residents of respective districts, especially in minority areas
- Women are hired as per the set ratio and gender pay equality is maintained
- Number of hours of training of employees on diversity parameters
- Mentors assigned to relevant employees and are effectively providing guidance

Furthermore, in order to design, implement and monitor our initiatives for diversity, the Nomination, Remuneration and Compensation Committee has formed a Diversity and Inclusion Council. The Council undertakes the agenda of building a safe workplace- infrastructure and agricultural designs, as well as addressing privacy concerns of employees. The Council reports to the Sub-committee and can be reached at diversity@vakrangee.in.

Diversity Monitoring or Audits

Our initiatives measures and targets for diversity and inclusion strengthen our workplace for better impact. The Diversity and Inclusion Council regularly collects and monitors data on diversity at the organisation. It reports its monitoring outcomes to the Nomination, Remuneration and Compensation Committee on a quarterly basis. Thereafter, the Committee presents results to the Board of Directors during Board meetings held quarterly. Furthermore, an independent third party also conducts audits annually. The Diversity and Inclusion Council monitors the following:

- Initiatives implemented in the organisation
- Outcome of the initiatives
- Outcome of the targets set by the Nomination and Remuneration and Compensation Committee
- Complaints of unlawful discrimination made by employees, partners and thrid party personnels, in relation to our business and take appropriate action after thorough investigation

Few key performance indicators (KPI) monitored and their results in FY 2020-21 are as follows:

S. No.	KPI	2019-20	2020-21
1	Number of males at corporate HQ	221	169
2	Number of females at corporate HQ	79	27
3	Male/Female ratio at corporate headquarter	2.79:1	6.26:1
4	Percentage of females at corporate HQ	26.33%	13.77%
5	Number of women representing Company's management council	24	9
6	Percentage of women representing Company's management council	25.81%	30%

We extend our diversity and inclusion program to our franchisees, business partners and customers. In the past, we have taken multiple initiatives to ensure that voices of women and minority groups are heard, and they are empowered in local community wherein we operate.

PERFORMANCE OF CAPITALS

Gender Equality

In continuation to our stand for non-discrimination, we are a supporter of gender equality. Our recruitment policy prioritises merit and skills of applicants irrespective of their gender. Similarly, remuneration offered to all employees is at par with industry standards irrespective of race, gender, age, colour, religion, disability or genetic information.

Nomination, Remuneration and Compensation Committee is also responsible to ensure gender pay equality programs at our organisation. In order to design, implement, monitor and review gender pay equality program, the sub-committee has formed a Pay Equity Committee. The Committee comprises of Head of Human Resources, Head of Strategy, Chief Operating Officer and Chief Finance Officer and reports to Nomination, Remuneration and Compensation Committee.

In addition, a global and independent firm audits our initiatives. The independent firm audits our gender pay equality parameters and provides its findings and recommendations of compensation gaps, if any. The Nomination, Remuneration and Compensation Committee ensures that all recommendations and findings are presented to the Board of Directors and are addressed in a timely and satisfactorily manner.

We have undertaken multiple initiatives to improve gender equality parameters and close the gender pay gap, if any. Following is a brief on our initiatives:

1. **Pay equity committee:** Our vision is to ultimately create an everlasting workplace culture where teams work and are rewarded irrespective of their gender. We proactively created the Pay Equity Committee to ensure the same.
2. **Encouraging salary negotiations by showing salary ranges:** It has been observed that women are less likely to negotiate their pay. Therefore, we clearly communicate the salary range on offer for a role to encourage women to negotiate their salary. This helps the applicant know what they can reasonably expect.
3. **Including multiple women in shortlists for recruitment and promotions:** When putting together a shortlist of qualified candidates, we make sure more than one woman is included. Shortlists with only one woman do not increase the chance of a woman being selected.
4. **Fair reward system:** By fair reward system, we set a threshold, target, and maximum for pay increases or bonuses to ensure equitable, merit-based reward distribution among men and women employees.
5. **Promote and disclose pay transparency:** We disclose band-wise and designation-wise payment to males and female employees, on an annual basis.
6. **Salary and bonus:** We verify two aspects to ensure that the practice of disbursing salary and bonus is not discriminatory. These are:
 - Regular basic salary for female and male-dominated jobs are in parity
 - Criteria for rewarding bonus is same for males and female employees
7. **Promote and support flexibility:** We create equal access to opportunities for women and men. We educate supervisors about how to manage flexible work schedules and balance their work and familial responsibilities.
8. **Average increment of women employees:** We monitor average increment of employees in the organisation and compare it with the average increment across the organisation. It helps us understand the gap in skillsets of women. Accordingly, we plan additional workshops and training sessions to support women in performing better in their roles

Few KPIs to measure the gender pay equality program are:

Determine equal value

An effective tool to compare jobs and determine its value is the ILO guide of Promoting Equity: Gender-Neutral Job Evaluation. We determine the numerical value of job on gender-neutral criteria such as skills and qualification.

Listing all jobs in organisation

All details of job including qualification, level, job band, in organisation are studied, and department. Qualification is further broken down into work-related, knowledge-related, manual dexterity and inter-personal skills.

Education level and field of study

Basic educational qualification of all full-time employees is graduation or 10+2+3. All employees are paid equally, fairly, and transparently based on their level of education and additional qualification such as post-graduation degree, paid work experience in industry, informal training.



Pay is also defined for:

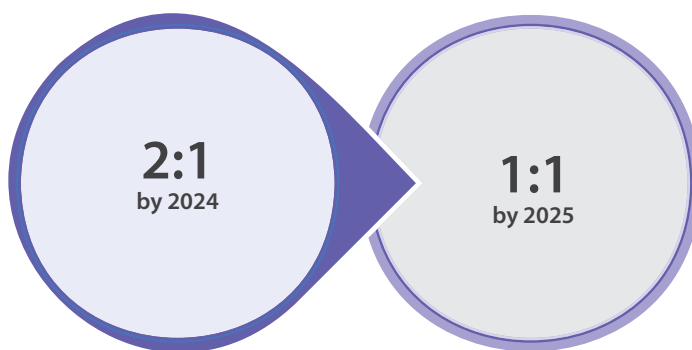
- Academic or vocational training certified by a diploma
- Paid work experience in the industry
- Informal training, etc.

At the start of a financial year, Nomination and Remuneration and Compensation Committee sets targets for gender pay equality. We have designed our targets such that we reach 1:1 ratio of male: female across the organisation by 2025. Following are few ratios of male: female salary across organisation and designation as of FY 2019-20 and FY 2020-21

S. No.	Male: Female ratio detail	2019-20	2020-21
		Male: Female ratio	Male: Female ratio
1	Average salary across organisation	0.95:1	1.01:1
2	Median salary across organisation	0.72:1	0.85:1
3	Median salary male/ female and ratio at corporate headquarter*	1.45:1	1.21:1
4	Average salary of Assistant Manager	0.93:1	0.97:1
5	Average salary of Manager	0.77:1	0.86:1
6	Average salary of Deputy General Manager	1.11:1	1.19:1
7	Average salary of General Manager	1.12:1	0.95:1
8	Average salary of Associate Vice President	1.0006:1	0.92:1
9	Average salary of Vice President	2.35:1	NA (as there are no female employees under this designation)

*Only corporate headquarter staff is considered as field staff is primarily male. Nature of job involves travelling 30-50 kms per day to visit outlets in rural locations. Mostly males prefer to apply for such field roles.

Our planned targets regarding male: female ratio for the upcoming years are as follows:



Targeted Recruitment

We are an equal opportunity employer. We aim to employ the best talent across the country from diverse backgrounds. Being present across India, we work together with people from diverse backgrounds to achieve our organisational goals. Our recruitment criteria include parameters such as aptitude, competency mapping, skill set benchmarking, and ability.

Internal Job Posting

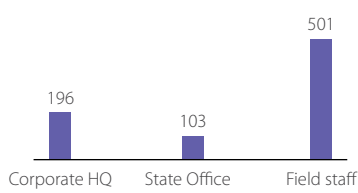
Our permanent employees can switch departments internally to enhance their professional skills. Through the Internal Job Posting portal, they can apply for vacancies at the different departments of the organisation. The portal allows us to promote internal recruitment within ranks within the organisation. Moreover, we encourage internal referrals by incentivising current permanent employees with cash rewards.

External Recruitment

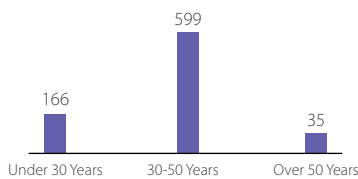
Our recruitment team visits local educational institutions in different states and regions. We hire from diverse colleges, regional universities including women's colleges and tribal colleges in rural India. As over 70% of our outlets are in rural India, we generate local employment and offer talent development opportunities. We have collaborated with several educational institutions such as Chitkara University, Chandigarh, Indian Institute of Information Technology, Kota, and Balaji Institute of Modern Management. We encourage applications from minority groups at our corporate office. We recruited 31 individuals in 2020-21 as compared to 580 individuals in FY 2019-20. Due to the on-going pandemic, we underwent man-power restructuring. There was less requirement of staff at field level as we leveraged technology for enhanced productivity and smooth functioning of our operations.

PERFORMANCE OF CAPITALS

Permanent employees in FY 2020-21



Age-wise breakup of permanent employees



Our business model involves a hierarchical structure of block officer, district managers, state heads as on-field staff. Being a rural-focused organisation, we hire our field staff from local communities, including minority groups. As of FY 2020-21, we have a team of 103 employees in state office and 501 employees as local field staff. Moreover, our local field staff is available in 49 out of 90 Left-Wing Extremists (LWE) districts and 76 out of 164 tribal districts in the country.

As a responsible organisation, we give special importance to women. During recruitment, we try to include multiple women in the hiring process to encourage their selection for a vacancy. There are 13.77% of women in our corporate headquarters as of 2020-21.

In addition to minority groups and women, we also encourage employment of divyang and retired military professionals. We undertake recruitment from Armed Forces Recruitment Board and Indian Army Recruitment Board. For our divyang staff, we have facilitated special features in the premises of our corporate office. We also have a ramp facility at various locations of office and Braille feature at most of our access points. As of FY 2020-21, we have 1 divyang individuals as permanent employees.

Mentorship

For a smooth transition of new joiners in the organisation, we assign a mentor of the same work profile as the new joiner's role. We impart training and seminars for new joiners to groom them as core team members. Mentors share their experience to guide employees and help them to align their individual goals with career development with us. We also conduct training programs for skilled employees interested in becoming mentors to employees of various mentorship programs, on a semi-annual basis. Following table outlines our mentorship programs:

S. No.	Mentorship program	Function of program
1	Minority group program	Special mentorship program for our employees from the minority groups as several people are recruited from rural India. Mentor of the group helps employees gain a sense of belongingness at workplace and excel in their career.
2	Women mentorship program	100% women employees are mapped to a senior woman mentor with a vast experience and insights. Mentor supports mentees in enhancing their professional knowledge and expertise as well as guiding them in personal matters such as childcare, which may influence their productivity at work. We were earlier providing mentorship program only to women at entry level but have now extended it to the middle management also. The mentor supports the mentee by helping them grow their knowledge and professional experience. The mentor also guides their mentee in personal matters such as childcare, etc. which affects the productivity of employees at work. Currently, we maintain a mapping of maximum 3 mentees with each mentor, especially at the senior level. This helps the mentor in giving special attention to individual mentee.
3	Specially-abled mentorship program	We have assigned mentors to our divyang staff to assist them in carrying out their roles and responsibilities effectively. Mentors with similar job profile and activities guide their mentees.
4	Military mentorship program	Mentor guides former military professionals and their spouses. The program facilitates a smooth transition from military life to a corporate life and builds required skills of ex-military professionals to succeed in corporate roles.
5	New-joiner program	A mentor is mapped to all employees joining the organisation. He/ she helps the new-joiner to understand the corporate culture and take up their role more effectively.
6	Mentor and buddy program	This program is especially for State Heads (or Buddy) who have recently joined the organisation and require assistance in understanding the operations of the State. Each State Head is linked to a senior State Head who has been working with us for more than 5 years. Mentor State Head shares his knowledge and experience as well as guides the Buddy in achieving his targets.



Employee Affinity Group or Networking Group

Employees with similar interests can form 'Affinity Groups' or 'Networking Groups'. These groups aid in recruitment by providing perspectives on techniques for a targeted group. Employee affinity groups can increase number of women and minorities employed in the organisation. Membership also helps in creating an inclusive environment and fostering retention of employees. The groups not only help in attracting, developing, retaining talent, but also facilitate developing new business opportunities, promoting the brand and community outreach. They enable harmony and better work culture in the organisation. Following are few Employees Affinity Groups:

S. No.	Affinity Group	Role of Affinity Group
1	Women professionals	Comprising 35% of employees, the group's objective is to ensure overall well-being of the female workforce. Group members help women in balancing their work with personal commitments. 50% of females in our Core Strategy Team are mentors to the Women Professionals affinity group.
2	Regional affinity groups	Affinity groups categorised into native locations of employees- Northern India, Eastern India, Western India, Southern India and Central India.
3	Working families	Also referred to as "Working Parents Support Group", the group discusses needs of parenting and supports its members. We offer the facility of an in-house crèche to working parents.
4	Minority in India	The group represents employees from minority groups in our country. It facilitates in attracting talent from various parts of the country, especially from underserved and unserved districts. Employees are represented by a Co-ordinator who communicates opinions of the group to the management.
5	Specially-abled professionals	With a talented pool of specially-abled professionals, this group creates awareness, drives opportunities for growth in the workplace. Members mentor and support one another in overcoming challenges to perform their tasks and in realizing their full potential.
6	Ex-military professionals	Group connects ex-military professionals at the organisation and fosters an environment of support and empowerment.
7	Young professionals	As we recruit resources fresh from educational institutes, we realize the need to having a group for them as well. This group comprises of employees who are 'freshers' and are in the organization for less than 500 days. This group takes initiatives to providing trainings to freshers for required skills and help them develop their career path.

Our recruitment policies and various committees prioritise merit and skills of applicants irrespective of their gender. They also ensure that gender pay equality programs flourish at our organisation.

PERFORMANCE OF CAPITALS

Training and Development

We believe that successful employees give rise to a successful organisation. The Diversity and Inclusion Council conducts multiple trainings for all employees at each level of the organisation- tactical, strategic and leadership levels. We regularly conduct seminars and knowledge-sharing sessions to improve knowledge base of employees. Additionally, we provide soft-skills training to employees to enhance their communication skills. Our competency programs include customized development programs, off-the-shelf training, and accredited development program.

We hold trainings as per the target of number of training man-hours set by the Nomination and Remuneration and Compensation Committee. We plan to conduct training sessions annually based on headcount of the organisation and training hours assigned to each employee per year. As per the training plan, every employee is enrolled for at least 2 training workshops or programs per year. Duration of each workshop is 6 hours, of which 1 hour is allocated for diversity-related session. In FY 2020-21, we conducted 1,100 hours of training for permanent employees on ISO, induction, behavioural aspects, etc. In the reporting year, all 800 employees, including 42 female employees and 1 divyang employee, were trained in induction, health and safety and ISO training. Following table represents a break-up of information related to training:

Type of training	Employees joined	Per employee training	Total training hours	Course content	Remarks
Mandatory training	31	3 Hours	92	<ol style="list-style-type: none"> All HR policies Ethics and Moral Code of Conduct Anti-corruption Policy Prevention of Sexual Harassment Human Rights Policy Business Conduct Training Data Privacy 	Total training hours of 1,100 which includes training for 31 new joiners.
Refresher training	721	1 Hour 30 Min	1,081	<ol style="list-style-type: none"> All HR policies Ethics and Moral Code of Conduct Anti-corruption Policy Prevention of Sexual Harassment Human Rights Policy Business Conduct Training Data Privacy & Security 	All employees were given refreshment training on a variety of subjects. All these trainings were provided virtually for employees on term basis periodically
Skill upgradation training	36	8 Hours	288		Training were given to CRM Team for sales and Business Development. Training were conducted through online session.
Franchisees trained	11,730	4 Hours	46,920	<ol style="list-style-type: none"> On-Boarding Level Training Technical Training on the VKMS ATM training Service level training VC training 	We conducted training session service wise (1 Hour each for Banking ATM, E-commerce and online health-care services) for all Franchisees through VC session.



We hold special training programs on inclusive team culture for senior level managers. In FY 2020-21, we conducted training programs especially for our women middle-management team. Training sessions aimed to impart skills required to become an effective leader.

In addition to women employees, we also focus on minority groups by holding seminars and training sessions to provide the right skills and guidance in succeeding in their roles. For our 11 security staff, we conducted training sessions of 208 hours in FY 2020-21.

Training and development programs assisted employees in upskilling their skillsets. We were able to hire for managerial and senior roles from within the organisation, rather than external sources. Following initiatives improve productivity of our employees:

1. Alignment: aligning employee's work with organisation's targets
2. Pay parity: paying employees a fair salary on a regular schedule
3. Opportunities: creating opportunities for employees to do their best
4. Safety: developing a safe office environment providing quality health benefits and offering a pension plan
5. Belongingness: embracing and celebrating diversity, promoting collaboration across teams, and offering equal access to programs and employee initiatives
6. Esteem: recognizing team contributions, providing employee feedback, and rewarding exceptional employee performance
7. Self-actualization: creating personalized training plans, offering custom management tracks, and providing high-level mentorship from executives on a regular basis

8. Wellness program: implementing a workplace wellness program

In addition, our training programs specific to customer service department assisted in resolving customer service-related issues. They increased internal and external customer satisfaction levels by 16.5% and 9.50% respectively in FY 2020-21.

Trainings are also provided to our franchisees.

- On-Boarding level training - Training is provided to the Franchisees on the Code of Conduct, best business practices as well as induction ppt is run through for creating awareness about the Company and its core value system
- Technical Training on the VKMS (Vakrangee Kendra Management System) provided by the Relationship manager at the HO level as well as Block Officer at the ground level
- ATM training provided by the OEM at the field level
- Service level training provided by the respective business heads from the HO level through direct online VC training sessions as well as through State teams at the ground level

COVID-19 pandemic has caused unprecedented disruption in the world of work and thereby the Company is leveraging technology, implementing process automation and innovative digital initiatives as new ways of conducting everyday business and managing field operations. There has been dedicated business vertical wise VC channels being set up whereby franchisees can login on daily basis and get online training sessions service wise as well as have live two-way communication sessions with direct business teams as well as centralized HO level relationship managers to resolve their queries on real time basis. The calendar for all these sessions is communicated to the franchisees directly through VKMS Portal, e-mail as well as WhatsApp.

Talent Retention

We believe that talent retention is extremely important for our long-term growth. We keep employees engaged in the organisation by assigning them challenging work, setting achievable and cross-functional targets, and training them in cross-disciplinary skills. In addition, benefits such as wellness program, parental support program and mobility benefits keep our employees actively engaged and committed to the organisation.

We give our employee an opportunity to move from one department to another, to enhance the professional growth of the individual. The process is carried out through internal job posting. Internal job posting is important for continuous skill acquisition and it creates a fair opportunity for employees to apply for the open positions at zero cost. Internal job postings help us to promote internal recruitment within the organization and recruit internal employees within the ranks. We believe that networking and building strong alliances is of critical importance. Employees that demonstrate skills, behaviours and attitude which already make a great fit will likely know other people with similar profile. To capitalize on this, we have our internal referral program, which give the referrals lucrative cash rewards. The referral amount is based on the open position and level in the hierarchy referred.

Below is the list of benefits that are given to employees:

- Retirement benefits: Gratuity
- Stock option (ESOP Benefits)
- Insurance benefits: Group Mediclaim policy, Group Term Life, and accidental cover insurance
- Work life balance: Annual leave, public holidays, maternity leave with full pay, leave encashment, flexible working hours
- Career break policy: Medical emergency, higher education

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- Wellness programs: Employee assistance program, Health and fitness initiatives, wellbeing and cessation programs, further education programme

Our Early Interventions team focuses on new joiners and conducts regular meetings to understand the gap in their orientation process and departments. These meetings are held periodically at an interval of 45 days, 90 days, 125 days and 180 days. Through our on-boarding and joining process, we have been able to curb attrition among new joiners by 8% in the first 180 days from the date of joining.

Employees receiving periodic trainings are likely to stay motivated and engaged in the organisation for longer time-period. On an average, employees are associated with us for 5.1 years. In addition, average age of our employees is 35 years. Our initiatives have enabled us to reduce attrition rate and retain employees. In the reporting year, we recorded a voluntary attrition rate of permanent employees at 4.83%.

Due to the on-going pandemic, there was no promotions or increment in the year 2020-21.

Our Head- People, Performance and Culture department monitors retention rate in organisation and strives to improve it on regular basis. Monitored findings are reported to the Nomination, Remuneration and Compensation Committee.

Employee Satisfaction

We have been an employee-friendly institution since inception. We focus on output and physical presence of staff. We follow flexible timing with a cut of 9 hours as per the prescribed law. If an employee works for more than 8 hours, we then compensate him or her for the same. In addition, we provide 21 days of annual leave and 9 days of public holidays. Up to 30 days of annual leave can be carried forward to the next year and pending leaves over 30 days get encashed to employees. Also, 2nd and 4th Saturday of a month are holidays for all employees.

To facilitate a culture of work-life balance, we provide 184 days of maternity leave with pay to employees for each child. We offer maternity claim of up to INR 60,000 for hospital expenses during pregnancy. We preserve their employment during the agreed leave. Furthermore, we also offer a crèche facility to female employees who find it difficult to manage work with children. In FY 2020-21, 7 female employees availed parental leaves. 2 employees returned to work after their parental leaves.

Moreover, we provide in-kind benefits fully or partially financed by the Company, such as paid time-off, public holidays, career break for purposes such as studies, medical emergencies or attending to household duties, and fringe benefits like parking, and mobile reimbursement.

We offer aforementioned benefits to all employees without any gender bias. As per our policy, 100% of employees are eligible to receive Employee Stock Options (ESOPs) as per their band level. We offer ESOPs scheme at discounted rates. In the reporting year, we did not provide ESOP or performance related incentives to any employee due to the ongoing Covid-19. We also offer gratuity to employees at the time of separation on completion of 5 years of continued service. We review these benefits annually to adhere to industry's best practices.

We protect information generated within organisation or acquired through business relations. We sign a Non-Disclosure Agreement (NDA) with employees for maintaining confidentiality of their information, including information related to health. NDA also restricts employees to furnish any detail about the Company to any individual, organisation or group. Our HR department safeguards the signed copy of NDA, along with other employee details. If at any point we come to know that confidential information has been compromised, we will initiate disciplinary action against those responsible.



Employee engagement program

Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organization, and put discretionary effort into their work. This engagement between the employees and Vakrangee Ltd. is an approach, which increases business success, contributes to organizational growth, and enhances employee performance, productivity and well-being.

To keep our employees engaged and the work atmosphere live and healthy, we carry out the below given activities:

- Zumba classes: We conduct the Zumba classes for all our employees twice a week to keep the workforce fit. It is a powerful form of exercise and great for weight loss.
- International Women's Day celebrations: We celebrate Women's Day every year by organizing games or sporting events for the women employees and send them a superwoman e-card reminding them that they matter to us every day.
- Inter-departmental Tug OF War: The interdepartmental Tug of War sporting event is a fun session wherein all departments actively participate as all the teams are involved in supporting their departments.
- Happiness sessions: Happiness sessions are conducted once in a quarter, as we believe that happier brains do better work. It maximizes the productivity of the team. These happiness workshop activities help employees to increase optimism, boost brain function, and build team trust through shared experiences.
- Mother's Day event: We invite the mothers of all the employees to our corporate office because we believe that it is great opportunity to celebrate and honour mothers and women in the workplace. We believe that it is important to show employees (including the mothers of the employees) that we see and appreciate their efforts. When employees feel good about their workplace, that sense of

gratitude and accomplishment carries over between work and home.

- Independence Day and Republic Day activities: The employees of the Corporate Office and Regional Offices sing the national anthem together followed by delectable snacks and cultural activities later in the evening. The day is spent in the office with the remembrance of our national heroes.
- Navratri celebrations: Navratri is celebrated twice in a year at Vakrangee Limited. The event is filled with employees dancing over and grooving to the traditional beats of Navratri songs. It is a fun event in which all the employees show active participation.

Employee engagement survey

Our engagement with employees is based on trust, integrity, two-way commitment and communication between the organisation and employees. We measure the below 10 common themes which are related to Employee Engagement Survey which are:

- Pride in employer
- Satisfaction with employer
- Job satisfaction
- Opportunity to perform well at challenging work
- Recognition and positive feedback for one's contributions
- Personal support from one's supervisor
- Effort beyond the minimum
- Understanding the link between one's job and the organization's mission
- Prospects for future growth with one's employer
- Intention to stay with one's employer

The results of the survey in the reporting year are depicted below:

82%



Employees feel happy and proud working at Vakrangee Limited and are satisfied with their job responsibilities

45%



Employees feel inspired and connected with the co-workers

61%



Employees feel that their manager encourages collaboration in the team

68%



Employees feel that their manager is committed to provide guidance and motivation

79%



Employees feel that they can count on their peers in need of help

69%



Employees feel that their manager assigns challenging assessments to them and is successful in building trust amongst the team members

72%



Employees feel that they receive constructive feedback from their manager and peers which help them improve their overall performance

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Employee rewards and recognition

We believe that along with fair compensation, employees also want fair treatment and appreciation of efforts. We recognize employees for especially:

1. Ability to manage and champion change
2. Innovation
3. Systems improvement
4. Customer or client retention
5. Significant personal development
6. Actions that embody the organisation's core values

We reward employees for their exemplary performance, in the following ways:

1. On the SPOT award
2. Quality award
3. Performance of the quarter award
4. Annual performance award or Employee of the year
5. Internal employee award
6. Performance certificate

Moreover, employees present appreciation cards to appreciate work of peers. We celebrate wedding anniversaries of employees and award tenured talent for completing 5, 8, 10, 12, and 15 years at the organisation.

Retirement Policy

Our retirement policy is applicable to all permanent employees working with us. The age of retirement for an employee is 58 years. However, the management may extend retirement of an employee on a year-to-year basis based on the medical condition and performance in the previous year. The HR department notifies an employee in this regard at least 30 days prior to his date of retirement.

Benefits upon Retirement:

- Upon retirement, we complete all necessary documentation for final settlement within next 30 days for the retired employee;
- Permanent staff are entitled to retirement benefits such as gratuity, which is processed within a period of 45 days from retirement date. They are also eligible for a monthly pension under the Employee Pension Scheme (EPS);
- We provide retirement letters to retired employees stating their experience in the organisation;
- Retired employee also receives a felicitation from the organisation on his last day as a gesture of his invaluable service rendered to the organization.

We are committed to grow as a truly diverse and inclusive Company. As a responsible organisation, we prohibit discrimination based on individual's race, colour, religion, disability, gender, national origin, sexual orientation, age, genetic information or any other legally protected status.

Our commitment to United Nations Sustainable Development Goals

<p>5 GENDER EQUALITY</p>	<p>Gender Equality</p>	<p>SDG 5</p>	<p>This sustainable development goal focuses on achieving gender equality and empowering women. We believe that gender equality is not only a human right but also a necessary foundation for creating a sustainable organization.</p> <p>Hence, we give additional importance to empowerment of women in our organization. Along with providing flexibilities to women, specially related to childcare, we provide them mentorship programs and multiple trainings to help them excel in their tasks assigned. We also ensure that we maintain gender pay equality, thus encouraging women to progress in their career paths with all fairness and equality.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Decent Work and Economic Growth</p>	<p>SDG 8</p>	<p>At Vakrangee, we believe in our ethos of giving back to society and empowering the underrepresented groups. We aspire to contribute towards the growth of these groups, thereby doing our part in providing them with decent work and economic growth opportunities. We are driving rural growth by creating local work opportunities by hiring resources from underrepresented groups and undertaking skill development. Since these groups work with our organization even while residing in their local areas, they contribute in the local upliftment and growth of their localities by appointing franchisees in their area.</p>
<p>10 REDUCED INEQUALITIES</p>	<p>Reduced Inequalities</p>	<p>SDG 10</p>	<p>By committing to hire people from underrepresented groups, we are reducing inequalities present in the society due to availability of less opportunities for these groups. We prohibit any form of discrimination based on race, color, religion, gender, nationality, age, etc. and ensure equal opportunities to all, thereby reducing inequalities.</p>

In addition to UN-SDGs, we conform to conventions of the International Labour Organisation, principles of United Nations Global Compact and all Labour Laws of India. We have undertaken various ISO certifications to strengthen our performance.

1. ISO 45001:2018 - Occupational Health and Safety Management System

We are certified with ISO 45001:2018 Occupational Health and Safety Management System. Our aim is to mitigate any factor that can cause employees and businesses irreparable harm. ISO 45000:2018 is concerned with mitigating any factor that are either harmful or pose danger to workers' physical and/ or mental well-being. It has improved employees' satisfaction, retention and improved employees' health, increased productivity and reduced absenteeism.

2. ISO 37001:2016 Anti-bribery Management System

Our certification on Anti-bribery Management System demonstrates our compliance and commitment to ethical business practices. ISO 37001 provides practical guidance on establishing, implementing, maintaining, reviewing and improving anti-bribery management systems.

Human Capital Risk Assessment

Our Risk Management Committee is responsible for human capital risk assessment. We conduct human capital risk assessment on a regular basis. Once we have identified the potential and actual risks related to human capital or talent, we classify them into low, medium and high.

<p>Low</p> <ul style="list-style-type: none"> Factors affecting our human capital risks are not very significant Risks assessed in FY 2020-21: <ul style="list-style-type: none"> Different standards for employees performing the same work Risk arising due to covid 19 Risk of attrition due to poaching of experienced resources 	<ul style="list-style-type: none"> Human capital risk identification Classification of human capital risks Description of losses from human capital risks Description of human capital risk management strategy Sequence of actions necessary to implement human capital risk management strategy Timing of implementation of human capital risk management strategy Officials responsible for implementing human capital risk management strategy
<p>Medium</p> <ul style="list-style-type: none"> Factors affecting our human capital risks are important Risks assessed in FY 2020-21: <ul style="list-style-type: none"> Ineffective training due to all virtual training programs for Talent development Mental fatigue due to long video conferences 	
<p>High</p> <ul style="list-style-type: none"> Factors affecting our human capital risks are highly critical Risks assessed in FY 2020-21: <ul style="list-style-type: none"> Risk of resources going into depression Risk of resources to panic due to the high level of covid infections in the family 	

Evaluating human capital risks makes it possible to identify factors with a significant negative impact on the activities of personnel and organisation. Our Head-People, Performance and Culture creates an action plan for managing human capital risks and provides information such as:

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Detailed action plan, also defining roles and responsibilities of officials and timelines for a task, is thereafter approved by the Risk Management Committee of the Board. We prepare an annual activity calendar for all activities for mitigating any kind of human capital risk. Few parameters for measuring effectiveness of activities of the plan are:

Number of candidates who applied for a role
Number of candidates who appeared for the role
Number of candidates selected for a role
Feedback of benefits offered to employees
Feedback of work culture by existing employees
Number of people recommended for promotion by their reporting managers
Outcome to periodic reviews conducted post-training sessions
Feedback of effective on mentorship program given by mentees
Number of incidents of employee misappropriation
Number of employees retained



Vakrangee as the Associate Sponsor of Hiranandani Marathon



Health and Safety

We safeguard health and safety of all employees at workplace, and ensure that safety tools and processes are always in place to combat any mishap. With the help of ISO 45001:2018, we demonstrate our commitment to occupational health and safety management as well as implement robust health and safety measures. Our commitment also improves employee satisfaction and retention, and improved employees' health, increased productivity and reduced absenteeism.

We take measures to promote health and well-being of our workers. We continuously engage workers in development, implementation and performance evaluation of our occupational health and safety policy, management systems and programs. We also offer healthcare services or voluntary health promotion programs to workers, which help them to improve their diet or quit smoking.

Work-related hazards vary significantly across different locations. We have grouped these incidents based on geographical areas and business line. We have also identified potential hazards or incidents causing high-risk injury. We classify high-risk injuries as those, which could result in fatality, and employee is not able to recover within 4 months.

We insist relevant field staff such, or Block Officers and Divisional Operating Managers to travel on four-wheeler or book a taxi ride for business-related travel. While loading cash in ATMs, we expect employees to strictly follow our Standard Operating Procedures to avoid any theft and in

“With the help of ISO 45001:2018, we demonstrate our commitment to occupational health and safety management as well as implement robust health and safety measures.”

turn any fatal incident. We encourage employees to always follow our guidelines and standards. Similarly, employees at our corporate office work on either laptops or desktops. They sit for long hours at workstations and tend to strain their eyes. In FY 2020-21, we recorded zero fatalities because of work-related ill health.

We believe in the saying, “Health is Wealth”, and therefore, conduct various initiatives to help employees stay fit physically and remain stress-free. Our HR department is responsible for executing and monitoring fitness initiatives at our organisation. We consider it our responsibility to provide a diverse suite of well-being programs focused on physical, mental, financial and spiritual health of employees. We believe that such programs drive employees' productivity, retention and engagement. We have also communicated a help-line number to report all safety-related issues.



Following section elaborates on benefits at our organisation:

1. **Employee Assistance Program (EAP):** Our employee assistance program provides psychological support to employees facing issues in their personal and professional lives through our counselling sessions. EAP coaches employees to make smarter health decisions, exercise, improve nutrition, lose weight, and quit habits like smoking and chewing tobacco or guthka.
2. **Practical well-being support:** There may be situations where employees are unable to give their best at work. Familial commitments, relocation, household duties, and legal or financial matters may distract employees or even result in their absence at work. We provide work-life consultation, personalized research and resources to help employees balance work with personal matters and stay focused on their jobs.
3. **Health & Fitness:** We promote health and fitness initiatives like marathon, yoga, Zumba, and training programs for workplace and employee happiness.
4. **Smoking Cessation Program:** Smoking Cessation Programs are carried out periodically to help those employees who are smokers, quit the habit of smoking. A trainer defines a personalized "quit plan" and provides live chat coaching and text messaging support.
5. **Online Doctor Consultation during Pandemic:** We had a dedicated doctor available for online and digital tele medicine consultation for all employees during Covid-19 pandemic period.
6. **Healthy Workplace:** For a healthy workplace, we have laid down a policy prohibiting employees from consuming drugs, alcohol, tobacco, guthka, or any substance.

Any employee found violating the policy and endangering lives of other employees as well as himself, will be subject to strict disciplinary action.
7. **Online yoga classes:** Yoga and meditation are extremely effective stress-relievers. We have scheduled 2 classes per week for employees.
8. **Medical room facility with Company doctor:** We have a medical room facility in our corporate office. Employees use the medical room to relax when they are not feeling well or experience unease at work. Our in-house doctor visits Head Office every Friday from 11 am to 1 pm.
9. **Work-life balance:** We provide flexible work schedules to help employees balance their professional and personal responsibilities.
10. **Parental support and crèche facility:** We provide parental support and crèche facility for parents who find it difficult to manage work and children.
11. **Health monitoring and blood checks:** We conduct health monitoring and blood checks once a year for all employees free of cost. We also provide additional support and guidance from medical practitioner wherever necessary.
12. **Healthy lunch and snacks:** Lunch Committee in the organisation ensures that lunch and snacks are nutritious, and with less calories.
13. **Health and safety training:** We provide safety-training programs for all employees who should necessarily include emergency action plan training and how to treat yourself while injured and alone. The training program ensures that the employees are well efficient at the time of crisis.
14. **Fire safety and emergency drill:** Preparation is the key to effective response to workplace fires. Fire drills help prepare employees to respond quickly, calmly, and safely. We give opportunity to all our employees to practice emergency procedures in a simulated but safe environment and guide them so that they carry out emergency duties effectively. There are fire extinguishers on every floor to use in emergencies. Fireboxes have been built to prevent fire extinguishers from being misused.

We believe in the saying, "Health is Wealth", and therefore, conduct various initiatives to help employees stay fit physically and remain stress-free.

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15. **First aid box:** Accidents are unexpected - Being prepared can reduce panic and provide the necessary aid. We always check our inventory monthly to make sure our First Aid Kit is ready to use when the unexpected takes place. First Aid kit consists of gauze piece, cotton, spirit, scissor, sticking plaster, bandages, anti-inflammatory, anti-pyretic, anti-emetic and anti-allergic medicines.
16. **Self-defence training:** At Vakrangee Limited, we want our employees to mentally, emotionally and physically healthy and are interested to invest more in our own future as a Company. We understand the short-term and long-term value in providing important life-saving skills for our employees. Self-defence training can prevent workplace violence before it even happens. We conduct self-defence training periodically to make our employees self-equipped against any harmful incidents or physical attacks. Employees who are capable of protecting themselves feel more confident which directly affects their level of performance and their leadership potential. It also helps to develop assertiveness and reduce aggressiveness.
17. **Medical insurance policy:** All employees are covered under Health and Medical Insurance policy of the Company that protects employees from financial loss of costs incurred because of sickness or injury. Group Term Life Policy of the Company is designed to offer life insurance to a group of people under a single policy. This policy covers all ailments including Covid-19, for both hospitalization as well as home treatment. Apart from this all forms of super annuity, benefits are provided to all employees. The policy ensures at least a basic insurance cover for those who are without any life insurance policy. As the insurance is offered to all members of the group, irrespective of their health condition, it is of great value to employees who belong to a high-risk group or find difficulty in buying a policy.
18. **Special leave:** In rare instances, our field staff have encountered injuries while travelling to outlets. We provide Special Leave to employees who met with accidents on duty, including travel to and from place of work, life-threatening diseases like cancer, dengue, malaria, typhoid, and tuberculosis.

Grievance Redressal

We treat sexual harassment as an act of unacceptable conduct and social crime. We have zero tolerance toward any act of sexual harassment. As per the regulatory requirement, we have formed "Vishakha Committee" and an Internal Complaints Committee to address such incidents as and when reported.

We have a qualified team of professionals for addressing grievances, of our permanent employees and franchisees. A query management system for employees, records employees' grievances and reports them directly to the HR Head at corporate office. Additionally, the Internal Complaints Committee and Vishakha Committee also address concerns of permanent employees.



Intellectual Capital

Our company has focused on building India's largest network of last-mile retail touch points to deliver real-time banking, insurance, financial services, e-governance, e-commerce and ATM services to the unserved rural, semi-urban and urban markets. In this difficult time, people are placing orders online and companies are creating logistic operations to reach out to the larger portion of market. The pandemic accelerated growth in e-commerce sector and companies are moving towards last-mile deliveries. Last mile innovation has developed an approach to design and deliver its programmes to all the citizens. One of the priorities in these times is to expand our services so that every customer can get the benefits through contactless service, and technological innovation is the key to achieve that.

SDGs Aligned



For Vakrangee, a technology-driven company, intellectual Capital is one of the most important assets of our business. For effective operations of last mile services, we are dependent on our employees and our intellectual capital revolves around application of knowledge, tools and software by customers, franchisees and employees. Our intellectual capital covers the standard operating procedures, policies, software, tools, risk management strategies and Research and Development (R&D) that make us a unique enterprise.

We are not only expanding the business geographically but also addressing the needs of the society by amalgamating technology with innovation through diversification of the services offered. With the development of last mile delivery, the focus is on improving lifestyles and improve customer satisfaction which describes the new ways of working and quickly adapting to the changing environment. The advent of last mile innovation, helps in transforming rural landscape of India by providing rightful access to wide range of products and services of high quality at fair prices and impacting the life of many citizens.

We strive to be a reliable organisation where our customers trust us with the safety of their personal information.



We come up with services which offers customers convenience of paying bills without travelling much



We have partnership with Netmeds and vHealth where citizens can meet unique requirements at discounted prices and cost effective telemedicine services.



We provide services to the customers in booking the travel tickets with the convenience of locality and payment mechanisms



We give customers access to millions of products at competitive prices

Our Last mile services



Our Impact

Input

- Data privacy and security
- Virtual Assistance
- Internet of Things
- Blockchain
- Chatbot Conversational Interface and Designs
- Financial Incentives
- Big Data and Data analytics

Output

- Presence in 27 states and UTs, over 510 districts, and more than 4,580 postal codes in India
- Over 70% outlets or more than 8,500 outlets in Tier V and Tier VI locations in India

Outcome

- Services to previously ignored rural population
- Prevalence of essential services like banking, e-commerce, insurance and logistics in remote areas
- Hassle-free services saves time and increases productivity of customers and franchisees
- Greater inclusiveness in society as services like biometric-enabled banking help illiterate citizens avail banking service with ease
- No need to travel long distances due to provision of interoperable banking

Impact

- Access to financial products in all regions of India through last mile services.
- Access to digital services (e-commerce, logistics, telemedicine, etc.) for personal and business needs in maximum regions of India
- Equal access to all services to all strata of society
- Ease of usage and trust by stakeholders

Policies and Standards for Protecting Information

We have well-defined policies designed to aid all major decisions and actions in a manner that protect our rights and those of our stakeholders. Our policies cover all areas of business impact including environment, social and governance laying out robust guidelines for operations. They also extend to our supply chain, and thereby support equal rights along the value chain. Our collection of policies for ethical usage and data privacy includes Fraud Prevention Policy, Data Privacy policy, Acceptable Use Policy, Intellectual Property Rights & Ownership Policy, Information Security & Management Policy and Data Request Management Policy. In addition, we are certified with ISO/IEC 27001:2013 Information Security Management System and ISO 20000-1:2011 Information Technology Service Management to strengthen our data security and implement best practices.

Data Quality

Our company maintain accurate, complete, consistent, timely, and relevant personal information for the purposes identified in the notice. Data Quality operating model and processes is defined and made operational. Data is profiled, analyzed and described for Data Quality against the dimensions, in enterprise repositories and golden sources. The data owners will document data quality rules based on the characteristics of the data from profiling. The data controllers along with the senior management ensure that data elements are extended and enriched, based on the context. The data delivery services will be ensuring adequate abstract environment requirements and data transfer requirements are met. The data quality function ensures that adequate integrity controls are in place to maintain the data while data privacy and information security ensures that modification of data is performed by designated roles. The data quality assessment and monitoring are performed based on the nature of the data operation and the lifecycle stage. Further, the KCIs are continuously monitored by data controllers and data owners in the Control scorecard. Any errors in the data handled by the data remediation function with adequate root cause analysis documented.

Data Privacy

We go beyond ensuring access to digital and financial services. The efficiency of the Data Privacy Program heavily depends on the efficiency and visibility of the core privacy strategy. We also strive to be a reliable organization where our customers trust us with the safety of their personal information. Our Data Privacy program handles data protection and privacy by categorising data based on sensitivity (confidentiality), criticality (availability), identifiability (privacy) and compliance. This categorisation is then used to determine the safeguards required.

We have been certified with ISO standards.

ISO/IEC 27001:2013 Information Security Management System

ISO/IEC 27001:2013 Information Security Management System provides protection of sensitive data of the company and our customers. It offers a robust model for security risk assessment, security design, implementation and management. These certification standards are intended to help organisations achieve the highest-level performance possible, reduce data risk, and create an environment of continuous improvement. Vakrangee is certified with ISO 27001:2013 certification (Information Security Management System (ISMS)) since 2009.

Compliance with this internationally recognised standard validated by an independent third-party audit, validates our security management program and confirms that it is comprehensive and follows industry-leading practices. At Vakrangee, our focus is to be remain committed to maintaining this certification. We have demonstrated our promise towards continuous improvement in Information Security standards and further strengthening of our credentials as a managed service provider. An Information Security Management System (ISMS) is a way to protect and manage information based on a systematic business risk

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approach, to establish, implement, operate, monitor, review, maintain, and improve information security. Protecting information is a top priority for Vakrangee and ISO 27001:2013 certification ensures protection of data that belongs to the Company, its customers and its partners.

Our priority is to secure the valuable information assets by putting in place appropriate policies, procedures and controls with an objective to assess and treat risks. The ISO 27001:2013 Information Security Management System certification process requires Vakrangee to thoroughly evaluate information security risks, including the impact of identified threats and vulnerabilities, design and implement a comprehensive set of information security controls and other risk management measures to address security risks within its own cloud infrastructure as well as its corporate environment. It implements an overarching program to ensure that the information security controls meet the security needs for both Vakrangee and its customers, on an ongoing basis.

ISO 27701 - Privacy Information Management System

We also have ISO 27701 - Privacy Information Management System which ensure enforcement of compliance with mandatory regulatory, internal compliance, best practices, legal and ethical requirements along with need for managing risk. Appointed a Data Protection Officer as a data controller who records the purposes of all the data processed and implement measures to appropriately manage risks for the rights and freedoms of data subjects.

As a commitment towards information security and data privacy, one representative from the Board of Directors is part of Governance of Information Security and Data Privacy Organisation Structure and held the key position. The involvement of all the stake holders for risk assessment (e.g. executive board, board of directors, top management, HOD's, other management team) is essential.

ISO 27701 is a privacy extension to ISO 27001 Information Security Management and ISO 27002 Security Controls. ISO 27701 is an international management system standard which provides guidance on the protection of privacy, including how organizations should manage personal information, and assists in demonstrating compliance with privacy regulations around the world.

The benefits of ISO 27701 are mentioned below:

- Builds trust in managing personal information
- Provides transparency between stakeholders
- Facilitates effective business agreements
- Clarifies roles and responsibilities
- Supports compliance with privacy regulations
- Reduces complexity by integrating with the leading information security standard ISO 27001

ISO 20000-1:2011 Information Technology Service Management System

IT Management System. It benefits us with improved IT service management, reliable IT services with reduced downtimes, minimal risk of errors, lower costs, time-saving and increased customer confidence. The certification confirms that our management practices are tightly controlled and applied consistently.

ISO 22301- Business Continuity Management Systems

Business Continuity Management System specifies the requirements for a management system to protect against, reduce the likelihood of, and ensure that the organizations business recovers from disruptive incidents.

With the advent of technological advancements across the globe, the business landscape has transformed profoundly and will continue to evolve with time, as businesses keep on adopting advanced technologies to add value to the lives of consumers. Given its role in determining customer experience and satisfaction, an organisation cannot underplay the value, which technological advancements deliver to various businesses and customers. With a purpose of delivering convenience to our customers, we are regularly investing in best-in-class technologies and upgrading our systems so that we can seamlessly cater to our customers, while ensuring safety and protection of confidential data.





Our Proprietary Technology Platform

1. Data Security

Our business model deals with sensitive information of our business partners and customers who access our services through various channels. With a growing population of digitally literate citizens, data is one of the most valuable assets in our organisation. Utmost security to this asset further builds trust of our stakeholders. One of the biggest challenges faced by the industry is implementation of user privacy rights and data security. Apart from the growing threats to data security, new data privacy laws and growing enforcement of existing regulations have been challenging data governance efficiency of the organisation. We witness a rapid growth in data proliferation across the organisation. To conform to regulations and ensure information privacy and safety, we have taken several meaningful steps.

Our senior management has constituted Vakrangee Information Security Committee, which is responsible for defining and improving the Information Security Management System (ISMS). This team reports to the Chief Information Security Officer. Our Information Security

Committee is responsible for drafting policy, having reviews performed, publication and communication to the grassroots of enterprise. Further, policy and standards are ensured to be reviewed by Information Security Committee and approved by Executive Level Management as an extended responsibility.

We have security measures in place that are consistent with the sensitivity of personal information. Data privacy and information security calls for creation of a communication and training program. Further, it describes the need to ensure stakeholder understanding, compliance to the data privacy and information security program.

We have formed multiple teams to ensure smooth operations of data security operations. Data Governance team ensures that data classifications including data management characteristics, data security and privacy classification are established. Data owner and data governance team ensure that privacy by design is embraced. Controls for security for private data are established at a data service level wherever applicable rather than at an application level. Data privacy, information security and governance team ensure that the guidelines for data controls are placed for new changes or changes to existing capabilities. As a result of our efforts, there was no instance of data breach in our organization or at the outlets.

2. Big Data and Data Analytics

Large sets of data are generated and stored with us every day, which need to be further sorted, arranged and stored methodically. This is not possible through conventional database systems. Hence, we have adapted our systems to big data. We understand that the amount of data generated will increase particularly due to the increase in number of devices, artificial intelligence and other data streams. We have started working with data analytics to utilise the data generated by processing and analysing it to get

behavioural insights. We are making use of artificial intelligence and machine learning, which considers historic data to make accurate predictions that help us take proactive actions.

3. Artificial Intelligence and Machine Learning

Artificial intelligence (AI) and Machine Learning (ML) are integral components of any corporate strategy due to their ability to process high volumes of data. We adopt AI and ML technologies into our business since they develop cognitive abilities and are leading technologies for the next Industrial Revolution. AI and ML are being leveraged to improve our product lines, design advanced business solutions, pull relevant information from big piles of data to improve the accuracy, assist in assignment of resources, maximise automation of existing processes, and save countless human hours. We focus on deploying AI as an augmentation tool for the current workforce, providing engineers and other professionals with added insights that will increase their efficiency and free them up to focus on enriching the customer experience.

4. Chatbot Conversational Interface and Designs

NLP is the ability of the computer to understand human language as it is spoken. It deals with interaction between computer and human and the processor try to read and understand the language. In our company, with the help of NLP technology, stakeholders will be able to get answers to their questions and develop better understanding to the aspects. In FY 2020-21, we observed 11,730 franchisees with the NLP technology where all the employees and franchisees can use NLP.



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5. Internet of Things (IoT)

Internet of Things (IoT) is a disruptive technology that connects multiple devices like wearable devices, enterprise-wide physical assets, and other electronic devices through sensors, actuators, amongst others. It records and transfer data to give new insights and allow companies to make more informed decisions. We adopt this technology in improving process efficiency, utilization of assets and productivity. IoT enables us to monitor ATMs, electric surveillance and logistics at corporate office. In FY 2020-21, we monitored 11,730 franchisees with the help of IoT which has increased from the previous financial year which was 10,000 franchisees working with the help of IoT.

6. Augmented Reality and Virtual Reality as a Mixed Reality

Virtual Reality (VR) offers users to experience spatial presence while Augmented Reality (AR) helps simulate things that are not present in the real world. The advantage of this technology is that the customer can experience the product or services before buying and without its physical availability. All the employees at our firm are trained on these technologies.

7. Block Chain

The company has leveraged blockchain in the elimination of reconciliation, the real-time visibility to perform track and trace analysis, assess risks, End-to-end data encryption, protecting any kind of transactions, transactions cryptographically secured, control personal data like identity proofs, citizenships, financial and educational records, distributed public digital ledger to devise solutions to record critical information and transactions, such as intellectual property management, digital transactions, identity management, auditing, business agreements and contracts.

8. Financial Incentives

At Vakrangee, Employees earn a competitive salary and annual bonus when they meet company's ambitious goals. Salaries are reviewed each year, with increases based on performance and the market value of the position. Annual cash bonuses and ESOPs are based on performance (individual, company and, in some cases, business unit). Our company provides generous benefits, including health coverage (on-site medical services), company-matched retirement benefits, ESOP, basic life insurance. Coverage is available to employees in all locations on the first day of employment.

9. Virtual Assistance- Voice based services

Our company has adopted Natural Language Processors (NLP) like voice-based services for customers to make their day to day tasks much easier and convenient. The assistance is provided in all our 11,730 franchisees.

Technical Support Desk Process and Customer Support Process.

The Franchisee Technical Support Desk (TSD) is an important communications link between the franchisees and the Company. It will serve as a central point of contact for information and support with regards to the Franchisees Technical queries.

The Technical Help desk manages all calls centrally via a dedicated phone number 022 - 67765178 and toll-free number 18002744427.

- Description of Help Desk the Help desk is operated for 12 hours (8 AM to 8 PM) on working days and 8 hours on non-working days of week with higher workforce present in day shift to address the Franchisee

queries.

We also provide a separate support desk for customers where they can register their complaints regarding any malpractices being conducted by the franchisees or any staff.

Licenses

We aim to provide opportunities to rural entrepreneurs and hence, go to great lengths to make them feel at ease along their journey with us. We ensure the Next-Gen Vakrangee Kendras are asset-light investments owing to majority of outlets being in rural areas with a brick and mortar layout. We charge the franchisees only for the hardware and software licenses of our proprietary platform. We earn revenue from software usages and license where customers obtain a "right to use". Revenue from software and license is recognized when the software and license is made available to the customer, whereas, revenue from licenses, where the customer obtains a "right to access", is recognized over the access period. We also own the license from Reserve Bank of India (RBI) to set up and manage White Label ATMs, enabling real-time cash withdrawals from all the banks. Due to our continued efforts, we have crossed the 5000th white label ATM Milestone and currently are the 4th largest ATM operator in Rural India. Our total number of White Label ATM transactions stood at 5,45,51,588 for FY 2020-21 which is more than the transactions happened in the previous financial year which stood at 4,40,68,636. We have our own software VKMS (Vakrangee Kendra Management system) which offers services through systematic real-time secured integration with our partner systems. We also have mobile app for Franchisees and are in process to launch Vakrangee app for customers.

Research and Development (R&D) and Achievements

The company is now using AR and VR, which are among the latest technology



trends in the financial year 2020-21. We have introduced conversational interfaces using NLP for human like voice conversation, which designed to play different roles and assist. We have adopted and implemented Internet of Things (IoT). we are now in process for Virtual Assistance and integrated voice-based services in our application for customers to make their everyday lives more connected and convenient. We increased our investments in R&D and advanced technology to more than INR 3 Crores on FY 2020-21, from INR 2 crore invested in FY 2019-20.

As a key Innovative step towards Digital initiatives, the company has Launched Digital Vakrangee Kendra: Unique Hybrid Model (Online to Offline).

- Vakrangee has entered online space with the launch of digital total healthcare services. Vakrangee has evolved into a unique Hybrid O2O (Online to Offline) platform, whereby there is Assistance available through the Physical store network along with Digital Online Services.
 - With this, the company intends to offer its Customers an option to utilize various partner services at company's physical outlets as well as online Digital platform which would help its customers to transact seamlessly. Further, the existing Kendra network acts as a unique offering of Physical assistance being available for the customer which brings in more trust and comfort. This has evolved into a Unique Hybrid proposition whereby the customers can choose to avail Vakrangee services as per their own convenience.
 - Initiated this Unique proposition with launch of first Digital service of Telemedicine Healthcare services (vHealth by Aetna, a CVS Pharmacy Group Company – Fortune 500 company).
- ### Launch of Mobile Super App : BharatEasy Super App
- The Company has also launched a Mobile Super App based business platform: BharatEasy Mobile App.
 - Going forward, the company plans to make more services live through this platform.
 - **All-in-one platform for all Customer needs** - By downloading a single Vakrangee's BharatEasy Super App mobile application, our customers get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience for the customer.
 - The Mobile super app platform would be offering various consumer products and services under one umbrella. Consumers would use it every day because our app would offer a seamless, multi-service, integrated, contextualized and efficient experience. Our Product / Services offering are highly customized, personalized, intuitive, simple to use, visually appealing and are designed to drive high engagement with our customers.
 - The Company would be providing various services digitally through its Mobile app platform such as : -
 - Online Shopping
 - Total Healthcare services (Doctor consultation, Home Blood Test facility, Covid Care packages)
 - Money Transfer / Insurance
 - Loan products / Financial products
 - Mutual funds / Credit Cards
 - All type of Bill payments
 - Mobile / DTH recharges
 - Travel services (Bus / Train / Flights / Hotel Bookings)
 - Movie Tickets / Entertainment
 - Online Education
 - Online Agri Products – Seeds & Pesticides
 - Courier Booking



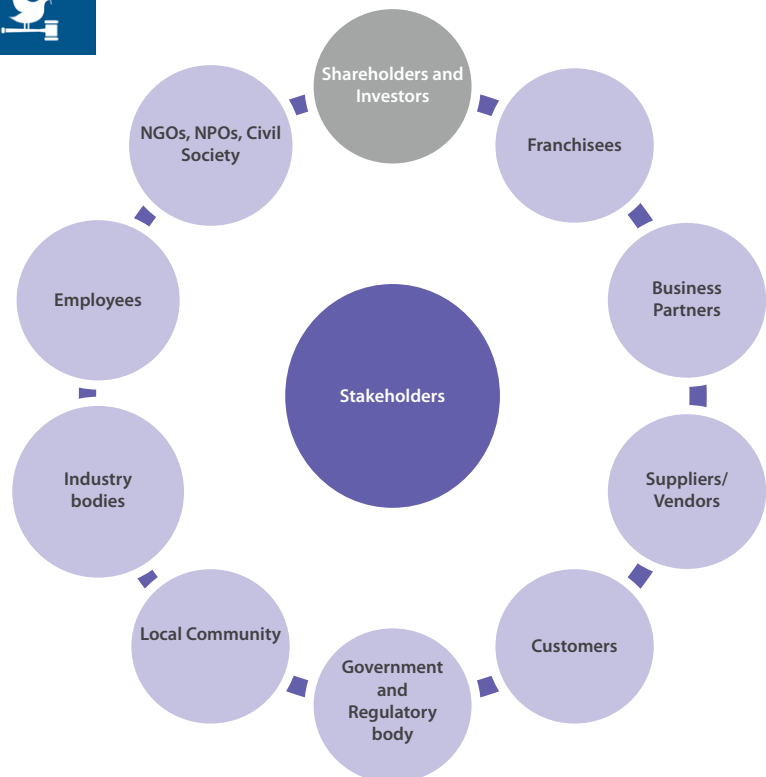
Social and Relationship Capital

The Covid-19 caused an unprecedented interruption to physical-social interaction. We witnessed a significant proportion of India's population under lockdown and isolation, with limited access to day-to-day activities and resources. The Covid-19 pandemic was unlike any other Pandemic the world had experienced till now, making use of advanced technologies and social networks indispensable. For India with nearly 68% of its population residing in the rural part of the country, building last-mile resilience is a necessity. Prime Minister's initiative was focused on creating a Self-Resilient India, to help in building and strengthening the resilience of the nation. This allowed local players in boosting their business.

SDGs Aligned



We believe in giving back to society and empowering underprivileged communities, thus reaching people at the bottom of our pyramid. We engaged in strengthening our corporation by making Kendra's operational across the country. This played a crucial role in providing key services and being able to serve the nation in the pandemic situation and contributing towards building a Self-Reliant India. We recognized the importance of contributing towards building of a long-term relationship with all our stakeholders, by doing our part for the people during such a difficult time. We strived to integrate stakeholders in our business decisions while maintaining transparent communications through various channels, thereby strengthening our relationship every step of the way.





Engagement with Shareholders and Investors

Engaging in Constructive communication is considered vital in maintaining a relationship with our shareholders. Constructive engagement provides valuable insight that assists us in maintaining the high standards of governance to which we are committed. We adopted this Shareholder Engagement Policy to promote open and sustained dialogue with our shareholders. We always welcome interaction with shareholders and believe that it is important to have direct regular engagement with them to allow and encourage the exchange of new innovative ideas. Our investor relations team is primarily responsible for keeping regular communications with our shareholders and providing required information to the shareholders in a timely and accurate manner.

Various channels of communication adopted for interaction with shareholders include:

- Conference calls and Board presentation
- Business updated through press releases
- Analyst meets
- Roadshows
- Annual general meetings

In addition, we publish annual reports, designate investor relation contacts to facilitate communication and query resolution for our shareholders and a stakeholder relationship committee. For more information, please visit [Shareholder Engagement Policy](#).

Engagement with Suppliers/ Vendors

Suppliers and Vendors are an integral part of our business, we are committed to adopting policies that help improve the lives of all workers across the supply chain and to help preserve the environment. We have developed one such policy that is the Sustainable Sourcing Policy and Green Procurement Policy which clearly defines the prerequisites for all our suppliers working with us. We expect all our suppliers to comply with necessary social, business integrity, and environmental sustainability standards defined in our supplier policies and adopt leading practices to reduce social impact and environmental footprints.

We expect our suppliers to review and comply with these standards and regularly improve upon the parameters to help contribute to the welfare of society and the environment. The policy applies to all workers and employees of any of those suppliers. Each supplier must provide a commitment to this policy by signing our Supplier Code of Conduct which will be provided during the supplier onboarding process.

Our suppliers are regularly monitored on their performance against the ESG requirements through the following:

1. Internal Audits

Under this, we undertake an unbiased, independent review of the systems of our suppliers against the identified key performance indicators (KPIs) to verify the strategies and processes adopted by the suppliers for dealing with ESG risks.

2. Meeting

We conduct regular meetings with our suppliers particularly the one with whom we have a long-term contract. Some common contract management meetings undertaken with the suppliers include:

- Progress Review Meeting: These meetings are done with the supplier’s management team on a regular basis. The agenda for these meetings is generally workers’ well-being, sustainable sourcing of products, steps to reduce environmental impacts, ESG performance trends, impending contract events or milestones, changes of the contract, proposed actions/ responses to current or potential problems and similar matter affecting the operation of contract.
- Technical Review Meetings: These meetings are between our technical representative and supplier’s technical expert. The agenda for these meetings is generally review of technical reports, ESG performance data and discussion of the role and contribution of technical team in achieving the ESG parameters.
- Long-term Review and Audits: These meetings determine the progress of ESG requirements and the changes, which are to be undertaken within the supplier’s system to meet the gaps, if any. These meetings are undertaken in a systematised manner to ensure that the ESG objectives outlined for our suppliers can be achieved.

In our extended supply chain, we monitor and verify suppliers’ performance and improvement as per the policy. Furthermore, we will consider every effort of suppliers to embrace sustainability within their business. We reserve the right to ask suppliers to map supply

9 Suppliers were assessed based on social and environmental impact in FY 2020-21

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chain back to origin, in order to facilitate assessment of supply chain compliance. In addition, we reserve the right to audit any supplier's facilities periodically. We will provide results of audits, including areas of improvement, to suppliers.

For more information, please visit [Sustainable Sourcing Policy](#), [Supplier Code of Conduct](#) and [Green Procurement Policy](#)

Engagement with Business Partners (No additional info was provided for Business partner by Vakrangee)

One of our key stakeholders enhancing our creation of value are Business Partners. We collaborate with industry leaders to deliver the best quality products and services efficiently and effectively. Moreover, we boost the reach to unserved and underserved markets of India. Following are few methods of engaging with our business partners:

- Dedicated service or vertical head to engage with business partners
- Quarterly and ad-hoc or need-based interactions with business service partners of senior management
- Invite business partners once a month for state team webinars for direct interactions, feedback and question-answer sessions
- Joint marketing initiatives and strategies for service activation and sales targets
- Interaction with IT team for service integration as well as data security strategy
- CRM team and Subject Matter Experts for service training and issue redressal

In order to be able to provide best-in-class products and services to the underserved and unserved India, we continued to collaborate with leaders of diverse industries. Keeping true to the motto of "Sab Kaam Ek Dukaan", we have built robust strategic alliances for all our services.

Engagement with Franchisee

We are one of the largest franchisee-based, multi-service retail networks and are focused on creating India's extensive network of last-mile retail outlets at every postal code in the country, enabling Indians to benefit from financial, social, and digital inclusion.

We direct our efforts towards empowering rural entrepreneurship, employment generation as well as skill development, thereby bringing urban convenience to the doorsteps of rural dwellers. Amidst Pandemic we made our Kendra Outlets accessible to people, stores were Operational with all Safety Protocols in place. During this difficult situation, we launched a new initiative to cope with the times.

Doorstep Banking

Our Banking Business Correspondents BCs provided doorstep banking services to Jan Dhan Account Holders in remote rural areas especially for senior citizens and old age pensioners.

Tele Medicine Services

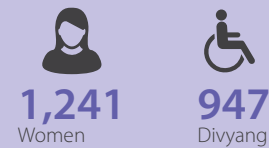
We revolutionized Rural Healthcare by introducing vHealth by Aetna's (a CVS Health company, Fortune 500 Company) telemedicine services at our Next-Gen Kendras.

- Telephone or video consultations with vHealth's in-house primary care doctors to help reduce the need for physical consultations by over 70%.
- It provides access to professional medical advice and the highest-quality healthcare at a time when governments and healthcare authorities, across the globe, are recommending social distancing, to curb the spread of the virus.

Registration for 30 days free vHealth services

We facilitated free registrations for vHealth by Aetna's 30 days free virtual doctor consultation service. This initiative focuses on providing free medical guidance to people visiting Vakrangee outlets for essential services. Thereby, ensuring people getting all essential services under one roof and minimise their visits to multiple places in the current lockdown situation.

Franchisees owned by:



Engagement with Customers

We are a unique technology-driven company focused on building India's largest network of last-mile retail outlets to deliver real-time BFSI, ATM, e-commerce, and logistics services to the unserved rural, semi-urban, and urban markets. The Assisted Digital Convenience stores are called "Vakrangee Kendra" which acts as the "One-stop shop" for availing various services and products.

Our business model is completely sustainable focused on enabling Indians to benefit from financial, social, and digital inclusion. Through our vast network of outlets, we are driving financial, digital, and social inclusion in rural India. Our ultimate purpose is to ensure that every Indian has the opportunity to benefit from financial, digital, and social inclusion and has access to the global marketplace.

Our Entire Business model and the products/services we provide are all sustainability-related products and services. Our Kendra outlets are One-stop shops providing key Essential and necessary services to the citizens of the country in Rural India such as:

- Banking Services
- ATM Services
- Online Pharmacy

Number of outlets offering following services:





- Digital Healthcare - Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility
- Assisted E-Commerce - Online shopping of Groceries & Other products
- Travel Ticket Booking & Utility Bill Payment services

Our goal is to achieve a better tomorrow, for which we have integrated our business strategy and mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. We aim to efficiently adopt these goals and address the global challenges, which include poverty, financial inclusion, social inequality, climate, environmental degradation, economic growth & prosperity, and peace and justice.

We leverage our technology platform to provide a one-stop solution and real-time access to over 100 million products and 1,000 services under a single roof, thereby creating last-mile infrastructure for the distribution of various products and services.

Link: Sustainability related product & services - www.vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf

Engagement with Government and Regulatory Authority

We continue maintaining no direct relationship with Government bodies; however, we own the White Label ATM license from the Reserve Bank of India (RBI) to set up and manage the ATMs and enabling real-time cash withdrawals. Today we are the 12th largest White label ATM operator in India. More than two-thirds of our ATMs are in rural India making us the 4th largest ATM operator. Through our vast network of Next-Gen Vakrangee Kendras, we can provide every citizen the facility of an ATM at every Next-Gen Vakrangee Kendra.

Our purpose is to provide a reliable network of ATMs that helps the population to do the basic financial and non-financial transactions. Apart from the ATM service, we have an association with PSU banks and private players. RBI engages in yearly audits for the ATM business. We associate with Government as well as private partners to drive financial, social, and digital inclusion throughout the rural communities in India.

- Since 2016 we are a member of The Confederation of ATM industry (CATMi). CATMi was dedicated to promoting the interests of the ATM Industry through combined and concerted efforts of liaison with government regulators and financial institutions/banks in India.
- We have played a constructive role in CATMi in promoting White Label ATM (WLA) Business in India. We have supported CATMi in the promotion of the Franchisee Model in India and have been part of various committees of CATMi working on policy advocacy for WLA business.
- We are a member of The Business Correspondent Federation of India (BCFI) for BC banking services. We also interact with National Payments Corporation of India (NPCI) for our ATM service.
- We have tie-ups with all major Banks such as SBM Bank (India) Ltd for Banking Business Correspondent (BC), Bank of Baroda for appointing Women BC Sakhis for providing Banking services in UttarPradesh, TransUnion CIBIL Limited (TUCIBIL), by providing easy access to CIBIL Score and Report, Lendingkart Finance Ltd and Union Bank of India (UBI) for providing loan facilities to Kendras. We have also been given granted In-principle authorisation to set up and operate Bharat Bill Payment Operating Unit (BBPOU) under the Payment and Settlement Systems Act, 2007 from Reserve Bank of India (RBI).

Engagement with Industry Bodies

As a member of various national associations such as Associated Chambers of Commerce and Industry of India (ASSOCHAM), National Association of Software and Services Companies (NASSCOM) and Business Correspondent Federation of India (BCFI), among others, we follow to the best practices of industries. Additionally, we are a signatory member of the United Nations Global Compact. We are now part of a global network of over 12,000 companies which includes 8,000 businesses and 3,000 non-business participants that are committed to building a sustainable future.

We interact with industry bodies on an on-going basis through industry body membership. We are a part of meetings with National Payment Corporation of India (NPCI) for Digital India, RuPay cards and ATM expansion initiatives. We also engage through monthly updates with NPCI. As part of industry bodies, we are able to participate in discussions as well as contribute to addressing economic challenges, among others.

Engagement with NGOs/NPOs/ Civil Societies

We strived continuously to contribute towards the betterment of the country and upliftment of the underserved communities by providing them access to facilities for the betterment of people's lives. We recognized our responsibility towards the society.

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Engagement with Local Community

We have always been a Socially Responsible company. We are taking financial and digital literacy to the bottom of the socio-economic pyramid and serving by connecting India's unserved and underserved rural and urban citizens. We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. Our goal is to achieve a better tomorrow. We aim to efficiently adopt these goals and address the global challenges, which include poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

The UN SDG goals are interconnected, and we intend to implement them to make the world a better place. We believe that businesses can have a positive impact on the societies they serve. Some of the key social impacts for the community through our business-as-usual activities include:

- **Reduced inequality-** We aim to improve the standard of living of rural citizens in the country. We are the human equalisers of life, bridging the gap between India's urban and rural population.
- **Gender equality-** We provide opportunity to own franchisees by both women and men. We also ensure full and effective participation and equal opportunities for leadership at all levels of decision-making. Additionally, we adopt and strengthen sound policies for the promotion of gender equality and women empowerment.
- **Enhancing skill** – Involving ordinary individuals and training them with a skill set and providing certification to yield remarkable results.
- **Decent work and Economic growth-** We create local work opportunities by hiring resources and undertaking skill development, with certification for banking and insurance services. We are driving rural consumption and rural growth through our Kendras.

- **Innovation and Infrastructure for the communities-** We leverage our technology platform to provide a range of solutions and real-time access to over 100 million products and 1,000 services under a single roof, thereby creating last mile infrastructure for distribution of various products and services. We are building resilient infrastructure and fostering technology innovation through real-time paperless biometric-enabled banking. Inter-operable banking is achieved by connecting the core banking servers of major banks.
- **Clean water and Sanitation-** Every Kendra has an arrangement of a water cooler providing drinking water facilities to people at free of cost. 70% of our Kendras are centred in Tier V and Tier VI cities, thus creating clean water drinking facilities in remote areas.

At Vakrangee we believe in creating Financial Inclusion and Social Security, the initiative that Government of India proposed is to work towards creating a universal social security system for all, especially the poor, underprivileged and the workers in unorganized sector, using the bank accounts as the basis for launching the schemes. We were able to provide people a platform to initiate financial inclusion through social security scheme viz Pradhan Mantri Jeevan Jyoti Beema Yojana (PMJJBY), Pradhan Mantri Suraksha Beema Yojana (PMSBY), and Pradhan Mantri Mudra Yojana (PMMY).

We aspire to contribute towards the growth of our economy, by making the world a better place to live. Through Assisted E commerce model for online shopping, we provided people with a trusted, secure and convenient option to all our customers in rural location. Our customers have access to multiple products; from daily staples, fashion items, to electronics. Our Business model acts as a Social Equalizer as we provide the same products at affordable prices in the remotest parts of the country. We also offer the convenience of getting the products delivered to our Kendra whereby the customers can pick up.

There are no current or expected negative impacts on the communities due to new infrastructure investments/projects and services supported by us. Our Entire business is towards delivering Financial Inclusion, Social Inclusion and Digital inclusion to the Communities.

CSR Policy

We foster an inclusive environment of growth & sustainable development of the community, ensuring harmony between community & business operations. We take major strides with a clear path towards the development of the unserved section of the community. The CSR committee is responsible for strategizing & implementation of the CSR practices in the Company.

CSR Committee

As per Section 135 of Companies Act, 2013, a CSR committee has been constituted which comprise of following members of the Board:

S. No.	Name of member	Designation
1	Mr. Dinesh Nandwana	Chairman
2	Mr. Ramesh Joshi	Member
3	Mr. Sunil Agarwal	Member

The committee is responsible for formulating and recommending a Corporate Social Responsibility Policy to the Board. The Policy shall indicate the activities to be undertaken by the Company as specified in Schedule VII; recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and monitor the Corporate Social Responsibility Policy of the Company from time to time.



Guiding Principles of CSR Implementation

We have also identified some of the guiding principles that help us to achieve our CSR objectives in a professional and integrated manner.

1. Undertake proactive engagement with stakeholders to actively contribute to the socio-economic development of the periphery/ community in which it operates.
2. Using environment friendly and safe processes in production.
3. Create a positive footprint within the society by creating inclusive and enabling infrastructure/environment for liveable communities.
4. Ensure environmental sustainability by adopting best ecological practices and encouraging conservation/ judicious use of natural resources.
5. Work towards mainstreaming the marginalized segments of the society by striving towards providing equal opportunities and making meaningful difference in their lives
6. Focus on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators.
7. Assist in skill development by providing direction and technical expertise to the vulnerable thereby empowering them towards a dignified life.
8. Emphasize on providing basic nutrition/health care facilities with special focus on establishing health centers for the mother and child as well as the elderly.
9. Facilitate water conservation by reducing water consumption at the plants and taking up rainwater harvesting projects.
10. Create a business value chain which is sustainable – environmentally + socially + economically.
11. Promote an inclusive work culture.
12. Work towards generating awareness for creating public infrastructure that is barrier free, inclusive and enabling for all including the elderly and the disabled.
13. Create positive awareness towards the need to adopt measures that lead towards reducing carbon footprints, dependence on fossil fuels and promote alternate energy approaches.
14. Promoting the well-being and development of employees and their families through an inspiring corporate culture that engenders good values.
15. Employee participation is an important part of developing responsible citizenship. Our company encourages and motivates employees to spend time volunteering on issues of their interest.
16. At the time of national crisis, as a company it is imperative for us to respond to emergency situations & disasters by providing timely help to affected victims and their families.
17. Promote economic, social, educational, infrastructural and health development by providing active support to local initiatives.
18. Create significant difference in the lives of stakeholders by aligning initiatives with sustainable development.
19. Optimum use of physical, financial and natural resources by collaborating with Government Organizations, community-based organization, donor agencies, foundations, corporates and other development/likeminded partners.
20. Ensure stakeholders participation in planning and execution of development initiatives to create ownership and accountability.
21. Enhance capacity, skill and competence of employee, development partners, community and other stakeholders to enable them to involve in sustainable development initiatives.
22. Organize local youths to promote Sports, Art and Culture and also create an opportunity for them so that they can represent their country.
23. Ensure People/Community participation during execution of CSR activities.
24. Environment conservation through sustainable initiatives.

Sustainable development is a significant part of our Corporate social responsibility. Our focus areas include financial, social and digital inclusion. We may adopt any one or more of the following initiatives and activities as enumerated in Schedule VII of the Companies Act, 2013 or as may be amended from time to time under this CSR Policy:

1. **Healthcare** - Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh setup by the central Government for the promotion of sanitation and availability of safe drinking water.
2. **Contribution to various bodies** - Contributing or collaborating with registered trust, voluntary organisations, academic institutes, Government or a registered society or a company undertaking CSR activities.
3. **Education**- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

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4. **Equality** - Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and other facilities for senior citizens and undertaking measures for reducing inequalities faced by socially and economically backward groups.
5. **Environment** - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water.
6. **Preservation of art and culture** - Protection of natural heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries; promotion and development of traditional arts and handicrafts.
7. **Armed forces** - Measures for the benefit of armed forces veterans, war widows and their dependents.
8. **Sports** - Training to promote rural sport, nationally recognised sports, Paralympic sport and Olympic sports.
9. **Contribution to incubators** - Contribution to incubators funded by central Government or state Government or any agency or public sector undertaking of central Government or state Government, and contributions to public funded universities, Indian Institute of Technology (IITs), national laboratories and autonomous bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at

promoting Sustainable Development Goals (SDGs).

10. **Contributions or funds provided** to technology incubators located within academic institutions which are approved by the central Government.
11. **Rural development projects;**
12. **Slum area development**

Our aim is to undertake initiatives to eradicating hunger, poverty and malnutrition, promoting preventive health care, promoting education including special education and employment enhancing vocation skills etc to create a positive impact within the communities through such engagements. We have invested a total of INR 745.04 lakhs in various initiatives for this FY 2020-21. The break up of the amount spent during the financial year is detailed in the below table:

CSR project or activity identified	Sector	State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period
VIPRA Foundation	Cl.(ii) Infrastructure for Education	Mumbai (Maharashtra)	20.00	20.00	52.59
Mental Health Foundation (India)	Cl.(i) Health Care	New Delhi	5.00	5.00	15.00
RVG Educational Foundation	Cl.(ii) Promoting Education	Mumbai (Maharashtra)	25.00	25.00	30.00
Wockhardt Foundation	Cl.(i) Eradicating Hunger	Mumbai (Maharashtra)	3.63	3.63	3.63
Kota Dall Mill	Cl.(i) Eradicating Hunger	Kota (Rajasthan)	38.36	38.36	38.36
Lions Club of Juhu	Cl.(ii) Infrastructure for Education	Mumbai (Maharashtra)	3.00	3.00	12.50





Key CSR initiative undertaken:

1. Well-Being

The health of a person in or given environment has become unpredictable. With this sensitive nature towards our own physical and mental health, we believe that the well-being of a person is of paramount importance. This has led us to sponsor marathons and encourage our employees to be a part of such a physical activity to promote the significance of an active life. We recognised the benefits of marathons include long-lasting effects on individuals with improved mental health, immune system, destressing, amongst others.

We have been the associate sponsor for the Hiranandani Marathon and have also provided free registration to employees at the marathon run events.



2. Healthcare

We are running a multi-speciality hospital in the city of Kota, Rajasthan. The hospital performs all the multi-speciality treatments such as cardiology, neurology, urology, general surgery, gynaecology, orthopaedic, gastroenterology, amongst others on a no-profit no-loss basis. Medical services provided in this multi-speciality are 30-40% cheaper than the prevailing rates in the town. Furthermore, patients who are unable to bear the cost of treatment are provided free of charge medical services. Treatments costing approximately INR 50 lakhs are offered free of cost in a year. Cost of food facility for indoor patients stood at INR 10 lakhs in the year 2020-21. The donation given by us is used for cardiac setup (CTVS) at the hospital



that enables about 40- 50 bypass surgeries and valve surgeries in a month.

1. Education

We are the industry partner for setting up of IIIT Kota and have contributed INR 320 lakhs or 2.5% of the total capital cost of INR 12,800 lakhs. Objectives of this scheme are:

- To make it the foremost institution in information technology and allied fields of knowledge in the global context.
- To develop competent and capable youth imbued with the spirit of innovation and entrepreneurship with the social and environmental orientation to meet the knowledge needs of the country.
- To provide global leadership in information technology and allied fields and promote.
- To ensure transparency of the highest order in matters of admission, appointment to various positions, academic evaluation, administration and finance.



Moreover, we have also committed to contributing towards research labs, projects, and internships, faculty chairs, amongst others with an aim to further the objectives of the scheme as agreed upon in the tripartite MoU signed between central Government, state Government and various industry partners.

Grievance Redressal Mechanism

We recognize the valuable role that businesses play in the longer-term protection of the human rights of all our employees. We are committed to respecting the human rights of our workforce, communities, and those affected by all our business operations. We believe that an empowered workforce is the best way to receive feedback and identify improvement areas. To address employee concerns and complaints on human rights and decent labor practices, a Grievance Redressal Procedure with appropriate systems and mechanisms has been placed and is backed by policies and statutory provisions. Implemented through an online portal, it allows for open and structured discussions on grievances raised on these issues and their resolution fairly.

In FY 2020-21, we recorded 0 complaints from customers, third parties, regulatory bodies and local community members, concerning breach of customer privacy. There was no theft, identified leak or loss of customer data in the reporting year. In FY 2020-21, there has been no instance of significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic domains. We received 0 complaints regarding unethical and unlawful behaviour. Both complaints have been addressed and duly resolved.

We assessed 100% of our operations for risks related to corruption. In this regard, we also conducted Anti-bribery management audit and compliance management audit successfully. Moreover, we did not face any case of confirmed incidents for corruption, public cases regarding corruption or any legal action regarding anti-competitive behaviour and violation of anti-trust.

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We maintain a "Zero Tolerance" approach to Sexual harassment. Also, as per the regulatory requirement, we have formulated a "VISHAKHA COMMITTEE" and an Internal Complaint Committee to address such incidents as and when

reported. Further to address any act of misconduct, we have the internal complaint committee which takes up the matter. The composition of the committee is as well as the contact details are as below:

S. No	Name	Designation	Role	Contact Details
1	Mrs. Veena Shetty	General Manager	Special Counselor	9167766761
2	Mrs. Anagha Chitare	Deputy General Manager	Head – Complaint Committee	9167766768
3	Mr. Viral Majmudar	General Manager	Member	9167766732
4	Mr. Chetan Joshi	Head HR	Member	9167766721
5	Mrs. Poonam Tiwari	Deputy General Manager	Member	9702300045

We have a well-defined whistle-blower policy that provides a platform for franchisees, our employees, business partners, or any other third party to raise concern regarding any irregularity, misconduct, or unethical matters within

our ecosystem whether financially or otherwise. For more details, please visit Whistle-blower Policy. The Whistle-blower can report any issue either of the below members:

Committee	Name	Designation	E-mail Id	Contact No
Group Ethics Officer	Mr. Chetan Joshi	AVP-HR	infohumanresource@vakrangee.in	022- 67765100
Compliance Officer	Mr. Jay Bhansali	Company Secretary	infocompliance@vakrangee.in	022- 67765100
Audit Committee	Mr. B.L.Meena	Chairman of the committee	blmeena1950@gmail.com	-





We even provide an Independent Reporting Hotline which is available 24-hour to share questions or raise concerns or file complaints. It is administered by a third party, it allows people to raise issues anonymously, where local country law permits. When you contact the Hotline, you will be assigned an identification number (a unique tracking number) that you may use to follow up or provide additional information. All reports are promptly and fully investigated.

To enhance transparency across business operations and stakeholders are made aware of all our policies. All franchisees and suppliers are also made to sign a code of conduct in line with our policies.

ISO Certification

We consider the year 2020 a Milestone for us to have achieved International Standards. We are certified with ISO 37001:2016 Anti-bribery Management System to demonstrate our compliance and commitment to ethical business practices. Our certification of ISO 45001:2018 Occupational Health and Safety Management System equips us to mitigate factors, which may cause employees and business any irreparable harm. ISO 19600:2014 Compliance Management System provides guidance for establishing, developing, implementing, evaluating, maintaining and improving an effective and responsive compliance management system within the organization. Similarly, ISO 20400:2017 Sustainable procurement Management system to assist organisation with the development and implementation of a responsible sourcing strategy. In addition, we are accredited with other ISO certifications that strengthen our business performance and improve our service delivery. Please visit our <https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20ISO%20Flag.pdf>. ISO Policy for more information.





Natural Capital

SDGs Aligned



In a matter of just few months, the COVID-19 crisis has brought about years of change in the way companies' function. In order to survive and succeed in such volatile markets, it is important to rapidly adapt business strategies to address both challenges and opportunities created by the crisis. The Indian business recognises the need for resilience in operation and the need to meet constantly changing consumer behaviour to be the key parameters for continued growth of an entity.

Financial inclusion has been a concern for both the government and the economic development leaders. Even though several policies and legislation have been implemented, they have only served to inspire historically under-banked communities to seek formal financial institutions. In India, digitisation took a U-turn by being more inclusive to individuals. The Centre had proactively attempted to integrate the population into the broader financial system. Now, a majority of the population has access to open a bank account, and a portion of them even know how to conduct cashless transactions using UPI. This is a positive trend in recent years, resulting in increased confidence in digital platforms.

The year 2020 had been teething troubles for every individual across the world. In India, low-income and underserved people were struggling to cope with the catastrophic collapse of the Covid-19. The existing challenge of developing a financially inclusive system had never been more challenging or more significant. Identifying people's financial needs was the first step towards financial inclusion. Having access to a transaction account to enable people to store money and send and receive payments, was the first step toward broader financial inclusion. By introducing the Jan Dhan Aadhaar Mobile by the government positively affected the banking sector and financial inclusion in India. This led to a significant change in targeted and reliable payments since the introduction of JAM services. It has also aided in eliminating duplicate entries and the reduction of dependency on cash payments and has helped create a trust factor with the customers.

Alongside expanding the business geographically, we are also addressing the need of the society by amalgamating technology with innovation through diversification of the services offered. Our



focus on creating India's extensive network of last-mile retail outlets at every postal code in the country would enable Indians to benefit from financial, social and digital inclusion.

Thinking Global, Acting Local

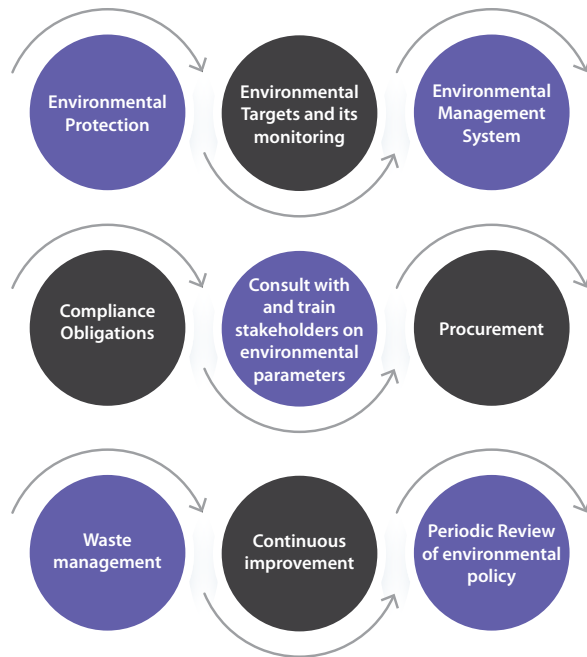
Our sustainability framework focuses on sustainable development of the economy as a whole. We are dedicated to environmental protection through our good governance practices. Our policies are in line with United Nations Sustainable Development Goals (UN SDG). Our goal is to effectively implement the SDGs to our business practices and help to fight the growing problem of climate change and environmental degradation. To fully commit towards protection of human rights, labour standards and environment, we have signed the United Nations Global Compact. Moreover, we strive to ensure that our business operations are complementary to the National Voluntary Guidelines of the Indian Government (NVGs). Our alliances and commitments are enabling us contribute to the broader goal of a sustainable nation.

Our Policies for Sustainability

We are committed to integrate sustainability in all our business operations. Our initiatives of paperless banking, Go Green - ATM services, Next-Gen Vakrangee Kendras is aimed at minimising environmental footprint and in turn creating a sustainable planet. Our commitment for sustainability is supported by a robust governance and risk management mechanism. Furthermore, we have detailed our approach to prevent environmental degradation and adopt sustainable operations in business operations in our Communication of Progress policy. Following section describes our policies for environmental protection.

1. **Environmental Policy:** Our business model is based on the sense of responsibility. As a responsible organisation, we aim to fulfil our environmental commitments through regular assessments and monitoring operations to identify any environmental risk and opportunities and integrate them with our business strategy. We aim at making our value chain environmentally friendly and responsible by engaging our employees, franchisees, business partners, customers and shareholders in adhering with our environmental-friendly practices. We are working towards integrating lifecycle perspective into our environmental management practices. Our environmental commitments include the following action areas:

Alongside expanding the business geographically, we are also addressing the need of the society by amalgamating technology with innovation through the diversification of our services offered.



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2. Sustainable Sourcing Policy: We recognise environmental effects and climate change as the key sustainable challenge to a business and to the society at large. We understand that these challenges impact economic stability, ecology and vulnerable communities. We are committed to sustainable growth by implementing policies that support sustainable growth of the planet. Our Sustainable Sourcing Policy ensures we adopt the best practices and in turn reduce our environmental footprint. We expect all our suppliers to comply with necessary standards and minimize the environmental impact across the lifecycle of the products and services which we procure. Our sustainable sourcing policy is built on the following guiding principles:



Social

We conduct business activities with respect for human rights and require our suppliers to adhere to the same. We expect our suppliers to comply with all applicable laws, in accordance with the principles of the International Labor Organisation, the UN Global Compact and the UN Universal Declaration of Human Rights.

Business Ethics

We conduct our business in an ethical manner and require our suppliers to also follow ethical business operations while being mindful of aspects like conflicts of interest, bribery corruption, gifts and donations, maintenance of confidentiality, anti-competitive behaviour, fraudulent activities, regulatory compliance, fair compensation, grievance and whistleblower mechanisms

Environmental Sustainability

We aim at making our value chain environmentally friendly and responsible. We are committed to comply with the requirements of local laws for environment in the countries and regions where suppliers operate and from where they source material, product or services. We commit to give preference to suppliers with lower environmental impact of products and services.

Quality Focus

We are ISO 9001 certified QMS (Quality Management Systems) company since 1998. We always strive to be the best at what we do. ISO 9001:2015 is used to demonstrate our ability to consistently provide products and services that meet customer and regulatory requirements and to demonstrate continuous improvement.

3. GHG Reduction Program: We consider climate change as the defining issue of our time that calls for immediate action by all. In order to address the problem of climate change, we have incorporated sustainable practices into our business model. Our products and services at our Next-Gen Vakrangee Kendras are made available in the most eco-friendly manner. We strive to reduce carbon footprint at our Office and across all our Next-Gen Vakrangee Kendras. With our extensive network of Vakrangee Kendras, we are within reach of every citizen of the country, thus reducing the carbon footprint

generated due to traveling long distances. Our aim is to bring financial and digital literacy to everyone in a sustainable manner, and thus serve as the last mile link that excludes no one.

4. Green Procurement Policy: We are committed to sustainable growth which is why we have aligned our policies with regards to the Sustainable Sourcing Policy. Environmental consideration is an important criterion in procurement decisions related to purchase of products and office related products as it will have positive impacts across the lifecycle of the products and services, which we procure.

By abiding by our procurement standards, we expect all our suppliers to comply with necessary environmental sustainability standards defined in this policy and adopt best practices to reduce our environment footprint. We also expect our suppliers to review these standards, ensure adherence and improve up on parameters on a regular basis to help contribute to the welfare of the society and environment. As a process, the entire hardware kit for our franchisee outlets is procured centrally by our procurement team who ensure that all the products are in alignment with our Green procurement policies.

Through our Green Procurement Policy, we aim to reduce use of toxic substances, conserve natural resources, minimise waste generation and release of pollutants/emissions and maximise reusability and recyclability across the value chain of our product or service.



Robust Governance

Our commitment for sustainability is backed by a robust governance mechanism that oversees the impact areas of our business operations and major global risks faced by all businesses. We have tried to implement sustainability throughout our operations which is managed by multiple roles and teams.

The table below lists the governance bodies responsible for management and achievement of sustainable operations. The committee aims to integrate environmental considerations into our business operations and take proactive steps and leverage technology & Innovation for energy conservation throughout our operations with an aim to lower our carbon footprint and save Carbon Emissions.

Personnel	Responsibility
Board Oversight: Board-level Responsibility	<ol style="list-style-type: none"> 1. Accountability starts with our Board, which provides governance and oversight over the strategy, operations, and management. 2. The Board actively and regularly reviews enterprise risk, which includes business continuity risk factors, among which are climate related factors. 3. The Board determines its own priorities and considers enterprise risk a key area for regular review on continuity, including climate-related risks, if identified as significant. 4. The Board oversees our senior management; to whom it has delegated authority to manage the day-to-day climate-related matters. 5. Within the company's most senior management group, there is a dedicated committee – The GHG Reduction Strategy Committee, which determines and monitors key environmental strategies. 6. Management briefs the Board or the Nominating and Governance Committee, as applicable, on climate / environment -related issues.
Chief Executive Officer (CEO)	<ol style="list-style-type: none"> 1. To integrate sustainable development goals into Business strategy & Operations. 2. Assess and manage ESG-related risks and opportunities on regular periodic quarterly basis. 3. Sets and drive progress against company-wide objectives from a general business perspective, including through different business groups.
Chief Operating Officer (COO)	<ol style="list-style-type: none"> 1. Assess and manage Environment-related risks and opportunities on a Quarterly basis. 2. To implement the Environment related Initiatives across Business operations at the Field level. 3. Along with Admin Team, Drive the operational progress needed to meet Resource efficiency targets, for example by supporting our facilities management teams to improve energy efficiency and ensure programs are appropriately resourced. 4. This two-pronged approach enables to make faster progress and articulate our journey consistently to employees and other stakeholders.
GHG Reduction Strategy Committee	<ol style="list-style-type: none"> 1. Regularly discuss and identify the various Environment related Issues, initiatives, monitor & measures those initiatives of the company from time to time. 2. The reporting and disclosure is done on an annual basis.

Energy and Greenhouse Gas (GHG) Emissions

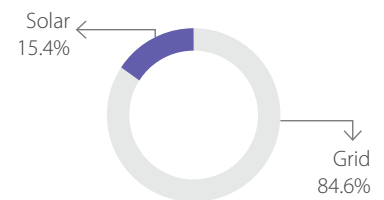
Climate change is a serious environmental, social, and economic threat that calls for immediate and concerted action among all sectors of society. We are committed to minimizing our GHG emissions. We operate an asset-light business model. Through our rigid waste and material policies, we ensure that there is almost no unfavourable effect on the environment in course of our operations. We are committed to managing our greenhouse gas (GHG) emissions by lowering the company's carbon intensity at the lowest cost, increasing our use of renewable energy to support our business and investing in the future, targeting breakthrough technologies. Targets detailed below have been set on our emissions in 2019, which is the baseline. Since FY 2018-19 is the first year of our new business model with Next-Gen Vakrangee Kendras, all progress is being monitored with respect to performance in the first year. We have adopted 'Go Green' initiatives, which has helped the business go paperless which in turn has helped in huge reduction in Carbon emissions.

Energy Consumption

Electricity consumed in corporate office in FY 2020-21 (Kwh per annum)

	2019-20	2020-21
Grid	4,31,822	2,81,180
Solar	57,960	51,214
Total	4,89,782	3,32,394

Electricity consumed in corporate office in FY 2020-21 (Kwh per annum)

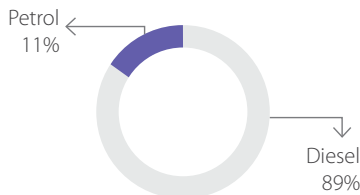


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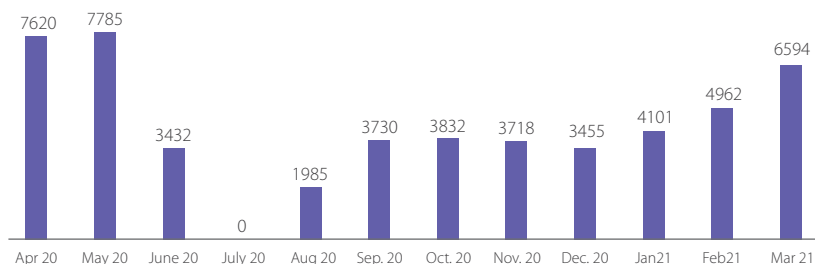
Fuel consumed by company-owned cars for transportation in FY 2020-21 are:

	2020-21
Diesel	9422.44
Petrol	1,163.60
Total	10,586.04

Fuel consumed by company-owned cars for transportation in FY 2020-21 (Kwh per annum)



Solar Electricity Consumption in Kwh (FY 2020-21)

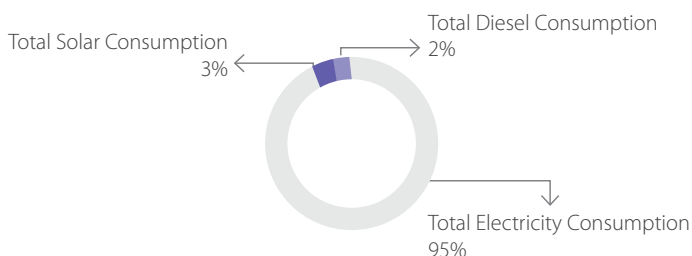


We also ensure that we keep a track of the energy consumed at our Kendras, to be up to date on the environmental impacts of our Kendras. Since our Kendras are asset light, the energy consumption of our Kendras is generally low.

Energy Consumption in Next-Gen Vakrangee Kendras FY 2020-21

S. No.	Consumption	Count
1	Total Electricity Consumption (Kwh)	7,48,262
2	Total Solar Consumption (Kwh)	23,205
3	Total Diesel Consumption (L)	1,675
4	Total Diesel Consumption (Kwh)	17,996
5	Total Consumption (Kwh)	7,89,463

Energy Consumed in Next-Gen Nendra FY 2020-21



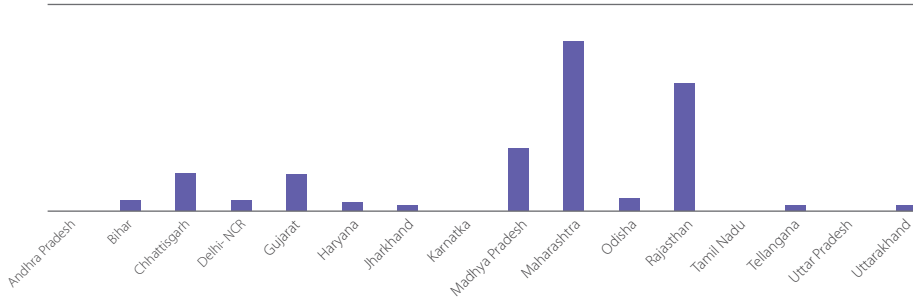
Energy Consumption in Next-Gen Vakrangee Kendras FY2020-21 – Data received from 560 kendras.

S. No.	Consumption	Count
1	Total Electricity Consumption (Kwh)	12,93,687.67
2	Total Solar Consumption (Kwh)	2,45,478
3	Total Consumption (Kwh)	15,39,174.67

The coverage of above data is for 560 Next-Gen Vakrangee Kendras in all locations of India.



Total Annual Energy Consumption from grid (kwh)



GHG Emissions

Following table elaborates our greenhouse gas emissions (kgCO₂e):

Scope 1	30,903.35
Scope 2 ¹	291,589
Scope 3 ²	10,22,013.26
Total	13,44,505.61

Scope 2 Emissions

Corporate Offices	2,22,132.20
Other Offices	50,453.35
Guest House	19,003.45
Total	2,91,589.00

We do not own any diesel generator in the corporate office; hence, fuel consumption for this activity is zero. We have tracked the emissions covered from the distance travelled by company owned cars, which makes up for 30,903.35 kgCO₂e.

Our outlets are located within walking distance to our customer, communities as well as franchisees. This results in low greenhouse gas emissions from commuting by motor transport to Next-Gen Vakrangee Kendras.

GHG Emission Reduction Initiatives

We are fully committed to fight climate change by operating with the most environmentally friendly methods. Our aim is not only to reduce our environmental footprint, but also ensure availability of products and services at our outlets in the most environment-friendly manner. We strive to reduce carbon footprint and improve health safety at our corporate office and across all our Next-Gen Vakrangee Kendras.

Our extensive network of outlets and our "Go Green" initiatives have helped in minimising carbon footprint. Keeping our sustainable goals in mind, we offer biometric enabled paperless banking services, ATM, financial services, insurance services, eKYC, real-time transactions, e-Governance services, logistics services and e-Commerce products and services. We offer our customers a variety of products and services within walking distance, which is time effective and saves fuel.

We scored a grade of B in the CDP's Score report. This is higher than the Asia regional average of D, and higher than the Specialized professional services sector average of D. A score of B indicates that the company is taking coordinated action on climate issues.

The CDP Score Report allows companies to understand their score and indicate which categories require attention to reach higher scoring levels. This enables companies to progress towards environmental stewardship through benchmarking and comparison with peers, in order to continuously improve their climate governance.

Green building offices

Our new corporate office building is built on a green building concept. The green building concept offers energy-efficient design, rooftop solar photovoltaic (PV) panels for renewable energy, solar thermal installations, chiller waste heat recovery units, and solar PV panel-based peripheral lighting systems which in turn help in building a sustainable ecosystem. In order to reduce use of electricity, the building is mainly constructed with glass walls that allow maximum sunlight to penetrate. We have also installed LED lightings to ensure responsible consumption of electricity.

Green Data Centres

As we move towards a paperless economy, the need for storing information, computing and analysis has increased leading to capacities of existing data centres being expanded. In order to optimise the energy consumption by Data centres, we have optimized the 'Data Centre' facility into a single facility to leverage system efficiencies and exercise better control on energy performance. In order to enhance the energy performance of the data centre, various initiatives have been undertaken. High and medium density server rooms, server virtualization, server consolidation, cold aisle containment, managing optimal levels of inlet temperature are some of the initiatives that have yielded good results to reduce the energy intensity of Data Centre and contribute towards environmental sustainability.

¹Emission Factor for Scope 2 GHG Emissions is 0.82 MTCO₂e per Mwh for India's National Grid, Source CEA

²Scope 3 emission is calculated based on data received from 560 Next-Gen Kendras

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Targets on Greenhouse Gas Emissions Reduction

At Vakrangee, we are constantly working at formulating programs that would help in reducing GHG emissions. Our greenhouse gas emission reduction program, which is headed by the GHG Reduction Strategy Committee, is rigorously monitored and cross-checked with our targets. The committee's major objective is to regularly discuss and identify various initiatives and monitor & measures those initiatives of the company from time to time. Reporting and disclosure of the same is done on an annual basis.

We focus on bettering ourselves in environmental performance and overall environmental management system, and thus our environmental targets are set, benchmarked and reviewed against environmental objectives and targets on an ongoing basis. We also continuously monitor and measure the progress of the various key initiatives taken to reduce the GHG Emissions. Goals provide observable and measurable results to be achieved within a specific timeframe, thus we have set of short-term and long-term goals that will help us achieve our environmental goals:

- **Short-term goals on reduction of GHG emission**

Our Short-term Yearly targeted goal is a 5% reduction per year in absolute Scope 1 and 2 GHG emissions from our own operations, compared to a 2020 baseline. Additional focus is to also reduce Scope 3 Emissions which are indirect emissions throughout the value chain of the company through offering and usage of services and products.

- **Long-term goals on reduction of GHG emission**

Our Long-term targeted goal is a 25% reduction in absolute Scope 1 and 2 GHG emissions from our own operations, compared to a 2020 baseline, by 2025. Additional focus is to also reduce Scope 3 Emissions.

We understand the importance of certifications as it aids us in our sustainability journey. An Independent third-party audit had been conducted in the corporate office in the month of March 2021 to cover verification of emission from

anthropogenic sources of greenhouse gases included within the organisation's boundary and is based on ISO 14064-3: 2006. To elaborate, it covers physical infrastructure, activities, technologies and processes of the organisation. The boundary of the inspection was Vakrangee Corporate House, Marol, Andheri (E), Mumbai.

Achieving Short-term GHG Reduction Target – 2021

In 2020-21, we have collectively saved 222.98 metric tonnes A4 size papers through our initiative of paperless ATMs and banking transactions

Environmental impact– Savings in GHG emissions due to paperless banking and ATM services in 2020-21

Particulars	Energy/ resources saved in banking		Energy/resources saved in ATM		Energy/ resources saved by Digital Annual Report	
	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
A4 size paper saved (in million)	65	39.92	55.11		32.72	39.87
Quantity of paper saved (in metric tonnes)	335	199.63	275.57	23.35	163.61	199.36
CO ₂ equiv. of greenhouse gas emissions avoided (in pounds)	44,10,000	39,60,000	49,50,000	4,97,000	29,40,000	39,50,000
Wood saved (in U.S. short tonnes)	1,340	878	1,100	53.7	653	877
Water saved (in gallons)	71,60,000	47,10,000	59,00,000	10,70,000	35,00,000	4,77,00,000
Solid waste avoided (in pounds)	3,94,000	2,59,000	3,24,000	20,400	1,93,000	2,59,000
Energy saved (in million BTU)	8,530	5610	7,020	724	4,170	5600
Trees saved from being cut for paper (in number)	8,020	5270	6,600	322	3,920	5,260



Achieving Long-term GHG Reduction Targets - 2025

To achieve our long-term targets to reduce greenhouse gas emissions, we are focusing on the following strategies:

- Designing energy efficient solutions, such as usage of renewable energy, to reduce specific energy consumption as well as leveraging technology to lead innovation and get digital transactions leading to minimal paper waste, thereby reducing GHG emissions;
- We plan to increase our share of renewable energy through power purchase agreements with private renewable energy generators for our corporate office;
- Support our energy and carbon management process through focus on green infrastructure, usage of clean technologies, green IT, and IT-enabled operational efficiencies;
- Focus on sustainable procurement through our green procurement policy. Preference to procure only EPEAT certified products;
- Our corporate office has been built on the concept of green building. Key features of our green buildings include energy-efficient design, onsite renewable energy through rooftop solar photovoltaic (PV) panels, daylight harvesting through glass walls, usage of recycled material and net-zero discharge initiatives;
- Commute by carpool/vanpool, bike, and public transit, which helps to reduce Scope 3 GHG emissions, has been incentivised for employees;
- In order to encourage employees to be more sustainable, we plan to set up electric vehicles charging stations at our facilities;
- Leveraging technology (video conferencing) to reduce local and inter-city travel, educating customers to move to paperless transactions, through internet and biometric enabled banking, thereby avoiding the usage of paper;

- To reduce use of plastic, we have restricted use of plastic package drinking water bottles. We have started use of glass water bottles for office meetings. We have adopted a sustainable waste management philosophy in line with the concept of circularity of through waste management, re-cycling and eco-friendly disposals through Industry best practices;
- We are focusing to achieve our goal is by designing energy efficiencies into our facilities such as usage of Renewable energy at our last mile franchisee infrastructure as well as leveraging technology to lead innovation and get digital transactions leading to minimal paper waste, thereby reducing GHG emissions.

Water

We understand the importance of having access to clean and safe water which is lagging in several parts of rural India. Every Vakrangee Kendra has an arrangement of a water cooler providing drinking water facilities to people free of cost. The extensive network of the Next-Gen Vakrangee Kendras is providing access to clean and safe water. Since almost 70% of Next-Gen Vakrangee Kendras are centred in tier V and tier VI cities, we are creating clean water drinking facilities in remote areas, which can be accessed without charge at any time.

Water Consumption report MIDC office FY 2020-21

Period of Billing	Usage (Kilo Litres)
April-20	85
May-20	24
Jun-20	32
Jul-20	49
Aug-20	102
Sep-20	113
Oct-20	122
Nov-20	126
Dec-20	114
Jan-21	186
Feb-21	164
Mar-21	131
Total	1,248

Waste

Our Go Green Initiatives are aimed at creating a paperless economy. Our paperless banking services and electronic KYC, reduces ink and paper wastage. In addition, we use advanced features that are environmentally beneficial such as paperless banking, real-time banking and biometric evaluation that curbs generation of any paper or plastic waste at our Next-Gen Vakrangee Kendras.

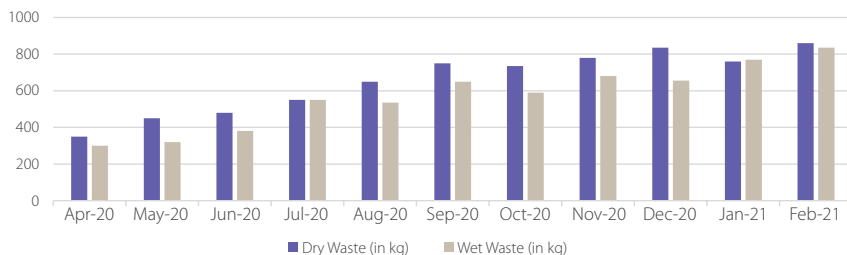
Through prevention, reduction, recycling and reuse, we are able to minimise the adverse effects on the environment. Our outlets also minimise hazardous waste by using refillable ink cartridges. Hence, total waste generated in our operations is minimal. Through our efforts in E-waste recycling we have been awarded the Green India Certificate for E-waste recycling that certifies that we have safely disposed E-Waste in an environment friendly manner.

Waste generated at corporate office in FY 2020-21

Month	Dry Waste (in kg)	Wet Waste (in kg)
April-20	350	300
May-20	450	320
Jun-20	480	380
Jul-20	550	550
Aug-20	650	536
Sep-20	750	650
Oct-20	735	590
Nov-20	780	680
Dec-20	835	655
Jan-21	760	770
Feb-21	860	835
Mar-21	790	815
Total	7,990	7,081

PERFORMANCE OF CAPITALS

Dry and Wet Waste



Green India - E-Waste Recycling

We have been credited with the E-waste recycling certificate. This certifies that we have safely disposed E-Waste in an environment friendly manner.

E-Waste Recycled

Month	E-Waste Recycled (Kgs)	Location
January	7027	Jaipur
February	34.70	Bhubaneshwar
	54	Indore
	83.80	Lucknow
March	2471	Jaipur
	441.6	Bhiwani
	201	Marol





Working with our Suppliers

In order to make our value chain sustainable, we ensure that our suppliers abide by our sustainable procurement policy. We conduct our business activities with compliance to social rights, environment protection and business integrity and expect our suppliers to do the same. The policy holds for all workers and employees of any of our suppliers including permanent, temporary, contract agency and migrant workers. We reserve the right to ask the supplier to create full supply chain mapping back to origin to facilitate assessment of supply chain compliance. To ensure commitment, each supplier must sign our Supplier Code of Conduct.

Our sustainable procurement policy governs the following aspects of environmental sustainability at our suppliers' operations sites.

Environmental management principles at manufacturing plants

Reduction of Greenhouse gas emissions and other harmful air emissions

Applying principles of Reduce, Reuse and Recycle

Adopting green initiatives and practices

Our supplier contracts are monitored by dedicated contract managers who continuously assess and verify ESG parameters defined by the organisation. An in-depth assessment is conducted to assess suppliers' social, ethical and environmental practices to guarantee expertise, transparency and independence of assessments.

All procurements of the company have been identified and mapped in terms of risks as well as opportunities related to

each purchasing category. The ensuring matrix distinguished three levels of stake: low, medium and high. This is related to the impact in terms of environment, social, product, service use, supply chain and business integrity.

We emphasise on supplier's performance score as key for selection criterion. The scorecard is built on four pillars: environment, labour practices, fair business practices and supply chain management. After an in-depth assessment, suppliers receive scorecards that detail their performance against other suppliers, as well as lists areas of improvements and areas performing well. Suppliers are also encouraged to consider feedbacks to implement Corrective Action Plan (CAP) to improve their performance.

We also undertake on-site audits of low-performing suppliers through their Dedicated Contract Manager. The objective of these on-site audits is to help suppliers to improve their practices by getting them more involved and proving ways of improvement. This action is taken as part of our risk management program.

Our Initiatives - Reducing our Impact on Environment

The pressures on our planet's limited natural resources and the challenge of climate change require prompt and concerted action from us all. We are fully committed towards environmental and social responsibility that will strengthen our drive for sustainable business operations. We have translated our vision through various initiatives aimed at mitigating negative environmental impacts through our business and our supply chain operations.

1. Training Employees:

In order to be truly sustainable, it is important that our employees are fully aware of individual and collective responsibilities towards environment as an integral part of their jobs. We have established systems that provide training and delineation of responsibilities and accountabilities with respect to the environment.

2. Energy-saving Technologies:

We focus on establishing outlets that are helping in sustaining the environment and implement energy-saving and waste control policies. We introduce latest technologies that would help in minimising the negative impacts on the environment and create ways to protect the local ecology. We have also implemented several energy-saving technologies and reducing environmental load at our offices and the Kendras. Technology such as sensor based lights, green data centres and solar power in our offices and franchisees have significantly helped to bring down energy consumption.

3. Saving Paper:

Save Paper through Biometric-enabled Paperless Banking

We continue our journey towards a paperless economy through our various green endeavours of saving paper through initiatives such as eKYC, interoperability, and real-time transactions. Furthermore, we use advanced features that are environment-friendly, such as paperless banking, real-time banking, and biometric evaluation. Being digital and paperless in nature, our Kendras helped in huge savings of paper waste.

The major initiative undertaken in FY 2012-13 is using e-KYC for opening of Bank accounts and Biometric enabled AePS (Aadhaar enabled Payment system) paperless banking services. The initiative has resulted in saving approx. five A4 size papers per new account opened and one A4 size paper per 3 financial banking transactions. Through the initiatives in last one-year i.e. 2021, we have collectively saved approximately 39.92 Million A4 size papers from its approx. 10,000 outlets. Saving of approximately 39.92 million A4 size papers has resulted in the following:

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Energy/Resources saved from Banking service in FY 2020-21:

S. No.	Particulars	Energy/resources saved
1	A4 size paper saved (in million)	39.92
2	Quantity of paper saved (in metric tonnes)	199.63
3	CO ₂ equiv. of greenhouse gas emissions avoided (in pounds)	39,60,000
4	Wood saved (in U.S. short tonnes)	878
5	Water saved (in gallons)	47,10,000
6	Solid waste avoided (in pounds)	2,59,000
7	Energy saved (in million BTU)	5,610
8	Trees saved from being cut for paper (in number)	5,270

Source: Paper Calculator™

Save Paper through Go-Green Initiative at ATM

Our 'Go Green' initiative for our ATM services, have helped in reducing paper consumption as the ATM transactions do not generate printed receipts. Transaction acknowledgments are sent

via SMS to customers. We are working towards achieving environmentally sound management of paper through prevention, reduction, recycling and reuse, in order to minimise their adverse impacts on the environment. Saving of approximately 23.35 metric tonnes A4 size papers has resulted in the following:

Energy/resources saved from ATM service in FY 2020-21:

Source: Paper Calculator™

S. No.	Particulars	Energy/resources saved
2	Quantity of paper saved (in metric tonnes)	23.35
2	CO ₂ equiv. of greenhouse gas emissions avoided (in pounds)	4,97,000
3	Wood saved (in U.S. short tonnes)	53.7
4	Water saved (in gallons)	10,70,000
5	Solid waste avoided (in pounds)	20,400
6	Energy saved (in million BTU)	724
7	Trees saved from being cut for paper (in number)	322

Energy/resources saved from Digital Annual Report in FY 2020-21:

Source: Paper Calculator™

S. No.	Particulars	Energy/resources saved
1	A4 size paper saved (in million)	39.87
2	Quantity of paper saved (in metric tonnes)	199.36
3	CO ₂ equiv. of greenhouse gas emissions avoided (in pounds)	39,50,000
4	Wood saved (in U.S. short tonnes)	877
5	Water saved (in gallons)	4,77,00,000
6	Solid waste avoided (in pounds)	2,59,000
7	Energy saved (in million BTU)	5,600
8	Trees saved from being cut for paper (in number)	5,260

Global Recognition for Sustainability – ESG Focus

- At Vakrangee, we have always attempted to be a Responsible and Socially Conscious company. Through our network of kendras, we are taking the financial and digital literacy to the bottom of the socio economic pyramid and serving as the lastmile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time, competitive price and same service levels. We are acting as the biggest equaliser by bridging the gap between the urban and rural population in India.
- Company has been successful in benchmarking its performance on a wide range of industry specific ESG criteria that are relevant to the growing focus on Business sustainability and financially relevant to the corporate success.
 - Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long term Business sustainability.
 - Vakrangee ranked World's No.1 Company in the Software and Services industry based on Sustainalytics ESG Assessment.
 - Globally Ranked 1st out of 816 Companies in Software & Services (Industry Group)
 - Sustainalytics is the leading independent global provider of ESG and corporate governance research and ratings to investors. Sustainalytics is also the Rating partner to National Stock Exchange (NSE).
 - S&P Global - RobecoSAM ESG Rankings : Vakrangee ranked No. 13 Company in the global industry ranking and ranked No. 9 Company in the Corporate Governance global industry raking based on RobecoSAM – S&P Global ESG Score.
 - CDP Environmental Ratings: Vakrangee has demonstrated robust Environmental transparency and achieved "B" Score from CDP for Environmental practices. This is higher than the Asia regional average



of D, Global Average of C and Higher than the specialized professional services sector average of D.

- Also, Vakrangee achieves "A-" score from CDP for suppliers Engagement which is the leadership band, better than the industry's average. This is higher than the Asia regional average of B-, global average of C and Higher than the specialized professional services sector average of B-. It is a proof and recognition of the concrete and constant commitment of the Company engagement with its suppliers on climate change.

Link for the report:
www.vakrangee.in/pdf/PoliciesPDF/2020_CDP_Supplier%20Engagement%20Report_Vakrangee_Ltd.pdf

S&P Global RobecoSAM Sustainability Yearbook

- Vakrangee Limited has been included in The S&P Sustainability Yearbook 2021 based on RobecoSAM Sustainability ratings.
- Vakrangee sustainability performance is within the top 15% of the industry and is among the world's highest performing sustainable companies. Only 630 sustainability leaders have been selected out of 7,000 Companies assessed for this year's Yearbook based on their S&P Global ESG Scores calculated from the CSA.
- Vakrangee ranked No. 13 Company in the global industry ranking and ranked No. 9 Company in the Corporate Governance global industry ranking based on RobecoSAM – S&P Global ESG Score.
- Vakrangee is now a Participant and Signatory member of UNGC (United Nations Global Compact) and also our Company is now in Full compliance with the ESG Framework. (www.vakrangee.in)
- Vakrangee is also now a Signatory member of United Nations Women Empowerment Principles.(UN WEP)

Vakrangee Limited Included in S&P Global Sustainability Yearbook 2021

We are honoured to be part of this year's S&P Global Sustainability Yearbook 2021 (https://vakrangee.in/pdf/Policies-PDF/S&P%20Global_Sustainability-Yearbook-2021.pdf) for the first time. Vakrangee has earned a spot in the yearbook and has score (S&P Global Scores - www.spglobal.com/esg/scores/results?cid=4969832) within the top 15% of the industry.

The Sustainability Yearbook 2021, published by S&P Global is one of the world's most comprehensive publications providing in-depth analysis on corporate responsibility. This annual ranking showcases the sustainability performance of the world's largest companies in each industry as determined by their score in the annual SAM Corporate Sustainability Assessment (CSA). S&P Global, which acquired the ESG Ratings business from RobecoSAM, in 2021 assessed over 7,000 companies across 61 industries this year with the goal of identifying those that exemplify leading corporate sustainability practices and a focus on long-term growth drivers. Only 630 sustainability leaders have been selected for this year's Yearbook based on their S&P Global ESG Scores calculated from the CSA.

Link: <https://vakrangee.in/pdf/press-release/Press%20Release%20-%20Vakrangee%20included%20in%20S&P%20Global%20Sustainability%20Yearbook%202021.pdf>







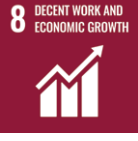
ISO Certifications

Maintaining certifications are essential for a business to ensure systems and processes are in place and in line with the environmental commitments of the organization. Hence, we ensure to be accredited with relevant certifications that promote sustainable operations. We have ensured to get some of the major environmental related ISO certifications such as ISO 20400:2017 - Sustainable Procurement Management System, ISO 14064-1:2006, ISO 14064-2:2006 & ISO 14064-3:2006 - Green House Gas Emission, ISO 14001:2015 - Environmental Management System, ISO 45001:2018 - Occupational Health & Safety Management System, ISO 50001:2018 - Energy Management System and ISO 9001 - Quality Management System. As we have been found to comply with ISO 14064 norms,






we have been credited with Certificate of Conformity. We have also been certified by Green India for E-waste recycling.

1. ISO 14001:2015 - Environmental Management System
We underwent Independent ISO Audit and got certified with ISO 14001:2015 Environmental Management System on 12th March 2020. This standard helps to improve environmental performance by identifying, managing, monitoring and controlling environmental issues and enables a more efficient use of resources, thus gaining a competitive advantage and the trust of stakeholders.
2. ISO 20400:2017 - Sustainable Procurement Management System
We have been credited with ISO 20400:2017 Sustainable Procurement Management System on 12th March 2020. This standard assists organisations with development and implementation of a responsible sourcing strategy.
3. ISO 14064-1:2006, ISO 14064-2:2006 & ISO 14064-3:2006 - Green House Gas Emission
We have been certified with ISO 14064-1:2006, ISO 14064-2:2006 & ISO 14064-3:2006 - Green House Gas Emission on 23rd March 2021. This standard helps to quantify and report greenhouse gas emissions with the aim to reduce Scope 1, Scope 2 and Scope 3 emissions.
4. ISO 50001 - Energy Management System
ISO 50001 is based on the management system model of continual improvement also used for other well-known standards such as ISO 9001 or ISO 14001. This makes it easier for organizations to integrate energy management into their overall efforts to improve quality and environmental management.
 - ISO 50001 provides a framework of requirements for organizations to:
 - Develop a policy for more efficient use of energy
 - Fix targets and objectives to meet the policy
 - Use data to better understand and make decisions about energy use
 - Measure the results
 - Review how well the policy works
 - Continually improve energy management

SDG Mapping

UN SDG Goal	Report sections describing activities contributing to the SDG Goal	Page no	<IR> Mapping
 <p>2 ZERO HUNGER</p> <p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	Slum area development	98	Social and relationship capital
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	Healthcare: Nutrition & Sanitation	97	Social and relationship capital
	Healthcare	97	
	Health and safe workplace	70	Human capital
	ISO certification	82	
 <p>4 QUALITY EDUCATION</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	Education	97	Social and relationship capital
	Training & Development	76	Human capital
 <p>5 GENDER EQUALITY</p> <p>Achieve gender equality and empower all women and girls</p>	Gender Equality	72	Human capital
	Equality	98	Social and relationship capital
 <p>6 CLEAN WATER AND SANITATION</p> <p>Ensure availability and sustainable management of water and sanitation for all</p>	Healthcare: Nutrition & Sanitation	97	Social and relationship capital
	Clean water and Sanitation	96	
	Water	109	Natural capital
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	Energy Saving Technologies	111	Natural Capital
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	Integrating Robustness of Financial Growth with Contribution to Financial Inclusion	56	Financial Capital
	Organisational Culture	68	Human capital
	Decent work and economic growth	96	Social & Relationship Capital
	ISO Certification	81,101	Social & Relationship Capital Human Capital



UN SDG Goal	Report sections describing activities contributing to the SDG Goal	Page no	<IR> Mapping
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation</p>	Our Proprietary technology Platform	62 & 89	Manufactured capital Intellectual Capital
	Next Gen Vakrangee Kendras	63	Manufactured Capital
	Launch of mobile super app	91	Intellectual Capital
	Green building offices	107	Natural Capital
	GHG emission reduction initiatives	107	
	Waste	109	
	Innovation and Infrastructure for the communities	96	Social & relationship capital
 <p>10 REDUCED INEQUALITIES</p> <p>Reduce income inequality within and among countries</p>	Divyang facility at Next-Gen Vakrangee Kendra	67	Manufactured capital
	Engagement with franchisees	94	Social & relationship capital
	Diversity and inclusion	71	
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	Gender equality	72	Human capital
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	Financial Inclusion	56	Financial Capital
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns</p>	Waste	109	Natural capital
	Energy Consumption	105	
	Working with our suppliers	111	
	GHG emissions	107	
 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy</p>	GHG emission reduction initiatives	107	Natural capital
	Green building offices	107	
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	Green Procurement Policy	104	
	GHG Reduction Program	104	
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	Robust governance	105	Natural Capital
	Working with our suppliers	111	
	Business ethics	104	
	Organisational culture	68	Human capital
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	ISO certification	81 & 101	Social & relationship capital Human capital

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418 – Customer Privacy 2016	103-1 Explanation of the material topic and its Boundary	Customer Privacy	47	
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Assurance Statement



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Independent Reasonable Assurance Statement on the non-financial performance data and information included in the Integrated Annual Report of Vakrangee Limited for the FY 2020-21

To
The Board of Directors
Vakrangee Limited
Mumbai, Maharashtra, India

Introduction

We, Grant Thornton Bharat LLP, have been engaged by Vakrangee Limited ('Vakrangee' or 'the Company') for the purpose of providing an independent assurance on selected non-financial disclosures presented in the Integrated Annual Report for FY 2020-21 ('the Report').

Reporting Criteria

The Report has been developed by the Company based on the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC'). The sustainability performance reporting criteria has been derived from the Global Reporting Initiative ('GRI') Sustainability Reporting Standards 2020 ('the GRI Standards'). In addition, the National Voluntary Guidelines (NVGs) for Business Responsibility Report (BRR) and UN-Sustainable Development Goals (UNSDGs) are also considered while developing this Report.

Responsibilities

The preparation and fair representation of the Report in accordance with the above stated reporting criteria, which is free from any material misstatement, whether due to error or fraud, is the sole responsibility of the management of the Company. This responsibility includes establishing and maintaining relevant and appropriate performance management systems and internal control framework to facilitate collections, calculation, aggregation and validation of the data with respect to management's basis of preparation and the GRI Standards.

Our report is prepared only for the purpose of expressing reasonable assurance in relation to specified non-financial information contained in the Report to the Company's Management/

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Noida and Pune

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Board of Directors and accordingly, should not be used for any other purpose without our prior written consent.

Assurance Standards

Our assurance engagement was planned and performed in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000') issued by the International Federation of Accountants ('IFAC') and third version of AA1000 Assurance Standard ('AA100AS v3') issued by AccountAbility, a body recognized as a 'Framework Developer' by World Economic Forum's ESG Ecosystem Map.

Reasonable level of assurance under ISAE 3000 requires us to plan and perform procedures to obtain sufficient appropriate evidence on conformity of sustainability performance disclosures as per GRI Standards. Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.

Type 1 High Assurance under AA100AS v3 requires us to obtain evidence from internal and external sources and parties including stakeholders, and at all levels of organization to conclude on the nature and extent of adherence of the Report to the AA1000AP principles, i.e., Inclusivity, Materiality, Responsiveness and Impact.

Scope, Boundary and Limitations

Scope

The Scope of Work was limited to the examination of non-financial performance data and information disclosed in the Report, for the period of 01 April, 2020 till 31 March, 2021.

Non-financial performance disclosures subject to assurance are:

Capital	Parameter	Performance Indicators	GRI Disclosure
Manufactured	Vakrangee Kendras	Operational Next-Gen Vakrangee Kendras	GRI – 102
		Number of Vakrangee Kendras in General districts	
		Number of Vakrangee Kendras in Tribal districts	
		Number of Vakrangee Kendras in LWE districts	
		Number of Vakrangee Kendras in Aspirational districts	
		Number of Vakrangee Kendras in LWE and tribal districts	
		Number of Vakrangee Kendras in LWE and Aspirational districts	

PERFORMANCE
OF CAPITALS

		Number of Vakrangee Kendras in Aspirational and tribal districts	
		Number of Vakrangee Kendras in LWE, Aspirational and tribal districts	
	Vakrangee's field staff	Number of Vakrangee's field staff available in LWE/tribal/aspirational districts	GRI – 102
	Vakrangee Kendra operating model	Number of Vakrangee Kendras with Gold operating model	GRI – 102
		Number of Vakrangee Kendras with Silver operating model	
		Number of Vakrangee Kendras with Bronze operating model	
	Geographical Presence	Presence in Tier 5 & Tier 6 cities	GRI – 102
	Insurance	Kendras included in this scheme (insurance of Kendras) as on 31/03/2021	GRI – 102
	Awards	Ranking amongst the top 100 Franchisee Brands for the year 2021 in The Franchising World's annual survey	-
	Certifications	ISO 9001:2015 Quality Management System	-
Human	Employee Details	Total Employees	GRI – 102, 401, 405
		Divyang	
		Average Age	
		Age – under 30 years	
		Age – 30-50 years	
		Age – above 50 years	
		Year of association of employees with Vakrangee on an average	
		Voluntary attrition rate	
	Employees in Corporate Headquarter	Male	GRI – 102, 401
		Female	
Number of women representing company's management council			



		Male/Female ratio at corporate headquarter	
Field Employee	Male		GRI – 102, 401
State Office	Male		GRI – 102, 401
	Female		GRI – 102, 401
New Employees Recruited	Male & Female		GRI – 401
Training	Mandatory training – Number of employees trained		GRI – 404
	Mandatory training – Training hours		
	Refresher training – Number of employees trained		
	Refresher training – Training hours		
	Franchises – Number of franchisees trained		
	Franchisee – Training hours		
	Skill Training – Number of employees trained		
	Skill Training – Training hours		
	Security Staff – Number of security staff trained		
	Security Staff – Training Hours		
Parental Leave	Female employees		GRI – 401
Corruption	Incidents of corruption recorded at the organization		GRI – 205
Complaints	Complaints regarding child labour, forced labour or sexual harassment		GRI – 408, 409, 419
Remuneration Parity	Ratio at corporate headquarter		GRI – 405
	Average salary across organisation		
	Median salary across organisation		
	Median salary male/ female and ratio at corporate headquarter*		
	Average salary of Assistant Manager		
	Average salary of Manager		

PERFORMANCE
OF CAPITALS

		Average salary of Deputy General Manager	
		Average salary of General Manager	
		Average salary of Associate Vice President	
		Average salary of Vice President	
	Employee Satisfaction	Employees feel happy and proud working at Vakrangee and are satisfied with their job responsibilities;	-
		Employees feel inspired and connected with the co-workers;	
		Employees feel that their manager encourages collaboration in the team;	
		Employees feel their manager is committed to provide guidance and motivation;	
		Employees feel that they can count on their peers in need of help;	
		Employees feel that their manager assigns challenging assessments to them and is successful in building trust amongst the team members;	
		Employees feel that they receive constructive feedback from their manager and peers which help them improve their overall performance.	
	Fatalities	Fatalities as a result of work-related ill-health	GRI – 403
Intellectual	ISO Certifications	ISO/IEC 27001:2013 Information Security Management System	GRI – 102
		ISO 20000-1:2011 Information Technology Service Management System	
		ISO 9001:2015 Quality Management System	



		ISO 27701 - Privacy Information Management System	
		ISO 22301 - Business Continuity Management System	
	R&D	R&D Expenditure	GRI – 203
	ATM Transactions	White Label ATM transactions	GRI – 203
	IoT	Number of franchisees monitored with the use of IoT (They are monitoring ATMs and electric surveillance)	GRI – 102
	Training	Employees trained for advanced technologies	GRI – 404
	Data Breach	Instances of data breach in: 1. company 2. franchisee	GRI – 418
	Claims	We have crossed the 5000th white label ATM Milestone and emerged as the 4 th largest ATM operator in Rural India	GRI – 203
Social & Relationship	Kendra break-up as per services	BFSI	GRI – 203
		ATM	
		E-Commerce & Logistics	
	CSR spent	Activity – wise CSR spent	GRI – 413
	Franchisee Owner	Women	GRI – 102, 405
		Divyang	
	Claims	More than two-third of ATMs are in rural India making Vakrangee the 4 th largest ATM operator	GRI – 203, 413
		Provide a one-stop solution and real-time access to over 100 million products and 1,000 services under a single roof	
We are now part of UNGC global network of over 12,000 companies and 3,000 non-business participants that are committed to building a sustainable future			
Local Community	Kendras centered in Tier V and Tier VI cities – Percentage	GRI – 102	

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OF CAPITALS

	Grievance redressal mechanism	Recorded complaints from customers, third parties, regulatory bodies and local community members, concerning breach of customer privacy	GRI – 205, 418, 419
		Recorded theft, identified leak or loss of customer data	
		Recorded complaints regarding unethical and unlawful behaviour	
	Sustainable Procurement	Suppliers assessed on their environmental and social impact	GRI – 308
	Certifications	ISO 37001:2016 Anti-bribery Management System	GRI – 102, 307, 403, 419
		ISO 45001:2018 Occupational Health and Safety Management System	
		ISO 19600:2014 Compliance Management System	
ISO 20400:2017 Sustainable Procurement Management System			
Natural	Energy	Energy consumed (Scope 1) - Diesel/Petrol	GRI – 302
		Energy consumed (Scope 2) - Grid	
		Energy consumed at Kendra level (Scope 3)	
	Emissions	Scope 1	GRI – 302
		Scope 2	
		Scope 3	
	Green Building Initiatives	Rooftop Solar PV – KWh generated	GRI – 302
	Water	Water consumed at the corporate office	GRI – 303
	Waste	Waste Generated (Corporate HQ) – Dry	GRI – 306
		Waste Generated (Corporate HQ) – Wet	
E - Waste Recycled			



Paperless Transactions	ATM transactions	GRI – 306
	Banking transactions	
	Digital Annual Report	
Paper Saved	Quantity of paper saved (through paperless banking and ATM) for FY 20-21	GRI – 306
Certifications	ISO 14001:2015 - Environmental Management System	GRI – 102, 302
	ISO 20400:2017 - Sustainable Procurement Management System	
	ISO 14064-1:2006 & ISO 14064-2:2006 - Green House Gas Emission	
	ISO 50001 - Energy Management System	

Boundary

Boundary of the report covers Vakrangee's operations in India, which includes:

- The Corporate Office located in Mumbai
- For Scope 2 indirect energy consumption and emissions –
 - ✓ 12 state offices located in Ahmedabad, Bhiwandi, Bhubaneswar, Chandigarh, Delhi, Indore, Lucknow, Mumbai (Raylon), Patna, Pune, Raipur and Rajasthan
 - ✓ 4 guest houses located in Chandigarh, Delhi, Indore and Rajasthan.
- For Scope 3 indirect energy consumption and emissions - 560 Nextgen Kendra outlets.
- 11,730 Nextgen Kendra outlets**

**Banking transactions data consists of 13,492 Kendras which consists of 11,730 Nextgen Kendras and 1,762 Kendras which were in older format and are currently under on-boarding process as Nextgen Kendras.

Limitations

We have relied on the information, documents, records, data, and explanations provided to us by the Company for the purpose of our review. Data review was restricted to data provided by the Corporate Office. We did not visit any office or Kendra office to complete this review.

The assurance scope excludes:

- Any disclosure other than those mentioned in the Scope section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Report

- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Assurance Procedures

Our assurance procedures involved methods to obtain evidence on the reliability of specified disclosures, that we considered necessary to provide sufficient evidence to support our assurance conclusion. The nature, timing and extent of the procedures performed were based on our professional judgment, including the assessment of the risks of material misstatement of the selected non-financial disclosures whether due to fraud or error. During the risk assessments, we have considered the internal controls pertaining to the preparation of the Report to design appropriate assurance procedures which included:

- Interviewing senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the subject matter.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performing calculations to check accuracy of claims,
- Reviewing data from independent sources, wherever available,
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing of materiality assessment and awareness workshops;
- Reviewing the Company's stakeholder identification and engagement process;
- Reviewing of materiality assessments process;
- Reviewing and verifying of information/ data related to six capitals of International Integrated Reporting Council (IIRC) Framework;
- Reviewing of accuracy, transparency and completeness of the information/ data provided;
- Identification of gaps with respect to IIRC framework and other global standards.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusions.



Conclusions

Based on the procedures performed as above, evidences obtained and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion, Vakrangee's non-financial performance data and information for the period of 01 April 2020 to 31 March 2021 included in the Report, is, in all material respects, in accordance with the Reporting Criteria mentioned above.

Our conclusions on the Report's adherence to the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact are as follows:

- **Inclusivity** – The Company has identified its key stakeholder groups based on the level of influence and impacts the company has on these stakeholder groups. However, they should implement a structured, documented process for stakeholder prioritisation.
- **Materiality** – The Company has reported on material topics across economic, environmental, social, and governance aspects, post stakeholder consultations. However, the process of obtaining stakeholders' feedback and determination of materiality score needs to be well documented.
- **Responsiveness** - The Company has demonstrated their commitment to understand stakeholder concerns, as evident from the various stakeholder consultation and engagement mechanisms that have been applied.
- **Impact** - The company acknowledges its impact on the wider society and has established policies and processes to measure, monitor and evaluate the economic, environmental and social impacts for select aspects material to the Company. The company communicates its performance across these aspects through its integrated annual report. It also evaluates its performance through scoring from organizations like Sustainalytics and S&P Global.

Independence

We have complied with Grant Thornton's independence policies, which are in line with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the 'IESBA Code'). The firm complies with the requirements of International Standard on Quality Control -1 ('ISQC1') and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We also confirm that we have maintained our independence in the Report and there were no events or prohibited services related to the Assurance Engagement which could impair our independence.

Abhishek Tripathi

Associate Partner

Dated: July 26, 2021



MANAGEMENT DISCUSSION AND ANALYSIS





Management Discussion and Analysis



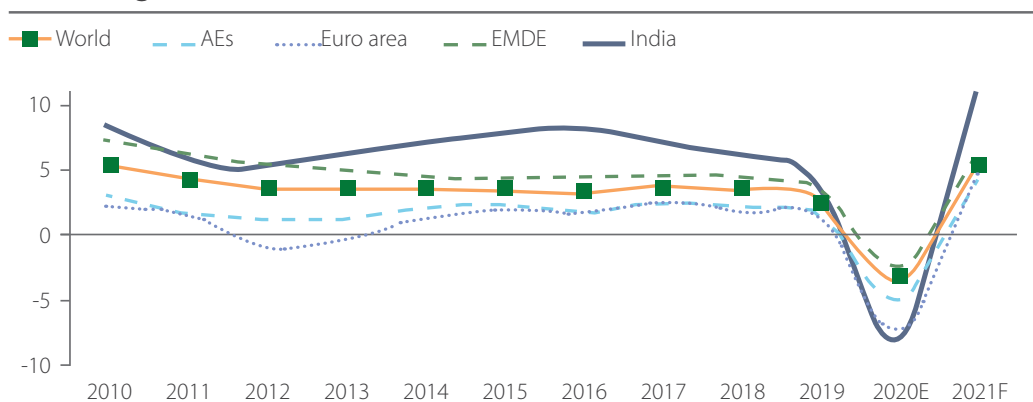
Overview

Economic performance

India is one of the fastest growing major economy and the sixth largest economy globally. In five years, the country has grown from USD 1.85 trillion in 2014 to USD 2.7 trillion in 2019¹. India's GDP contracted at a rate of 7.97%

in 2020 against 5.02% in 2019². The GDP gravely suffered due to the pandemic of Covid-19. As per the Union Budget 2020-21, the GDP growth will be a V-shape recovery³ (see graph below). The pandemic may have slowed India's economic performance; it has however presented the country with opportunities to become a self-reliant nation. With positive stimulus for growth, India is poised to play a major role in the revival of global economy.

Real GDP growth rate (in%)



¹Union Budget of India 2019-20. Last accessed on 9th July 2020. <https://www.ibef.org/economy/union-budget-2019-20#:~:text=The%20Union%20Budget%20for%202019,by%20the%20end%20of%20FY20>.

²Last accessed on 19th May 2021. <https://data.worldbank.org/indicator/NY.GDPMKTPKD.ZG?locations=IN>

³Union Budget of India 2020-21: <https://www.indiabudget.gov.in/doc/bh1.pdf>



Building Resilience by redefining the last mile

In these unprecedented times, when the world is battling a pandemic, building resilience becomes quite important. Keeping this in mind, Prime Minister Shri Narendra Modi in his address to the Nation on May 12, 2020 had given a call for a self-reliant India based on the following five pillars:

Economy
Infrastructure
System
Demography
Demand

The Prime Minister also announced a special economic package for Self-Reliant India named 'Atmanirbhar Bharat'. This initiative would surely help in building and strengthening resilience of the nation. It would give an encouragement to lot of local players and boost their business.

Vakrangee Limited is also doing its bit by reaching out to the bottom of pyramid. Over 11,700 physical kendras of Vakrangee are operational across the country, providing key services and serving the nation through the pandemic. Of these, 80 per cent of the outlets are in rural locations, like tier 4, 5 and 6 towns. The unserved and underserved bottom of the pyramid population can now undertake basic financial and non-financial transactions through these outlets.

Our operational performance

Our Vakrangee Kendra serves as India's largest network of last mile retail outlet available at every postal code. Our focus is on building largest network of last-mile retail outlets driven by technology and deliver services like real-time BFSI, ATM, e-commerce and logistics to the unserved rural, semi-urban and urban markets in the local/state/national ecosystem providing financial inclusion in line with the government policies.

The turnover and profit/(loss) figures of Vakrangee Limited are given below:

Particulars	FY 2020-21	FY 2019-20
Total income	38,395.13	76,269.98
EBITDA	9,762.32	10,124.45
Profit before tax (PBT), before exceptional	6,738.59	7,667.35
Profit before tax (PBT)	6,738.59	8,170.75
Profit after tax (PAT)	6,279.13	7,128.00

Our financial performance was impacted due to the pandemic of Covid-19 & Lockdown situation. Outlet revenues have been impacted as only our key essential services like Banking, ATM, Mobile recharges and Tele-medicine services have been fully operational however other key services like Assisted Online shopping, Travel services and Logistics have been significantly impacted because of the on-ground field level delivery challenges and travel services being closed due to the lockdown situation.

Now, we believe that the worst is behind us and we are showcasing better growth and improved financials every quarter on quarter basis. There has been robust growth in Revenue as well as Profitability on a QoQ basis as the COVID and Lockdown situation normalizes.

“Over 11,700 physical kendras of Vakrangee are operational across the country, providing key services and serving the nation through the pandemic”

Further the company has leveraged technology and process automation initiatives which has resulted into enhanced profitability. The Company's return to normalcy on the business front has been progressing well with month-on-month improvement in the sales.

In spite of COVID-19 Pandemic situation, Vakrangee kendra network throughput crossed more than US\$ 5.2 BILLION (₹ 37,600+ crore) in the Full year FY2021 and Our Total Number of transactions crossed 126.8 mn (~12.6 crore) transactions on a Annual basis which has been very encouraging.

MANAGEMENT DISCUSSION AND ANALYSIS

Our operations

Particulars	FY 2020-21	FY 2019-20
Operational Next-Gen Vakrangee Kendras	11,730	10,027
No of kendras offering following services:		
BFSI	11,730	10,027
ATM	5,414	4,506
E-commerce & Logistics	11,730	10,027

Our doorstep facility and access to services even in the most remote areas will ensure Indians to benefit from financial, social and digital inclusion. We aspire to have a Vakrangee outlet in each Gram panchayat in Rural India and in Each Urban ward in Urban India. Aligned to our goal, we have recently launched our Strategy 2.0 Document. The Strategy 2.0 Document highlights our Next 5 year growth targets and operational and financial deliverables in detail. This document focuses on the Core Business of Physical network of NextGen Kendra outlets. This strategy plan document does not include any contribution from the digital mobile app platform.

Our vision is now set to create the world's largest franchisee based distribution channel in India with a strong focus on Rural India. We are confident to deliver very strong growth over the next 5 years as our network would grow from 11,700+ to 25,000+ outlets by March 2022 and to 75,000 outlets by March 2026. We estimate that our Gross Transaction value would cross US\$50 Billion on an Annual basis over the next 5 years and no of transactions would cross a billion transactions annually. This would result into significant growth in Revenues and profitability as our business model is asset light franchisee based model with strong operating leverage. Our Cash Adjusted Return on Capital would improve significantly. More details regarding financial performance in under Vakrangee's Performance Highlights.

Industry's performance and outlook

1. E-Governance

We are proud to be a link for social, digital and financial inclusion in India. Services of Next-Gen Vakrangee Kendras not only present social schemes of GoI but also offer modern services of the private sector.

Financial inclusion is an imperative for holistic socio-economic growth of a country. The Government of India has launched several noteworthy schemes to promote financial inclusion within the country. Following are highlights of Government's push for financial and social inclusion:

1.1 Pradhan Mantri Jan Dhan Yojana (PMJDY):

Launched in 2014, PMJDY promotes universal access to banking services, financial literacy, and access to credit, insurance and pension facilities. Until date, 39.95 crore PMJDY accounts had been opened⁴. While 20.9 crore (60%) of the account holders are in rural areas, 18.74 crore (over 53%) of account holders are women⁵. Moreover, total deposit in PMJDY accounts stood at INR 96,107 crore, with an average deposit per account doubling to INR 2,725 in 2019 from INR 1,064 in 2015⁶. As of January 27, 2021, the number of bank accounts opened under the Government's flagship financial inclusion drive- Pradhan Mantri Jan Dhan Yojana (PMJDY) reached 41.75 crore and deposits in Jan Dhan bank accounts stood at more than Rs. 1.37 lakh crore (US\$ 18.89 billion).

“Our doorstep facility and access to services even in the most remote areas will ensure Indians to benefit from financial, social and digital inclusion”

1.2 Atal Pension Yojana (APY):

APY was launched in 2015 and can be availed by saving account or post office saving account holders in the age group of 18 – 40 years. Subscribers or their nominees (upon demise of subscriber) would receive a guaranteed monthly pension from the age of 60 years. As of February 2021, the number of subscribers under the scheme has crossed the 40-million mark with the addition of 6.2 million subscribers in the last one year.

1.3 Pradhan Mantri Jeevan Jyoti Beema Yojana (PMJJBY):

Life insurance scheme for individuals of the age group of 18 years to 50 years. Gross enrolment for PMJJBY (as reported by banks, subject to verification of eligibility) stood at over 5.91 crore as of March 2019⁷.

1.4 Pradhan Mantri Suraksha Beema Yojana (PMSBY):

An insurance scheme open to individuals of 18 to 70 years with a bank or post office account. Risk coverage under PMSBY includes accidental death, full disability and partial disability. Gross enrolment for PMSBY (reported by banks, subject to verification of eligibility) was recorded at 15.47 crore as of March 2019⁸.

1.5 Capital Infusion Scheme:

The Finance Ministry announced its plan to infuse Rs. 14,500 crores (US\$) as capital infusion in public sector banks in the fourth quarter of FY21.

⁴<https://pmjdy.gov.in/>

⁵Last accessed on 21st May 2021. <https://financialservices.gov.in/banking-divisions/Important-Schemes>

⁶Last accessed on 21st May 2021. <https://financialservices.gov.in/banking-divisions/Important-Schemes>

⁷Last accessed on 21st May 2021. <https://financialservices.gov.in/banking-divisions/Important-Schemes>

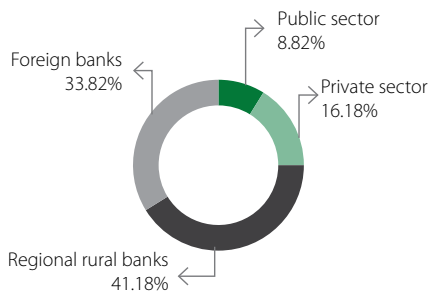
⁸Last accessed on 21st May 2021. <https://financialservices.gov.in/banking-divisions/Important-Schemes>



2. Banking

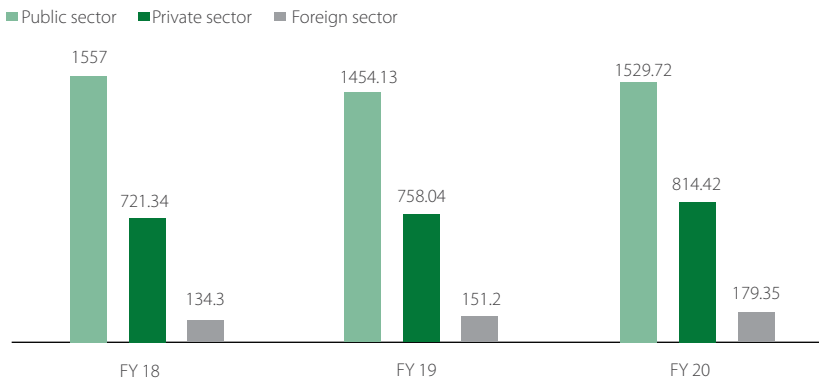
Indian banking sector comprises of 12 public sector banks, 22 private sector banks, 43 regional rural banks and 44 foreign banks⁹. While deposits grew at a CAGR of 13.93% during the period 2016-20, credit off-take grew at a CAGR of 13.93% in the same period. In other words, deposits reached USD 1.9 trillion and total credit extended increased to USD 1,698.97 billion by FY 2020¹⁰.

Composition of Indian Banking Sector



Source: IBEF

Total banking sector assets (USD billion)



Source: IBEF

In its National Strategy for Financial Inclusion for the period 2019-24, the Reserve Bank of India (RBI) recommended universal access to financial services. In other words, a formal financial service provider should be accessible to every village within a distance of 5 km. Furthermore, the report emphasizes efforts for digital on-boarding on customers for financial services¹¹.

As of December 2020, India had 1,58,296 functioning commercial banks branches¹². Of these, 66,459 branches are present in rural India¹³. Less than 15% villages have a brick-and-mortar bank branch in India, and banking correspondents (BC) are the only financial service providers in several villages. Close to 8,00,000 agents serve a population of around 34 crores in face-to-face transactions¹⁴.

Digital payment in current times is set to revolutionize payments and disbursement

of credit massively. In 2020, transactions through Unified Payments Interface (UPI) stood at 1.24 billion at a value of INR 2.06 lakh crore¹⁵. Further more, internet banking, Biometric enabled AEPS Banking, mobile banking and ATMs will improve operational efficiency and supplement increasing number of transactions. Rising income in rural India is expected to drive the need for banking in rural areas, and further accelerate the growth of banking sector¹⁶.

Amidst COVID-19, economic activities have slowed down largely. In 2020, Government of India announced a relief package worth INR 1.7 lakh crore as part of its Pradhan Mantri Garib Kalyan Yojana, to mitigate difficulties of vulnerable communities amidst lockdown. Moreover, GoI classified BC outlets as an essential service and permitted them to serve unbanked areas¹⁷.

2. Insurance

The insurance industry of India comprises of 57 companies. Out of these, 24 companies are in the life insurance businesses, while 33 are non-life insurers. The Government's policy of insuring the uninsured has gradually pushed the insurance penetration within the country, and proliferation of the insurance schemes.

The life insurance industry is expected to increase at a CAGR of 5.3% between the period 2019 and 2023. India's insurance penetration was pegged at 3.76% in FY20, with life insurance penetration at 2.82% and non-life insurance penetration at 0.94%. In terms of insurance density, India's overall density stood at US\$ 78 in FY20.

The market share of private sector Companies in the general and health insurance market increased from 47.97% in FY19 to 48.03% in FY20. In the life insurance segment, private players held a market share of 33.78% in premium-underwritten services in FY20.

In FY21 (until January 2021), premium from new business of life insurance Companies in India stood at US\$ 29.3 billion.

Gross premiums written of non-life insurers in India reached US\$ 22.5 billion in FY21 (between April 2020 and January 2021), from US\$ 21.9 billion in FY20 (between April 2019 and January 2020), driven by strong growth from general insurance Companies.

⁹ Last accessed on 21st May, 2021. <https://www.rbi.org.in/commonman/English/Scripts/BanksInIndia.aspx#SRIA>

¹⁰ Last accessed on 24th July 2021. <https://www.ibef.org/industry/banking-presentation>

¹¹ Last accessed on 24th May 2021. <https://rbidocs.rbi.org.in/rdocs/content/pdfs/NSFIREPORT100119.pdf>

¹² Last accessed on 20th May, 2021. <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#117>

¹³ Last accessed on 20th May, 2021. <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#117>

¹⁴ Last accessed on 20th May, 2021. <https://niti.gov.in/we-are-looking-business-correspondents-pandemic-what-are-they-looking>

¹⁵ Last accessed on 19th May, 2021. <https://www.npci.org.in/product-statistics/upi-product-statistics>

¹⁶ Last accessed on 20th May 2021. <https://www.ibef.org/industry/banking-presentation>

¹⁷ Last accessed on 20th May, 2021. <https://niti.gov.in/we-are-looking-business-correspondents-pandemic-what-are-they-looking>

MANAGEMENT DISCUSSION AND ANALYSIS

Union Budget 2021 increased FDI limit in insurance from 49% to 74%. India's Insurance Regulatory and Development Authority (IRDAI) has announced the issuance, through Digilocker, of digital insurance policies by insurance firms. In February 2021, the Finance Ministry announced to infuse Rs. 3,000 crores (US\$ 413.13 million) into state-owned general insurance Companies to improve the overall financial health of the Companies.

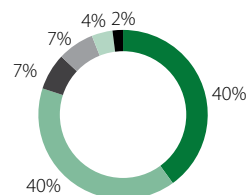
Post COVID-19, market conditions look promising for life insurance industry due to several changes in regulatory framework, which will further lead to a change in the way the industry conducts its business and engages with its customers. Traditional practice of not purchasing insurance will slowly fade away with health risks posing threat to society. Overall, insurance industry is expected to reach USD 280 billion by 2020. In addition, India's life insurance industry is expected to increase by 14% to 15%, annually for the coming 3 to 5 years¹⁸.

3. ATM

In India, cash is a favored means of payment. An increase in issuance of debit cards has not witnessed a commensurate increase in number of ATMs. Cash withdrawals from ATMs in the country are second only to China. As of March 2021, India had 2,38,588 ATMs¹⁹. Out of this, the country has 47,490 ATMs in rural India²⁰. Share of White Label ATMs (WLA) in the country is 25,013 with 13,187 WLAs in rural India²¹.

Share of various segments in e-commerce retail by value (2020)

■ Consumer electronics ■ Apparels ■ Food & Grocery
■ Jewellery ■ Furniture ■ Others



Source: IBEF

4. E-commerce

E-commerce is the fastest growing market in India and is projected to reach USD 84 billion in 2021, further growing by approximately 1200% by 2026²². The industry is supported by rising income, increase in number of internet users, high smartphone penetration, policy reforms, government initiatives and young demography.

While a section of India relies on the world of e-commerce for items such as toothbrush, mobile phones, electronics, furniture and other products, there still remains a large population that is unexposed to online shopping. The need to bridge this gap between exposure and non-exposure to e-commerce requires access to all products and services at the same price across India.

The Indian online grocery market is estimated to reach US\$ 18.2 billion in 2024 from US \$1.9 billion in 2019, expanding at a CAGR of 57%. India's e-commerce orders volume increased by 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the largest beneficiary.

At Vakrangee, our assisted online shopping platform provides our customers with access to multiple product options from daily staples, fashion items, to electronics. We also offer the convenience of getting the products delivered to our Kendra.

In partnership with Amazon, we are providing a trusted, secure and convenient option to our customers in the unserved and underserved rural locations to get access to a wide range of products at the most competitive prices. The store person at the Nextgen Vakrangee Kendra is able to showcase millions of products to the consumer and assist him in selecting the right product, placing the order and making the payment.

In partnership with Augmont we are providing a secure option to the unserved and underserved customers to buy purest gold and silver coins and jewellery at the most competitive prices in the industry. With Augmont's backing and Vakrangee's physical presence, customers feel secure. At Vakrangee Kendras, customers can choose from a large variety of gold and silver coins, jewellery such as rings, pendants, bracelets, chains, earrings, and bangles. Customers also get an option to buy coins and jewellery on EMI and can pay for their purchases over the period of 3, 6, 9 months. They also have the option of cancelling their orders during the EMI period. With trust of a brand, range of quality options, ease of buying through EMI, and the right pricing, it is easily the best way for customers to purchase and invest in gold and silver.

Despite depressed consumer spending, economic slowdown and uncertainty created due to covid-19, e-commerce players are expecting strong sales growth in 2021. Online grocery, e-pharmacy and social commerce are expected to see a bulk of action in 2021.

¹⁸<https://www.ibef.org/industry/insurance-sector-india.aspx#:~:text=The%20insurance%20industry%20of%20India,the%20non%2Dlife%20insurance%20segment>

¹⁹<https://www.rbi.org.in/Scripts/StateRegionATMView.aspx>

²⁰Last accessed on 24th May 2021. <https://www.rbi.org.in/Scripts/StateRegionATMView.aspx>

²¹Last accessed on 24th May 2021. <https://www.rbi.org.in/Scripts/StateRegionATMView.aspx>

²²Last accessed on 21st May, 2021. <https://www.ibef.org/industry/ecommerce-presentation#:~:text=In%2019%2C%20it%20was%20estimated,1%2C200%20per%20cent%20by%202026>



5. E-health

Ministry of Health and Family Welfare (MoHFW) has started various e-Gov initiatives in healthcare sector in India. E-healthcare is broadly defined as the use of Information and Communication Technology (ICT) in health. It has a potential to make a world of difference in India where mobile technologies have been penetrating at a rapid rate. As India has a strong presence in IT, the integrated health information system serves the needs of all stakeholders by contributing approximately 8% to the GDP. The e-health initiatives has a vision to deliver better health outcomes in terms of access, quality, affordability, lowering of disease burden and efficient monitoring of health entitlements to citizens. The scope of these initiatives are to make all medical facilities available all the time from any part of the world through web services, mobile services, SMS or call center services²³.

At Vakrangee, our assisted online healthcare platform provides our customers with access to telemedicine and pharmacy services. Our Kendras meet the unique medical requirements of numerous people through our service partners who offer medicines at a discounted price and cost-effective telemedicine services.

In partnership with Netmeds, we are providing a platform where citizens can order, pay and collect a wide range of prescription, OTC medicines and other health products at their nearest Nextgen Vakrangee Kendra. The customers can also avail various discount offers and make significant savings on their purchases of medicines and health products. Netmeds is one of India's most trusted pharmacies, with over 100 years of experience in dispensing quality medicines.

“Vakrangee plans to revolutionize the way healthcare is delivered across rural India. The service is set to give patients, residing in rural locations, a very different experience when they see a doctor, discuss their concerns, and do a virtual consultation”

Telemedicine is also effective solution to challenges in delivery of healthcare, training, low-cost consultation and diagnostic facilities in rural India. It is expected to reach USD 32 million by 2020, growing at a CAGR of 20% between FY 2015-16 to FY 2019-20. Favorable factors, particularly, robust digital footprint, government initiatives and digital biometric identification programs have fueled market growth for digital healthcare in India. COVID-19 is overburdening the healthcare system in India. Temporarily closing out-patient departments to free up doctors and medical staff have left patients with other ailments unattended. Regular check-ups and therapies for chronic diseases are on halt due to either travel restrictions or temporary closed services. Amidst restrictions and closures, telemedicine has stepped in to serve patients in India.

In partnership with vHealth, we are providing our customers professional telemedicine services in the underserved rural locations in a very cost-effective manner. Vakrangee plans to revolutionize the way healthcare is delivered across rural India. The service is set to give patients, residing in rural locations, a very different experience when they see a doctor, discuss their concerns, and do a virtual consultation. We also arrange home blood tests, doorstep delivery of medicines through vHealth's partner network.

6. Logistics

Indian logistics is a fast-paced and competitive market. Emergence of e-commerce, streamlined GST, government projects on infrastructure development are few factors to propel the domestic logistics sector. India has played a vital role in improving its global ranking on trading across borders from 146th rank in 2017 to 80th rank in 2016. Department of Commerce is working hard towards reducing the logistics costs from the current 14% of the of GDP to almost 10% by 2022 by adopting an integrated approach of developing a logistics portal which will be a single window marketplace to all the stakeholders.²⁴ Investments in logistics, including infrastructure, is expected to touch USD 500 billion, annually by 2025.²⁵

The global pandemic has affected the logistics sector in the country. Even as Government of India announced relief measures in the country, volume of inland logistics may fall. Overall, we can notice responses and innovations of different industries to the pandemic. As the economy reopens gradually, there will be a need to mold our business model accordingly to stay ahead in our growth curve. Following sections elaborate our corporate strategy and resilience in the volatile, uncertain, complex and ambiguous business environment.

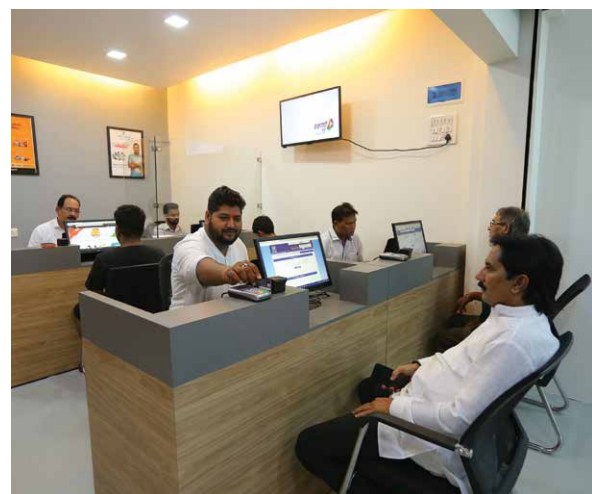
²³National Health Portal- https://www.nhp.gov.in/e-health-india_mty

²⁴Last accessed on 24th May, 2021. <https://pib.gov.in/newsite/PrintRelease.aspx?relid=186255>

²⁵Last accessed on 24th May, 2021. <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1540616>

Vakrangee's Performance Highlights

In the new norm of volatility, uncertainty, complexity and ambiguity, our Next-Gen Vakrangee Kendras have proved to be a remarkable symbol of evolution, resilience and stability, repeatedly. In other words, our outlets are powerhouses of minimal footprint and maximum value. This section provides an overview on how we are sustaining value across different stakeholders.



Performance of our Next-Gen Vakrangee Kendras

Product-wise performance

Our 11,730 Next-Gen Vakrangee Kendras have been operating exceptionally to deliver our promise of convenience and inclusion to the underserved and unserved citizens of India. Whether it is keeping outlets open till late at night or helping citizens during the COVID-19 pandemic, our franchisees proudly support building of a resilient India. Our product-wise performance results present our hard work, sincerity and endurance to achieve our mission.

In FY 2020-21, our ATMs recorded total number of transactions as more than 4,08,16,785, while gross value of ATM transactions stood at over INR 1,03,17,72,07,500. Similarly, number of transactions for our banking service was around 6,49,63,790.00 recording a gross value of INR 2,84,44,63,64,438.18 in the reporting year.

Capital-wise performance

In the financial year 2020-21, the total Income of our company stood at INR 29,558.92 lakhs while the EBIDTA stood at INR 9,762.32 lakhs in FY2020-21. The PAT stood at INR 6,279.13 lakhs in FY2020-21 and the EPS (basic) for the face value of INR 1 stood at INR 0.59 in FY2020-21.*

Key Financial Ratios*

S. No.	Particulars	FY 2020-21	Explanation
1	Debtors Turnover (%)	0.19	It is assumed that the entire revenue from operations represents total credit sales less sales return and allowances. The ratio between the average trade receivables and the revenue from operations is considered
2	Inventory Turnover (%)	46.23	The ratio between the revenue from operations and the average inventory between beginning and end of FY 20 is taken. The net sales is considered in this regard
3	Interest Coverage Ratio (%)	NA	We have not incurred any 'Finance Cost' during the FY and thus, the ratio is not applicable
4	Current Ratio (%)	10.2	There has been a increase in current assets as well as an increase in current liabilities and the value signifies the ratio between the current assets to the current liabilities
5	Debt Equity Ratio (%)	NA	Considering we are unlevered, i.e. we have no long term/short term borrowings, the ratio may not be considered. However, it can still be presented by taking the ratio between the total liabilities to total equity
6	Operating Profit Margin (%)	22.58	For the computation of the ratio, EBIT is taken without considering the exceptional items
7	Net Profit Margin (%)	17.38	An increase in the profit level for this FY has anchored the growth in the net profit margin which is the ratio of the net profit and the revenue from operations
8	Return on Net worth (%)	1.95	The net profit for the FY has increased leading to a greater return on net worth, which is calculated by taking into consideration the ratio between the net profit and the shareholder's equity.

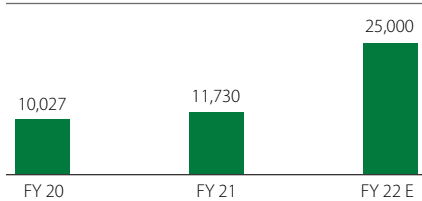
* The above figures and calculations are on standalone basis.



Manufactured capital

We have taken significant steps in moving towards our vision of reaching the last mile and providing the people with quality services. Through our presence in the remotest parts of the country and evolution of our services to benefit the community, we have ensured growth through financial, digital and social inclusion. We have introduced the Unique Hybrid Model to support our physical outlets with a digital platform, which has made our services more accessible even during the nationwide lockdown and restrictions. We have not only introduced new innovative service offerings but also expanded our geographical presence by reaching 11,730 operational Next-Gen Vakrangee Kendras in FY20 compared to 10,027 in FY19.

Number of operational Vakrangee Kendras



The above graph highlights our growth in FY 21 and the target for FY 22 as we aim to further diversify our range of services and increase our outreach. We have endured the pandemic strategically while serving the Nation with the essentialities such as telemedicine and doorstep banking. Our geographical presence spread across 24 States, 518 Districts and 4588 postal codes covered more than 70% of the Tier V and Tier VI locations (depicted in the graph below). We have served 172 LWE, tribal and aspirational districts (more than 33% of the total districts), among which 87 districts had 130 field staffs working.

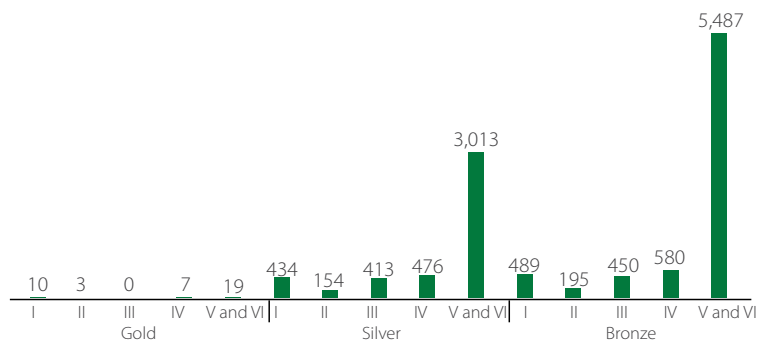
11,730

No. of Next-Gen Vakrangee Kendras

>70%

Next-Gen Outlets in Tier V and Tier VI

Number of Kendras across Tiers



By being ISO 9001:2015 certified since 1998, we have always demonstrated our strong intent in driving innovative changes while consistently improving the products and services we offer to our customers. Our strategic approach and robust technology enabled us to bridge the gap between the rural and urban India as we look ahead to further serve the unserved and underserved population to build a Nation resilient to disruption.

Human capital

Our employees have always been one of the most valued stakeholders for the Company. We continuously endeavor to upgrade their knowledge and skills, enhancing their ability to perform. We value our employees and their motivation to achieve the shared purpose of serving the underserved and unserved citizens of India. Our strong workforce of 800 employees bear testimony to our commitment. By investing in human capital, we have experienced a gain in productivity, employee loyalty and motivation to work.

In FY 2019-20, we signed the United Nations Global Compact and showed our support to the ten principles of UNGC on human rights, labor, environment and anti-corruption. We committed to making the UN Global Compact and its principles as part of our strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects, which advance the broader development goals United Nations, particular the Sustainable Development Goals.

We also have tie-ups with major nationalized banks, and in principle

authorization to set up and operate Bharat Bill payment operating unit. We have membership of CATMi, BCFI and NPCI, well-recognized industry bodies in the country.

Our drivers of value for human capital are:

Organizational culture: We believe that a professional and respectful work culture supports productivity, growth and positivity. We aim to build a work culture of meaningful work as well as continuous engagement. We seek fair resolutions; base our decisions on merit, deal fairly and honestly with stakeholders, and maintain transparency in decision-making.

Leveraging technology: The on-going pandemic of Covid-19 has caused unprecedented disruption in the world of work. We are leveraging technology, implementing process automation and innovative digital initiatives as new ways of conducting everyday business and managing field operations. There has been dedicated business vertical wise VC channels being set up whereby franchisees can login on daily basis and get online training sessions service wise. They can also have live two-way communication sessions with direct business teams as well as centralized HO level relationship managers to resolve their queries on real time basis.

Human rights: Our initiatives for human rights include compliance with labour laws, creating awareness about human rights among employees, providing equal opportunity for employment, harassment-free workplace, health and safety of employees, and grievance redressal mechanism for employees.

MANAGEMENT DISCUSSION AND ANALYSIS

Diversity and inclusion: We prohibit discrimination based on individual's race, color, religion, disability, gender, national origin, sexual orientation, age, genetic information or any other legally protected status. Because of our efforts, 13.77% of employees are women.

Gender equality: Our initiatives for gender equality include Pay Equity Committee, salary negotiations, fair reward system, pay transparency, bonus, flexible work schedules, and average increment of women employees. We have designed our targets such that we reach 1:1 ratio of male and female across the organization across the organization by 2025.

Targeted recruitment: We are an equal opportunity employer. We aim to employ the best talent across the country from diverse backgrounds. Being present across India, we work together with people from diverse backgrounds to achieve our organizational goals. Our recruitment criteria include parameters such as aptitude, competency mapping, skill set benchmarking, and ability.

Mentorship: Mentorship programs like minority group program, women mentorship program, specially-abled mentorship program, military mentorship program, new-joiner program, mentor and buddy program guide our employees in professional aspects of their lives.

Training and development: We have imparted 1,100 hours of training on ISO certifications, induction, behavioral aspects, etc., to permanent employees.

Talent retention: Employees are associated with us for 5.1 years. Our on-boarding and joining process has helped us curb attrition among new joiners by 8% in the first 180 days of joining. We recorded a voluntary attrition rate of permanent employees at 4.83% in FY 2020-21.

Employee satisfaction: We conduct various employee engagement activities like motivational programs, sponsorship, family events, and competitions. We also conduct employee engagement survey and offer services to employees from the in-house store.

Health and safety: Few of our initiatives to promote health and safety in the organization are Employee Assistance Program, practical well-being and support, yoga classes, fire-safety and emergency drills, etc. We had a dedicated doctor available for online and digital tele-medicine consultation for all employees during Covid-19 pandemic period.

Grievance redressal: We have a qualified team of professionals for addressing grievances, of all our stakeholders.

Social and relationship capital

In the social and relationship capital, we encouraged ourselves to rise and share the burden with the people towards building each other. We focused on assessing our relationship with various key stakeholders such as franchisees, customers, business

partners, local community wherein we operate, shareholders, suppliers and government or regulatory bodies. We seek opportunities in maintaining a relationship of cooperation and trust with all our stakeholders. In this regard, we have released policies such as Sustainable Sourcing Policy, Green Procurement Policy, Corporate Social Responsibility Policy, Political Involvement Policy and Shareholder Engagement Policy, among others, concerning different stakeholders. Policies represent not only our commitment towards strengthening our relationships but also guide us in engaging and adapt with the changing times and to the needs of our stakeholders.

Following is a snapshot of how we interacted with each identified stakeholder:

Shareholders

- We interacted with shareholders through conference calls, business updates through press releases, roadshows, analyst meetings, and Annual General Meeting. We have recorded and uploaded the sessions on our website

Franchisees

- We empower rural entrepreneurship, employment generation as well as skill development.
- Kendra outlets were made operational amidst Pandemic with all Safety Protocol in place
- Introduction of Doorstep Banking was made especially for senior citizens and old age pensioners
- Tele Medicine Services which provided professional medical consultations by doctors and reducing physical consultations by 70%.
- Free registrations for vHealth for virtual doctor consultation

Suppliers/ Vendors

- Assessed 9 suppliers on the basis of their social and environmental impact. Moreover, we conducted regular meetings and held internal audits to monitor their performance on our ESG requirements.

Customers

- We have completely focused in providing sustainable business model to enable Indians to benefit from financial, social and digital inclusion.

Government and Regulatory Authority

- We have no direct relationship with Government bodies, however, we own a license from Reserve Bank of India to set up and manage White Label ATMs. We are the 12th largest and 4th largest ATM operator in India and rural India, respectively.
- Tie-ups with major nationalised banks, and in principle authorization to set up and operate Bharat Bill payment Operating Unit
- Member of CATMi, BCFI and NPCI, well-recognized industry bodies in the country

Local community

- Creating clean water drinking facility in remote area as 70% of Kendra are centred in Tier V and Tier VI cities
- Adhered to Corporate Social Responsibility Policy for harmony between business and community
- Key CSR initiatives include being associate sponsor for the Hiranandani Marathon, providing multi-speciality hospital in Kota and collaboration in establishment of IIIT Kota



Intellectual Capital

Our company is putting continuous efforts in bridging the gap between the rural and urban population of India. Our last mile services focus on bringing innovative ways in offering the services to a larger section of society especially during tough times of COVID-19 such as services like Tele medicine which includes the facilities like consultation by doctors, medical deliveries at homes. The company has discovered new ways of offering its services to customers like doorstep facility and Digital Kendras where customers can enjoy all the services at their homes.

Data privacy and security

Next-Gen payment systems

Artificial Intelligence and Natural Language Processing

Virtual Assistance

Internet of Things

Chatbot Conversational Interface and Designs

Blockchain

Big data and data analytics

Few highlights in FY 2020-21 are:

- We are certified in the relevant ISO standard certifications that ensure that we have proper systems and processes in place to run our operations. ISO/IEC 27001:2013 Information Security Management System provides protection of sensitive data of the company and our customers;
- ISO 27701- Privacy Information Management System which ensure enforcement of compliance with mandatory regulatory, internal compliance, best practices, legal and ethical requirements along with need for managing risk;
- ISO 20000-1:2011 - IT Management System benefits us with improved IT service management, reliable IT services with reduced downtimes, minimal risk of errors, lower costs, time-saving and increased customer confidence;
- ISO 22301- Business Continuity Management Systems specifies the requirements for a management system to protect against, reduce the likelihood of, and ensure that the organizations business recovers from disruptive incidents;
- Our investment in R&D and advanced technology for FY 2020-21 was more than INR 3 crores;
- We have trained all the employees and 11,730 franchisees for advanced technologies;
- As a result of strengthening data security in our operations, we faced 0 instance of data breach in our corporate office and outlets;
- We monitored 11,730 franchisees with the help of Internet of Things in FY 2020-21;
- As a key Innovative step towards Digital initiatives, the company has Launched Digital Vakrangee Kendra: Unique Hybrid Model (Online to Offline) whereby there is Assistance available through the Physical store network along with Digital Online Services;

- We also launched a mobile super app-based business platform: BharatEasy Super Mobile App.

Natural capital

Growth with environmental stewardship

In a matter of just few months, the COVID-19 crisis has brought about years of change in the way companies' function. In order to survive and succeed in such volatile markets, it is important to rapidly adapt business strategies to address both challenges and opportunities created by the crisis. The Indian business recognises the need for resilience in operation and the need to meet constantly changing consumer behaviour to be the key parameters for continued growth of an entity. We are growing in line with this sentiment and have committed to grow with minimal environmental footprint. We have set short-term and long-term targets to curb our carbon emissions. Moreover, we have carefully devised a set of initiatives to help us achieve our environment-related targets while providing the best means of digital, social and financial inclusion to our customers.

Impact of initiatives

Our initiatives for reducing adverse environmental impact is based directly on our business model such as location of our outlets. Our activities are guided by well-defined corporate policies.

- Go-Green Initiatives in all ATMs aimed at reduction in paper consumption by introducing paperless ATMs. This has reduced paper consumption and paper waste to almost nil;
- Biometric-enabled paperless banking aimed at reduction of paper consumed and waste generated in our Next-Gen Vakrangee Kendras. This has also contributed to major reduction in paper consumption and paper waste;
- Our commitment to expand Next-Gen Vakrangee Kendras in rural India has reduced the distance travelled by customers and franchisees drastically, thereby contributing to reduction in fuel consumed for travel and associated greenhouse gas emissions;

MANAGEMENT DISCUSSION AND ANALYSIS

- Our corporate office has been built on the concept of green building. Key features of our green buildings include energy-efficient design, onsite renewable energy through rooftop solar photovoltaic (PV) panels, daylight harvesting through glass walls, usage of recycled material and net-zero discharge initiatives;
- Commute by carpool/vanpool, bike, and public transit, which helps to reduce Scope 3 GHG emissions, has been incentivised for employees;
- Our Next-Gen Vakrangee Kendras are established in existing infrastructure to reduce the need to acquire and clear new piece of land. It has avoided adverse impact on biodiversity due to construction, as well reduced pressure on land utilization;
- Since almost 70% of Next-Gen Vakrangee Kendras are centered in tier V and tier VI cities, we are creating clean water drinking facilities in remote areas, which can be accessed without charge at any time;
- To reduce use of plastic, we have restricted use of plastic package drinking water bottles. We have started use of glass water bottles for office meetings. We have adopted a sustainable waste management philosophy in line with the concept of circularity of through waste management, re-cycling and eco-friendly disposals through Industry best practices.



- We are focusing to achieve our goal is by designing energy efficiencies into our facilities such as usage of Renewable energy at our last mile franchisee infrastructure as well as leveraging technology to lead innovation and get digital transactions leading to minimal paper waste, thereby reducing GHG emissions.
- We have also received ISO certifications on ISO 14001:2015 - Environmental Management System, ISO 20400:2017 - Sustainable Procurement Management System, and ISO 14064-1:2006 & ISO 14064-2:2006 - Green House Gas Emission to strengthen our performance in environmental stewardship, ISO 50001 – Energy Management System.

“The company has discovered new ways of offering its services to customers like doorstep facility and Digital Kendras where customers can enjoy all the services at their homes”

Business Outlook – Our Corporate Strategy

Our purpose is to ensure that every Indian has an opportunity to benefit from financial, digital and social inclusion. Our unique business model includes a vast network of outlets spread across the length and breadth of the country.

In parallel to our endeavour for a better India, we have committed to the Sustainable Development Goals for a better world. We aim to adopt these Goals and address global challenges, such as poverty, inequality, climate change and environmental degradation. We incorporate Environmental, Social and Governance (ESG) initiatives in our fundamental business process for sustainable development.

We are taking the financial and digital literacy to the bottom of the socio-economic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time alongside competitive pricing. We act as the biggest equaliser by bridging the gap of financial, social and digital inclusion in urban and rural India. We aim at achieving financial inclusion through the promotion of

Government's financial schemes and the social inclusion initiatives such as PMJDY and social security insurance schemes. We are providing universal access to banking, insurance and pension schemes alongside Direct Benefit Transfer of subsidies.

Vakrangee continues to focus on expansion through its Asset Light Franchisee based model. It has a short term and medium-term target of 25,000 outlets by March 2022 and long-term target of 75,000 Vakrangee Kendra outlets by 2025. We have recently launched our Strategy 2.0 Document. The Strategy 2.0 Document highlights our Next 5 year growth targets and operational and financial deliverables in detail. This document focuses on the Core Business of Physical network of NextGen Kendra outlets. Our vision is now set to create the world's largest franchisee based distribution channel in India with a strong focus on Rural India. We estimate that our Gross Transaction value would cross US\$50

Billion on an Annual basis over the next 5 years and no of transactions would cross a billion transactions annually. This would result into significant growth in Revenues and profitability as our business model is asset light franchisee based model with strong operating leverage. Our Cash Adjusted Return on Capital would improve significantly.

The strategy behind the Company's planned target is to have a presence on Pan India basis in every District and Postal code of the country so that every citizen can have access to key essential services within walkable distance at the nearest Vakrangee Kendra. Vakrangee intends to become India's No. 1 retailer by offering innovative ideas and proven modern technologies for facilitating universal financial, digital and social inclusion.

For seamless customer experience, we aim to improve convenience quotient of Next-Gen Vakrangee Kendras by unifying our brand experience across all our franchisee categories within the marketplace. Our objective is to become the world's top-notch assisted digital convenience store with standardised, unified and one-look branding for infrastructure, making our Kendras distinctly identifiable as "assisted digital convenience stores".

Through our unique business model with a vast network of outlets, we are driving financial, digital and social inclusion in rural India. Our ultimate purpose is to ensure that every Indian has the opportunity to benefit from financial, digital and social inclusion and has access to the global marketplace.



MANAGEMENT DISCUSSION AND ANALYSIS

We are taking the financial and digital literacy to the bottom of the socio-economic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time, competitive prices and same service levels. We are acting as the biggest equalizer by bridging the gap between the urban and rural population in India. Our overall objective is to deepen our presence in India and keep enhancing our service portfolio to create a seamless customer experience.

We have a strategy to keep improving our convenience quotient by unifying our brand experience across all our franchisee categories within the marketplace. Our objective is to become the world's top-notch assisted digital convenience store with standardised, unified and one-look branding for infrastructure, making our Kendras distinctly identifiable as "assisted digital convenience stores."

Our service offering strategy is to keep expanding the service offering bouquet to make sure maximum services are available to citizens under one roof. Our motto for customers is to become the Store of choice for their daily usage and convenience services. As we say, "Sab Kaam Ek Dukaan" or "Ab Poori Duniya Pados main".

The "Vakrangee Effect": adopting economic, social and governance aspects

Our vast network financially empowers a large section of society that, until now, were excluded from mainstream activities of an emerging economy, inclusive of consumption, savings, insurance and investment. We have mapped our Business growth strategy with the Sustainable development goals as well as doing Responsible business. We engage with Government and private partners to drive Financial, Social and Digital inclusion throughout the Rural communities in India.



Our aim is to efficiently adopt these goals, Integrate them into our strategy and Business operations, and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. Vakrangee Limited has been accepted as a Signatory of the United Nations Global Compact. We are now part of a global network of over 9,500 companies and 3,000 non-business participants that are committed to building a sustainable future. Increased participation of people will further support industrialisation, agriculture and create a wider market for goods and services. Subsequently, with potential financial and social inclusion of a large section of society responsible for more than half of India's GDP, the Indian economy can be further enlarged and energised. We call this "The Vakrangee Effect".

As a company, we are always planning and our strategy is always to grow the business organically. We plan to grow and expand our network to 25,000 Vakrangee kendras by March 2022 and on a long term basis to reach 75,000 outlets by 2025.

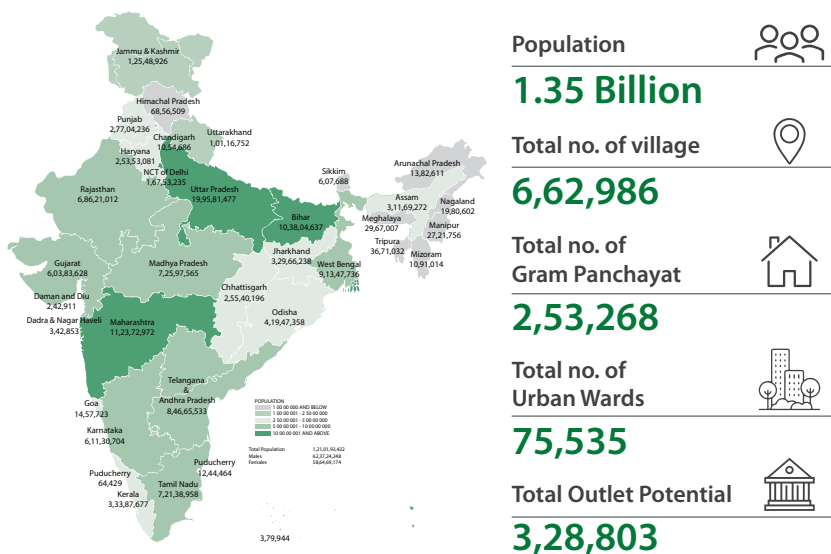
Resilient business model

We believe practising inclusivity can help any business to sustain and prosper in the long-term. At Vakrangee, our ultimate purpose is to ensure that every Indian gets the opportunity to benefit from financial, digital and social inclusion and has access to the global marketplace. Through our vast network of outlets, we are driving financial, digital and social inclusion in rural India. Our focus on inclusiveness enables us to reach the last mile and create value.

1. Social inclusion

- Enhancing skills: Our business model facilitates skill enhancement. We on board ordinary individuals and train them with skill sets to yield remarkable results. Additionally, these individuals are encouraged to complete a basic certification to enhance their technical skills for rendering Aadhaar and Banking Services,
- Creating employment: Our business model is a pure franchisee-based. Apart from creating employment opportunities within the Company,

Huge untapped market: overall market potential





each franchisee is also providing employment to minimum of 1 to 2 resources, thereby creating further employment opportunities and financial stability for local people. Our distinguished approach to business creates a ripple effect for generating employment in society.

- Social inclusion through e-Governance: Social inclusion helps a resident in getting an identity; recognizing his/her existence; helping the Government in reaching out to the resident for delivery of various welfare initiatives. It further enables to drive financial inclusion and in providing easy access to loans.

2. Financial inclusion

We provide access to basic banking and insurance services. Additionally, we enable transfer of Government subsidies directly into the bank accounts of citizens through the Government's Direct Benefit Transfer (DBT) scheme. With financial inclusion of a larger section of society responsible for more than half of India's GDP, the Indian economy can be further enlarged and energised.

3. Digital inclusion

We are taking digital literacy to the bottom of the socio-economic pyramid and serving as the last-mile link to connect India's unserved and under-served rural and urban citizens by offering them biometric-enabled banking, assisted e-commerce services and digital e-governance services at our Kendras. Furthermore, we are taking digital literacy to the bottom of the socio-economic pyramid by offering assisted e-commerce services through our Kendras. This enables us to ensure last-mile link and connect India's rural and urban citizens to modern e-commerce sites.

4. Reducing inequalities

As one of our major goals to reduce inequalities, we are bridging the gap between India's urban and rural population. Our Next-Gen Vakrangee Kendras are coordinated with the theme, "Ab Poori Duniya Pados Mein". We have a setup in the

form of 'One Stop Shop Digital Convenience Stores', offering the urban and rural citizens goods and services at the same price, same time and of the same quality. Out of our 10,027 outlets, 1,469 outlets are in 164 tribal districts, and 614 outlets are in 90 Left-Wing Extremism (LWE) districts.

5. Promoting decent work and economic growth

We provide right opportunities to people – to get work that is productive, stable, and well paid. Our franchisees create local work opportunities by recruiting local people, and undertaking skill development - certification for banking, insurance and UIDAI services.

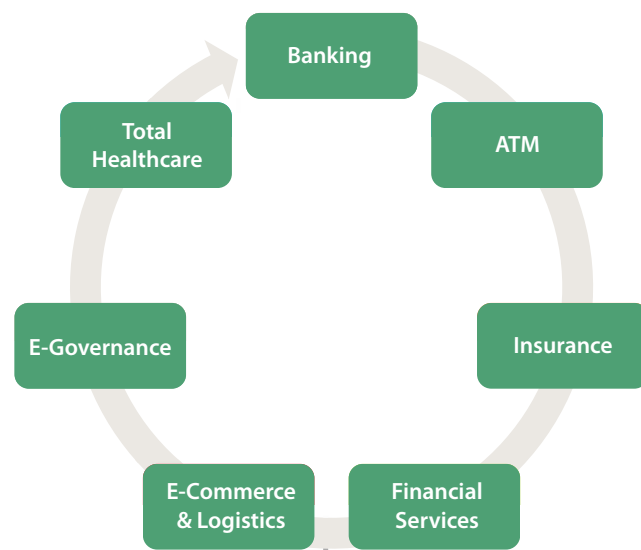
"Sab Kaam Ek Dukaan" – Bringing a world of convenience at your doorstep

India has approximately 65% of 1.3 billion citizens living in rural parts of the country.²⁶ We, through our Next-Gen Vakrangee Kendras, aim to connect the rural population of India and map them under the umbrella of financial, social and digital inclusion. As of today, the Next-Gen Vakrangee Kendras are considered as one of the centre points of consumption in rural economy.

We have adapted and enhanced the services provided by our Next-Gen Vakrangee Kendras to align them to meet the demands of rural India, which requires a different approach when compared to urban India. The Indian Government's encouragement for digital payments, motivate us to develop our outlets into a one-stop shop for various products and services. Support from the Government's initiatives towards financial inclusion has helped almost every Indian household to own at least one bank account and have access to a debit card. Direct Benefit Transfer (DBT) scheme has helped deepen penetration of banking services into rural parts of the country. Increasing access to the digital platforms has multiplied demand for digital banking options and platforms across the country.

Our Kendras have introduced digital and financial inclusion to rural markets. We offer disruptive technologies like Aadhaar enabled Payment Systems (AePS), e-KYC, inter-operability and real time banking transactions to our customers. We collaborate with several insurance Companies, as their corporate agents, to provide life, general and health insurance.

Our range of services offered at our Next-Gen Kendras



²⁶Last accessed on 13th July 2020. <http://statisticstimes.com/demographics/country/india-population.php>

MANAGEMENT DISCUSSION AND ANALYSIS

Through our Kendras, we have established a network of easily accessible ATMs, provided communities convenience of withdrawing cash within their own neighbourhood, and eliminated the need to travel long distances for essential services. Approach of our Kendras helps us act as a Cash-in Cash-Out point for local area.

Alongside banking services, our Kendras serve as technology-intensive retailers providing multiple services such as e-commerce, online healthcare, telemedicine, and online travel bookings under one roof. Indirect access to modern services by rural citizens and availability of few products in rural areas, are bundled with a premium price primarily because of high transportation costs. Our philosophy of being the biggest equaliser franchisee-based, a multi-service retail network, we have inclined our efforts towards

delivering utmost convenience at minimal or no charge. Our Next-Gen Vakrangee Kendras cater to the day-to-day needs of the rural people. We provide services like booking of train and bus tickets, electricity bill payments, and courier and logistics services, amongst others. With the help of these services, our objective stands to reach remote areas of India and connect with the unserved sections of society.

Unique features and advantages of Next-Gen Vakrangee Kendra



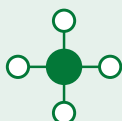
Store exclusivity and consistent branding

- Exclusive store model with same service level and same customer experience
- Standardised layout and design by L&H (Lewis & Hickey)
- Uniform and consistent branding for higher brand recall and visibility



ATM in outlet

- ATM installed in outlet
- Potential to enhance the footfall significantly
- Additional stream of revenue for both – the franchisee and the company



Centralized monitoring system

- Centralised CCTV system
- Better security at the store
- Full compliance with RBI guidelines to maintain more than 90 days video recording backup



Digital advertising

- Digital signage to enable centrally monitored advertisement campaigns
- To enhance the interaction between consumer and partners
- Focus to initiate advertising revenue



PIN pad device

- To enable various kinds of payment modes at any Vakrangee Kendra
- Integration in process to start accepting RuPay, Debit and Credit card payments



Robust technological innovations for our promising business model

Our business strategy is integrated with a strong focus on technology innovations. We have believed in the power of technology innovations, and have implemented various innovations such as biometric-enabled banking, paperless digital transactions, and e-KYC (Know Your Customer). We constantly upgrade our technologies with latest innovations. Few of our solutions are:

1. Next-Gen payment solution: The Government of India has been focusing on digital payments across the country. We understand the importance of adopting a next generation business model in the digital age. To align with the government's mission of digital payment, we are developing a Unified Payment Platform to process all payments including card payment, UPI, AEPS, Aadhaar Pay, and QR amongst others. This will enable our Next-Gen Vakrangee Kendras to accept payments from our customers through any mode of payment. We are one of the pioneers of Aadhaar enabled Payment System (AePS) based banking system. An integrated digital payment mechanism empowers us to make banking services available to every citizen of India across the last tier in the country.

2. Big data and data analytics: We generate and store a great proportion of data on a daily basis. This data requires sorting, arranging and storing methodically, which is not possible through a conventional database system. To manage large volumes of data, we have transitioned towards the use of big data. We understand that number of devices connected and amount of data generated will increase with the use of artificial intelligence. Therefore, we have incorporated data analytics – processing and analysing data for behavioural insights. For better results, we make use of artificial intelligence and machine learning, which considers the historical data and provides accurate predictions, which comes handy for proactive action.

3. Artificial Intelligence (AI) and Machine Learning (ML): AI and ML form an integral component of any corporate strategy due to their ability to manage high volumes

of data. We have initiated adopting AI and ML technologies since they build cognitive abilities. We make use of AI and ML to improve our product lines and design advanced business solutions; obtain relevant information to improve accuracy; assist in assignment of resources; maximise automation of existing processes; and minimise countless human hours. Our focus is on deploying AI as an augmentation tool to the current workforce, providing engineers and other professionals with added insights that will increase their efficiency and free them up to focus on enriching the customer experience.

4. Internet of Things (IoT): Internet of Things, in today's world, is one of the top technologies that enables management of devices and applications. It connects wearable devices, enterprise-wide physical assets, and other electronic devices through sensors, actuators, amongst others. These help in gathering real-time data from across departments, processes, or business lines. We as an organisation are adopting and implementing this technology for improved process efficiency, asset utilization and productivity. With the use of IoT, we are monitoring ATMs, electric surveillance and logistics.

5. Chat-bot conversational interface and design: As chat-bots become a prominent technology across different industries, we have introduced conversational interfaces using NLP for human-like voice conversation, designed to play different roles and assist employees and customers. A personal assistant performs instant two-way conversation by answering queries, taking notes, running video on demand, or a customer-service executive, who provides all sorts of information on products or services.

Our strategic alliances

We continuously explore new opportunities and business tie-ups to expand our world of convenience for customers. Our strategic alliances during last 12 to 18 months are as follows:

1. Telemedicine service: We have tied up with vHealth by Aetna to offer a combination of telemedicine services and privileged access to its nationwide network

of hospitals and clinics. Aetna is a CVS Health Company (Fortune 500 Enterprise, 5th Rank), one of leading health services providers in the world.

2. Banking service: We collaborated with SBM Bank (India) Ltd. for Banking Business Correspondent (BC) point service for Nextgen Vakrangee Kendra for Pan India, Bank of Baroda for appointing Women BC Sakhis and providing Banking services in Uttar Pradesh and Chhattisgarh Rajya Gramin Bank (CRGB) (a Government-owned scheduled bank sponsored by State Bank of India) for Banking Business Correspondent (BC) point service for Next-Gen Vakrangee Kendra in Chhattisgarh.

3. Insurance service: We have a corporate agency tie-up with Life Insurance Corporation of India (LIC) to distribute micro insurance products through Next-Gen Vakrangee Kendra network.

5. Distribution of business loans: We have collaborated with Lendingkart Finance Ltd., for offering distribution of business loan through its Nextgen Vakrangee Kendras. We have been granted In-principle authorisation to set-up and operate Bharat Bill Payment Operating Unit (BBPOU) under the Payment and Settlement Systems Act, 2007 from Reserve Bank of India (RBI). Vakrangee can now directly handle payment and aggregation of payment services relating to bills under the scope of BBPS.

6. Financial services: Vakrangee Limited (VL) has entered into a partnership agreement with TransUnion CIBIL Limited (TUCIBIL), one of the India's largest credit information company regulated by Reserve Bank of India to drive financial inclusion by providing easy access to CIBIL Score and Report to consumers through Nextgen Vakrangee Kendra network.

7. Distribution of franchisees loans: Vakrangee Limited (VL) has entered into a partnership arrangement with Union Bank of India (UBI) to provide the loan facility for Pan India Nextgen Vakrangee Kendra franchisees. Both new and existing franchisee would be eligible to avail loans from UBI. The bank is offering a special product for Vakrangee Kendra franchisee under Union Mudra Scheme.



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DIRECTORS REPORT

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Directors' Report

Dear Shareholders,

Your Directors are pleased to present 31st Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended March 31, 2021.

1. PERFORMANCE OF THE COMPANY

The Company's performance is summarized below:

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2020 – 2021	2019-2020	2020 - 2021	2019-2020
Revenue from Operations	22743.67	62335.23	31429.14	68522.16
Other Income	6815.25	7599.58	6965.99	7747.82
Profit / Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	8216.94	9153.39	9762.32	10140.46
Less: Depreciation/ Amortisation/ Impairment	1478.35	1486.04	1480.51	1488.60
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	6738.59	7667.35	8281.81	8651.86
Less: Finance Costs	0	0	0	0
Profit /Loss before Exceptional items and Tax Expense	6738.59	7667.35	8281.81	8651.86
Add/(Less): Exceptional Expense	0	503.41	0	503.41
Profit /Loss before Tax Expense	6738.59	8170.76	8281.81	9155.27
Less: Tax Expense (Current & Deferred)	1602.47	1718.38	2002.68	2027.26
Profit /Loss for the year (1)	5136.12	6452.38	6279.13	7128.01
Total Comprehensive Income/Loss (2)	89.24	18.42	88.50	54.34
Total (1+2)	5225.36	6470.80	6367.63	7182.35
Balance of profit /loss for earlier years	190153.46	186894.00	191811.00	187875.91
Less: Transfer to Reserves	0	0	0	0
Less: Dividend paid on Equity Shares	2648.51	2648.51	2648.51	2648.51
Less: Dividend Distribution Tax	0	544.41	0	544.41
Balance carried forward	192641.07	190153.46	195441.62	191811.00

PERFORMANCE

Standalone:

Your Company's total income during the year under review was ₹ 29558.92 Lakhs as compared to ₹ 69934.81 Lakhs in the previous year. The Profit after tax was ₹ 5136.12 Lakhs as compared to ₹ 6452.38 Lakhs in the previous year.

Consolidated:

Your Company's total income during the year under review was ₹ 38395.13 Lakhs as compared to ₹ 76269.98 Lakhs in the previous year. The Profit after tax was ₹ 6279.13 Lakhs as compared to ₹ 7128.01 Lakhs in the previous year.



2. STATE OF COMPANY'S AFFAIRS

For Vakrangee, FY2021 was a year of Building Resilience by Redefining the Last Mile. Vakrangee is one of the largest franchisee-based, multi-service retail network. We are focused on creating India's extensive network of last-mile retail outlets at every postal code in the country, enabling Indians to benefit from financial, social and digital inclusion. The essence of Vakrangee lies in its unwavering determination to see that every Indian has the opportunity to benefit from financial inclusion and access to the global marketplace. As a means to achieve our goal, we have bundled modern-day conveniences into our new franchisee-model of Next-Gen Vakrangee Kendra. Vakrangee through its services has tried to bridge the gap between the rural and urban India by providing essentialities such as Banking and ATM services, online pharmacy, telemedicine health services – including unlimited tele & video consultation with expert doctors, home blood test facility and doorstep delivery of medicines to minimize the potential threat to the health and safety of the Vakrangee franchisees and customers present at remotest locations.

During the year, we scaled up our highly recognisable "Next-Gen" format Kendra network to more than 11,700+ Operational outlets which are spread across covering 27 states and Union Territories over 510 districts and 4,580 postal codes. Out of these outlets, 70% outlets are in Tier V & VI cities. The Company's planned target is to have a last mile presence across all postal codes, covering each and every Gram Panchayat in the country. As we move forward to expand our network of NextGen Kendras across India, we believe that our growing network will benefit immensely from a regimented degree of standardization and consistency, in terms of the quality of our facilities, and in terms of the service levels we offer our customers. Our Planned target is to reach 25,000 Next-Gen Kendras by FY2022 and 75,000 Next-Gen Kendras by FY2025. Our aim is to become India's largest rural distribution platform.

During the last 12 months, the Company has done key alliances for the Banking & Financial Services such as the Banking BC tie up with SBM Bank (India) Ltd as well as NSDL Payment bank. The Company has further entered into a partnership arrangement with Bank of Baroda for appointing Women BC Sakhis and providing Banking services in Uttar Pradesh. Also, the Company has entered into a partnership agreement with TransUnion CIBIL Limited (TUCIBIL), one of the India's largest credit information company regulated by Reserve Bank of India to drive financial inclusion by providing easy access to CIBIL Score and Report to consumers through Nextgen Vakrangee Kendra network.

This financial year has been challenging for all businesses around the globe as Covid-19 slackened growth and negatively affected millions of families. Resilience in operation and innovative approach have been the key parameters to continue as a growing entity and serving humanity in the best possible way. Vakrangee Limited has been a facilitator of the same and through multiple initiatives have been able to redefine the last mile service. We are not only expanding the business geographically but also addressing the need of the society by amalgamating technology with innovation through diversification of the services offered. Vakrangee has served the people by bringing the essential products and services at doorstep at the time of crisis.

Further, your Company has been successful in benchmarking Company's performance on a wide range of industry specific economic, environmental, governance and social criteria that are relevant to the growing focus on Business sustainability and financially relevant to the corporate success. Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long term Business sustainability.

During the year gone which is FY2021, we are extremely proud to share that Vakrangee was recognized & included in 2021 Bloomberg Gender-Equality Index. Also, Vakrangee has been globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 816 companies assessed in the Software and Services industry across worldwide. Further, we received recognition through CDP as well as S&P Global whereby we have ranked 13 on overall Global S&P rankings as well as ranked 9th on Corporate governance standards.

At Vakrangee, we have always attempted to be a Responsible and Socially Conscious company. This rating is a validation of our belief and commitment to our Business model of Nextgen Vakrangee Kendras. Through our network of kendras, we are taking the financial and digital literacy to the bottom of the socioeconomic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time, competitive price and same service levels. We are acting as the biggest equaliser by bridging the gap between the urban and rural population in India.

We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. The goals are a blueprint to achieve a better tomorrow. Our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

Vakrangee Limited has been accepted as a Signatory of the United Nations Global Compact. We are now part of a global network of over 9,500 companies and 3,000 non-business participants that are committed to building a sustainable future.

The UN SDG goals are interconnected, and we intend to implement them in order to make the world a better place. We believe that businesses can have a positive impact on the societies they serve. Our principles of sustainability define how Vakrangee delivers responsible and sustainable growth.

- Your Company's Membership number for United Nations Global Compact is as follows: Participant ID – 138851
- Vakrangee's Impact Sustainability & ESG (Impact - ESG) - <https://vakrangee.in/overview.html>
- COP (Communication on Progress) Policy - [https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20\(COP\)%20Policy.pdf](https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20(COP)%20Policy.pdf)

COVID-19 Pandemic - Update on Business Operations

During COVID pandemic, we have been successful in opening of our outlets during this period of lockdown since we have been providing essential services. However, the service offering at our outlets was limited as majorly only Banking and ATM services were operational whereas other key services like Online shopping, online pharmacy, Travel services and Logistics were closed due to on ground delivery challenges and travel ban amidst Lockdown. Further in Banking services, we witnessed lower ticket size transactions and absence of deposit transactions whereby only withdrawal transactions were in focus during the said period.

In spite of COVID-19 Pandemic situation, Vakrangee kendra network throughput crossed more than US\$ 5.2 BILLION (₹ 37,600+ crore) in the Full year FY2021 and Our Total Number of transactions crossed 126.8 mn (~12.6 crore) transactions on a Annual basis which has been very encouraging.

This makes us one of the very few companies globally who are operational during a lockdown and providing key emergency and essential services to the citizens in the most environment friendly manner at the remotest parts of the country thereby serving unserved and underserved parts of the country. At the same time, health of our franchisees and customers is important to us and all our Vakrangee Kendras are maintaining complete safety protocols and also maintaining proper hygiene at the outlets.

Based on the essential services we provided during the pandemic, we are amongst the very few companies globally who were operational and brought our services to the unserved and underserved population in the remotest parts of the country and redefined the last mile service during the time of crisis. We introduced new facilities such as Doorstep banking and Digital Vakrangee Kendras whereby customers could avail the facilities from the comfort of their homes and reduce possibilities of getting affected by Covid-19. Amidst Lockdown, Our Banking Business Correspondents BCs provided doorstep banking services to Jan Dhan Account Holders in remote rural areas especially for senior citizens and old age pensioners. We look forward to serving the community while expanding our operation through a sustainable approach and driving resilience by incorporating leading edge technology and innovation.

We believe our Brand awareness and store awareness has increased significantly during this period of COVID-19 pandemic as our kendras have been open and are providing key essential services in their neighborhoods, due to which we believe we shall emerge as the store of choice for our customers for all their Essential needs. Further, we expect our services to normalize over the next couple of months and business growth momentum to improve going forward. Due to our enhanced visibility during this lockdown period and an aggressive marketing campaign done over the last 6 months, the Company has received an overwhelming response on the same and has received huge number of new enquires for NextGen Vakrangee franchisee model.

Further, Under Pradhan Mantri Mudra Yojana (PMMY) the Banks have started to extend finance to the micro enterprises which are in the business of manufacturing, trading and service sector in rural, urban & metro areas.

Union Bank of India is now offering a special product for our franchisees under Union Mudra Scheme. Union Bank of India has an overall planned outlay of ₹ 2,000 crore and sanctioned the outlay of ₹ 800 Crores (first tranche) under Union Mudra Scheme for Nextgen Vakrangee Kendra franchisees. The Loans covered under MUDRA scheme are collateral free loans. This is a huge boost to our potential franchisees, thereby easing the On-Boarding process for our potential franchisees. The Company believes and is very confident to achieve its store expansion targets well before the stated timelines. Due to the overwhelming response received on the new enquiries, the Company has already initiated the on-boarding to Go-live process of these outlets and have already begun the preparation on key requirements to achieve this feat.

**New Initiatives – Launch of Digital Vakrangee Kendra**

Your Company has recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, we have evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services. The Company has Initiated this Unique Hybrid proposition with launch of first Digital service of Telemedicine services. The Company plans to make many more services live through this platform. We are also launching a Mobile Super App based business platform: BharatEasy App, India ka Super App.

By downloading a single Vakrangee's BharatEasy Super App mobile application, our customers would get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience for the customer. Consumers would use it every day because our app would offer a seamless, multi-service, integrated and efficient experience.

All the Product & Service Partnerships and Relationships Built by the company over the last many years, the Mobile App would have direct access to them. Further the technology Integration and API integration for all these various services has already been done and thereby saves a lot of costs as well Time to Market for the Digital Mobile App venture.

A unique differentiator and a Sustainable Competitive advantage is whereby our Digital Super App platform would be able to leverage the Vakrangee OnGround Eco-system – a vast well diversified pan India level 11,700+ physical store network of Vakrangee as point of Physical Assistance especially to consumers to Semi Urban and rural remote locations.

This Unique Proposition of Digital along with Physical: "Phygital" would help the Digital channel to scale up fast and would significantly reduce the costs related to acquiring customers, physical assistance, order fulfilling and Return management of online orders. Further, leveraging physical presence would result into better customer interaction, strong Brand recall and better service experience and Trust for the customers.

Update on Scheme of Merger/Amalgamation

The Company at its Board meeting held on 13th February, 2020 had approved the Scheme of Amalgamation pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 subject to the approval from National Company Law Tribunal, Mumbai having jurisdiction over the Company and also the necessary approvals from the concerned regulatory authorities including stock exchanges where the shares of the Company were listed, for Amalgamation of M/VAKRANGEE LOGISTICS PRIVATE LIMITED ("the First Transferor

Company") and VAKRANGEE FINSERVE LIMITED ("the Second Transferor Company") the wholly owned subsidiaries with VAKRANGEE LIMITED ("the Transferee Company").

The Company had filed a Company Application with the National Company Law Tribunal, Mumbai Bench; Mumbai ("NCLT") to seek necessary directions.

However, due to substantial changes in business environment during FY 2020-21, the Board of Directors of the Company was of the opinion that, considering the present scenario, it would not be prudent to proceed with proposed Amalgamation of Vakrangee Logistics Private Limited and Vakrangee Finserve Limited with Vakrangee Limited. Hence, an application for withdrawal of the Scheme was filed with NCLT and the same was approved by NCLT on December 3, 2020.

Update on Scheme of Arrangement for demerger

The Company at its Board meeting held on 19th June 2021 had approved a scheme of arrangement for demerger of digital division (Demerged undertaking) of Vakrangee Limited ("VL") into Vakrangee Digital Ventures Limited ("VDVL") under Sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013. The Scheme inter alia provides for transfer of Digital Division (Demerged undertaking) whereby the Company would provide digital platform to enable seamless services for the consumers at the comfort of their homes.

Pursuant to the said scheme the shareholders of Vakrangee Limited will get One (1) new Equity share of VDVL of the face value of Re. 1/- each fully paid up for every One (1) Equity Share of the face value of Re.1/- each fully paid up held by them in VL. The shares of VDVL arising out of the Scheme will be listed on BSE and NSE in accordance with the applicable laws and regulations after complying with the formalities of the said stock exchanges.

The Scheme is subject to requisite approvals of the National Company Law Tribunal, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India and other statutory / regulatory authorities, including those from the shareholders and/or creditors of the Demerged Company.

Launch of Strategy 2.0

The Board of your Company believes that now the Company is well poised and have a clear visibility for a strong growth journey in the next few years to come. The Company has now launched its next 5 year growth plan and Future Business guidance through Strategy 2.0 Document.

The Strategy 2.0 Document highlights Company's Next 5 year growth targets and operational and financial deliverables in detail. This document focuses on the Core Business of Physical network of NextGen Kendra outlets. This strategy

plan document does not include any contribution from the digital mobile app platform.

Board's vision is now set to create the world's largest franchisee based distribution channel in India with a strong focus on Rural India. The Board of Directors are confident to deliver very strong growth over the next 5 years as our network would grow from 11,700 to 25,000 outlets by March 2022 and to 75,000 outlets by March 2026. It is estimated that the Gross Transaction value would cross US\$50 Billion on an Annual basis over the next 5 years and number of transactions would cross a billion transactions annually. This would result into significant growth in Revenues and profitability as your Company's business model is asset light franchisee based model with strong operating leverage. Your Company's Cash Adjusted Return on Capital would improve significantly.

3. DIVIDEND

Your Company is focussing on key growth initiatives of Strategy 2.0 such as scaling to 75,000 Next-Gen Vakrangee kendras as well as Digital strategy for enabling Offline to Online platform through Bharat Easy Mobile super App. Therefore the Board is of the view that it would be in the best interest of the company and its shareholders that the maximum amount of free cash flows of the business is re-invested and the profits are ploughed back in the business for future growth.

Therefore, the Directors, keeping in view the future expansion plans of the Company, are pleased to recommend a dividend of Rs. 0.10/- per equity share of Re.1/- each fully paid up of the Company (previous year Rs. 0.25/- per equity share of Re.1/- each fully paid up of the Company), subject to the approval by the shareholders at the forthcoming Annual General Meeting.

The total dividend payout will be of ₹ 1059.41 Lakhs. No amount is proposed to be transferred to the reserves.

The dividend payout is in accordance with company's Dividend Distribution Policy. The Dividend Distribution Policy as adopted by the Company is annexed herewith as "Annexure 1". The policy is also available on the web-site of the Company, https://www.vakrangee.in/policies_and_guidelines.html.

4. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2021 was ₹ 105,94,05,640/- comprising of 105,94,05,640 equity shares of Re. 1/- each.

5. PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

6. SUBSIDIARIES

As on March 31, 2021, the Company has three wholly owned subsidiaries viz, Vakrangee Finserve Limited, Vakrangee Logistics Private Limited and Vakrangee e-Solutions INC.

Further on June 14, 2021, the Company has incorporated a wholly owned subsidiary in the name and style as "Vakrangee Digital Ventures Limited".

There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the Financial Statements of Subsidiary Companies in prescribed **Form AOC – 1** is annexed herewith as "**Annexure 2**".

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the company and its subsidiaries are available on the website of the Company at www.vakrangee.in.

As on March 31, 2021, as per the provisions of Listing Regulations, as per immediately preceding accounting year 2019-20, the Company does not have any material subsidiary companies. However, the Company has adopted Policy on determining Material Subsidiaries which is available on the website of the Company at https://www.vakrangee.in/policies_and_guidelines.html.

Vakrangee e-Solutions INC

The Company holds 100% of Equity Share Capital of Vakrangee e-Solutions INC which was incorporated in the financial year 2009-10 in Philippines for exploring various e-Governance opportunities in Philippines. The first contract under the initiative was "Land Titling Computerization Project", under which it completed scanning, digitization and encoding of more than 15 million title deeds for the Government of Philippines. The prestigious LTCP project was successfully executed, through deployment of world class technology and more than 8500 manpower resources to digitize land titles from 168 Districts of Philippines.

**Vakrangee Logistics Private Limited**

Vakrangee Logistics Private Limited, incorporated in March 2016, is a wholly owned subsidiary of Vakrangee Limited. Vakrangee Logistics is building for its alliance partners, an unparalleled last-mile delivery capabilities and thus expanding their reach to unserviceable pincodes, where the logistics challenges are the maximum for traditional logistics companies. Vakrangee Logistics leverages the physical presence of Vakrangee Kendras to offer the last-mile delivery services. The key services offered by Vakrangee Logistics include forward delivery, reverse pick-ups and courier booking. Vakrangee Logistics through its network ensures a hassle-free experience to its partners and end-customers.

Vakrangee Finserve Limited

Vakrangee Finserve Limited is a 100% Subsidiary of the Vakrangee Limited, incorporated in September 2011 with a focus on working as Business Correspondent for various Banks under the Business Correspondent (BC) Model of Reserve Bank of India (2006) in the area of Financial Inclusion. The Company has already signed agreements with various PSU Banks and their Rural Regional banks for carrying out BC services for these banks in identified Rural, Semi-Urban and Urban areas. The services include bank activities such as opening of Bank Accounts, Deposits, Withdrawals and Remittances, etc. Besides, the Company would provide Business Facilitator Services to these Banks which involve mobilization of deposits and loans.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI LODR 2015), is forming part of this Annual Report.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Your Board of Directors hereby state that:

- a) in the preparation of the annual accounts, for the financial year ended March 31, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profits of the Company for that period;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

9. CORPORATE GOVERNANCE

The Report on Corporate Governance as per the requirement of SEBI LODR 2015 forms part of this Annual Report.

The requisite certificate from M/s. S.K. Jain & Co., Practicing Company Secretary, confirming the compliance with the conditions of Corporate Governance has been included in the said Report.

A Certificate from the Managing Director & Group CEO and CFO of the Company in terms of SEBI LODR 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder:

- **Conservation of Energy**

The Operations of the Company are not energy intensive. However, measures have been taken to reduce energy consumption by using efficient computers, IT Assets and other Equipments with latest technologies.

DIRECTORS' REPORT

- **Technology Absorption**

Since business and technologies are changing constantly, investment in research and development activities is of paramount importance. Your Company continues its focus on quality up-gradation of products and services development. It has helped maintain margins.

- **Foreign Exchange Earnings and Outgo**

(₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

11. PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as "Annexure 3".

In terms of Section 136 of the Act, the Annual Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Appointments during the year:

- Mr. Hari Chand Mittal (DIN: 08797386) was appointed as Additional Independent Director for a period of five years w.e.f. July 31, 2020. The shareholders in the Annual General Meeting held on September 28, 2020 approved the appointment of Independent Director.
- Dr. Nishikant Hayatnagarkar (DIN: 00062638) was re-appointed as Whole Time Director of the Company for a further period of five years w.e.f. October 1, 2020.
- Mr. Ajay Jangid was appointed as Chief Financial Officer (CFO) of the Company w.e.f. December 21, 2020.
- Mr. Jay Bhansali was appointed as Company Secretary & Compliance Officer of the Company w.e.f. December 21, 2020.

(b) Resignations during the year:

- Mr. Anil Khanna resigned as Non – Executive Director of the Company w.e.f. September 11, 2020.
- Mr. Subhash Singhania resigned as CFO of the Company w.e.f. December 20, 2020.
- Mr. Mehul Raval resigned as Company Secretary & Compliance Officer of the Company w.e.f. December 20, 2020.

None of the Independent Directors had any pecuniary relationship or transactions with the Company during Financial Year 2020-21. In the opinion of the Board, they fulfill the conditions of independence as specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

In the opinion of the Board, the independent director appointed during the year possesses the required qualifications, integrity, expertise and experience (including proficiency) for the position.

They also bring in the required skill, competence and expertise that allow them to make effective contributions to the Board and its committees.

None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter-se.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company:

- Mr. Dinesh Nandwana, Managing Director & Group CEO
- Dr. Nishikant Hayatnagarkar, Whole Time Director
- Mr. Ajay Jangid, Chief Financial Officer
- Mr. Jay Bhansali, Company Secretary & Compliance Officer

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 Mr. Dinesh Nandwana, Managing Director & Group CEO, retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(2) of the Companies Act, 2013.



13. DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year. Further, all the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and senior management.

14. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS

During the financial year 2020-21, your Board met five times in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 and MCA Circular No. 11/2020 dated March 24, 2020 wherein relaxation of time gap between two Board meetings was granted.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

b. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Nomination and Remuneration and Compensation Committee (NRC) has carried out Board Evaluation i.e. evaluation of the performance of: (i) the Board as a whole and its Committees, and (ii) individual directors (including independent directors).

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting.

The evaluation has been done as per the process laid in the "Policy for Evaluation of performance of the Board of Directors of Vakrangee Limited" (herein after referred to as "Charter") adopted by the Board, based on structured questionnaires for performance evaluation.

c. AUDIT COMMITTEE

The Board has well-qualified Audit Committee, the composition of which is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015. All the Members, including the Chairman of the Audit Committee are Independent. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

During the year under review, the Board has accepted all the recommendations of the Audit Committee.

The Company Secretary of the Company acts as Secretary of the Committee.

d. NOMINATION & REMUNERATION AND COMPENSATION COMMITTEE

The Company has duly constituted Nomination and Remuneration and Compensation Committee as per the requirements prescribed under the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR 2015.

The composition of the Committee was re-constituted on August 29, 2020 with the following members:

1. Mr. Avinash Vyas – Chairman
2. Mr. Sunil Agarwal – Member
3. Mr. Hari Chand Mittal – Member

The Board has framed a Nomination and Remuneration and Compensation Policy including fixation of criteria for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel. The same has been annexed herewith as "Annexure 4". The Policy is also uploaded on the web-site of the Company at link: https://vakrangee.in/policies_and_guidelines.html.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

e. RISK MANAGEMENT COMMITTEE

Pursuant to Regulation 21 of SEBI LODR 2015, the Company have constituted a Risk Management Committee to review and mitigate risk factors. The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management Policy to ensure that the Board, its Audit Committee and its Executive Management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy/ strategy.

The common risks associated with the Company include Rapid Changes in Technology, Heavy Dependence on Franchisee Model, Legal Risk, Financial Reporting Risk, Risk of Corporate Accounting Fraud, Cyber attack and data leakage. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

f. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 the Company has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company. The Company during FY 2020-21 undertook CSR activities by spending the earmarked amount in the fields of Social Awareness, Health Care and Education. The CSR Committee evaluates various proposals diligently and then selects few of them.

Based on the recommendation of the CSR Committee, in respect of unspent CSR amount, the board has identified following projects as Ongoing Project which are in the nature of multi-year projects.

1. Bharat Vikas Parishad Sewa Sanstha.
2. RVG Educational Foundation
3. IIIT Kota
4. My Home India

With respect to the ongoing projects, the Company in compliance with section 135(5) and 135(6) of the Companies Act, 2013 has transferred an unspent amount of ₹ 650.05 Lakhs in a separate Unspent CSR Account.

The Company has always adhered to the main thrust and spirit of the law to generate conducive environment for enabling corporates to conduct themselves in a socially responsible manner, while contributing towards human development goals of the country.

Further, the Company's business model itself was in the nature of providing services to the unserved & underserved rural, semi urban and urban markets.

The Company's 70% retail outlets are concentrated in tier V and tier VI cities. Company's technology intensive, retail distribution platform for last mile touchpoints deliver services across Banking, Financial Services, ATMs, Insurance, E-governance, E-Commerce and Logistics services on a real time basis across the under-served rural and urban India.

We take seriously our responsibility to Our Submission the call of those who aspire a better tomorrow – even as we constantly innovate to solve the challenges of tomorrow.

Company's Business model is franchisee based, who preferably is a localite. In addition, each franchisee employs minimum of 1-3 resources, creating employment opportunities and financial stability. The Company's business model thus creates a ripple effect in the larger society. It facilitates skill enhancement. We take ordinary individuals and train them with skill-sets that helps them yield remarkable results. There is basic certification needed for rendering banking and insurance services, thereby enhancing his skill-sets.

Therefore, the Company's business model is totally focused on financial and social inclusion of the society.

With respect to the unspent CSR amount for the financial year 2020-21, the Board of Directors would like to state that, the CSR Committee has put in its best efforts and considered/evaluated various proposals diligently and also had selected few of them viz, Bharat Vikas Parishad Sewa Sanstha, My Home India, RVG Educational Foundation and IIIT Kota.

The Board is fully confident that the overall CSR spends in these projects would fully meet the guidelines.

However, the schedules of these projects is spread over 2 to 3 years which would also cover the unspent amount of previous years and will meet the future guidelines too.



The CSR Policy of the Company is available on the Company's website https://www.vakrangee.in/policies_and_guidelines.html.

The Board has constituted a CSR committee inter-alia to define and monitor budgets to carry out CSR activities, to decide CSR projects or activities to be undertaken and to oversee such projects.

CSR Committee comprises of following:

Name	Designation
Mr. Dinesh Nandwana	Managing Director & Group CEO
Mr. Ramesh Joshi	Independent Director
Mr. Sunil Agarwal	Independent Director

Further, the disclosures as required under Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been enclosed to this Report in "Annexure 5".

g. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

h. BOARD ESG COMMITTEE

In order to meet UN Sustainable Development Goals (UN-SDG) and Best Global Practices, the Company has constituted the Board ESG Committee.

The Board ESG Committee will work with all the other Board Committees to assist the Board in fulfilling its responsibilities. The objective of the Committee is to consider the material environmental, social and governance issues relevant to the Company's business activities and support the Company in maintaining its position as a global leader in ESG performance.

The role of the Committee is to support the Board in:-

- Understanding how Company's ability to create value is impacted by environmental, social and governance issues - monitoring external ESG trends and understanding associated risks and opportunities.

- Understanding the expectations of key stakeholders.
- Reviewing the performance and results of key ESG investor Initiatives / surveys and global benchmarks - Overseeing the implementation of key initiatives identified, or areas for improvement identified from ESG investor surveys and global benchmarks.
- Considering emerging ESG issues to understand their materiality with regard to Company's long term value creation.
- Review and Evaluate the Overall Business strategy from an ESG impact perspective.
- To monitor and review if the Sustainable development goals are integrated into any new Business strategy or new business initiatives.
- Assist the NRC Committee to review the performance of senior management from an ESG deliverable perspective.
- To review the progress of key initiatives being implemented by the GHG Reduction strategy Committee.

The committee currently comprises of following members of the Board:

Name	Designation
Mr. Avinash Vyas	Chairman
Mr. Ramesh Joshi	Member
Ms. Sujata Chattopadhyay	Member

During the year under review, total 3 meetings of the ESG Committee were held on 30.07.2020, 30.10.2020 and 08.02.2021 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Avinash Vyas	Chairman	3	3
Mr. Ramesh Joshi	Member	3	3
Ms. Sujata Chattopadhyay	Member	3	3

DIRECTORS' REPORT

15. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

Statutory Auditor

M/s A.P. Sanzgiri & Co., Chartered Accountants, Mumbai (Firm Regn. No.116293W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 28th September, 2018 for a period of 4 years i.e. from the conclusion of the said Annual General Meeting until the conclusion of Thirty Second Annual General Meeting.

The Auditor's Report do not contain any qualifications, reservations, adverse remarks or disclaimer.

Secretarial Auditor

M/s. S. K. Jain & Co., Practicing Company Secretary, was appointed to conduct Secretarial Audit of the Company for the financial year 2020 - 2021 as required under Section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as "Annexure 6" to this Report.

The Secretarial Auditor's Report do not contain any qualifications, reservations, adverse remark or disclaimer.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provision of Section 177 (9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for Directors and Employees to report genuine concerns. In line with this, the Company has framed a Vigil Mechanism /Whistle Blower Policy through which the Directors and Employees, Franchisees, Business Partners, Vendors or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is placed on the website of the Company at https://vakrangee.in/policies_and_guidelines.html

17. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) are covered under this Policy. During the year 2020 - 21, no complaints on sexual harassment were received.

We hereby state and confirm that, the Company has constituted an internal complaints committee to redress complaints received regarding sexual harassment under provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial year of the Company to which the Financial Statement relate and the date of this report.

There was no change in company's nature of business during the FY 2020 - 21.

19. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, all contracts / arrangements / transactions entered by the Company were in Ordinary Course of the Business and on Arm's Length basis. There were no material transactions with any related party as defined under Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The members may refer Note. 42 to the Financial Statements which sets out Related Party disclosures pursuant to Ind AS. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website https://vakrangee.in/policies_and_guidelines.html. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

20. BUSINESS RESPONSIBILITY REPORT

A separate section on Business Responsibility Report forms part of this Annual Report as required under Regulation 34(2) (f) of SEBI LODR 2015.



21. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITIES PROVIDED BY THE COMPANY

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

22. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company has audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

23. EMPLOYEES STOCK OPTION SCHEME

The Company has in place Employees Stock Option Scheme ("ESOP Scheme") namely, ESOP scheme 2014.

The ESOP Scheme of the Company is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") and no material changes in the scheme was carried out during the year under review.

The details required to be disclosed under SEBI Guidelines are available on Company's web-site www.vakrangee.in.

24. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2021 made under the provisions of Section 92(3) of the Companies Act, 2013 is placed at Company's website on www.vakrangee.in.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts which impact the going concern status and the Company's operations in future.

26. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business.

The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organisation's growth and its sustainability in the long run.

27. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review, the Company has complied with all the applicable Secretarial standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

28. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

29. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

30. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As required under section 124 of the Act, Unclaimed dividend amount aggregating to ₹ 7,42,151/- pertaining to financial year ended on March 31, 2013 lying with the Company for a period of seven years was transferred during the financial year 2020-21, to Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, as required under section 124 of the Act, 1,28,551 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority during the financial year 2020-21. Details of shares transferred have been uploaded on the website of IEPF as well as the Company. The Company have appointed Mr. Jay Bhansali, as the Nodal Officer to ensure compliance with the IEPF Rules.

The details of unpaid and unclaimed amounts lying with the Company is available on the Company's website:- www.vakrangee.in

**DIRECTORS'
REPORT****31. INTEGRATED REPORT**

The Company being one of the top 500 companies in the country in terms of market capitalization as on financial year end, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the members to take well informed decisions and have a better understanding of the Company's long term perspective.

The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

CAUTIONARY STATEMENT

Statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENT AND APPRECIATION

The Directors thank the Company's employees, customers, franchisees, vendors, investors for their continuous support. The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors appreciate and value the contribution made by every employee of the Vakrangee family.

On behalf of the Board of Directors

Dinesh Nandwana

Managing Director & Group CEO
(DIN: 000062532)

Nishikant Hayatnagarkar

Whole Time Director
(DIN: 000062638)

Place: Mumbai

Date: July 26, 2021



ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 1

DIVIDEND DISTRIBUTION POLICY

1. Introduction

Vakrangee Limited is committed to create sustainable shareholder wealth for all its shareholders. We shall strive to distribute an optimal and appropriate level of the profits earned by it in its business to the shareholders, in the form of **"Dividend"**.

The Corporate dividend is governed by the applicable provisions of Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014 and any modifications made therein from time to time.

2. Interpretation

"The Company" refers to Vakrangee Limited.

"Dividend (s)" refers to either an interim or final Dividend(s).

3. Objectives

The broad objectives of this policy are:

- To define the policy and procedures in relation to the calculation, declaration and settlement of Dividends and the determination of the form and time periods within which Dividends are paid.
- To ensure that the Company has sufficient distributable profits and/or general reserves, as determined by a review of the Company's audited financial statements, prior to any declaration and/or payment of Dividends.
- To create a transparent and methodological Dividend policy, adherence to which will be required on annual basis, with any deviations clearly identified and promptly communicated to appropriate stakeholders.

4. Provisions of Companies Act, 2013

Section 123 - Declaration of Dividend:

1. No dividend shall be declared or paid for any financial year except
 - (a) Out of the profits of the company for that year arrived at after providing for depreciation, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
 - (b) Out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:
 - The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.
 - No dividend shall be declared or paid by a company from its reserves other than free reserves.
2. For the purposes of clause (a) of sub-section (1), depreciation shall be provided in accordance with the provisions of Schedule II.
3. The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

5. Factors to be considered

The below broad factors need to be considered for the dividend distribution:

1. Liquidity: The liquidity position of the Company.
2. Debt repayment – often there are negative covenants that restrict the dividends that can be paid if the debt is outstanding.
3. The rate of asset expansion – The greater the rate of expansion of the firm, the greater the need to retain earnings to finance the expansion.
4. Control of the firm – if dividends are paid out today, equity may have to be sold in the future causing a dilution of ownership.

5.1 Financial Parameters / Internal Factors

The Board of Directors of the Company would consider the following financial parameters before declaring or recommending dividend to shareholders:

1. Consolidated net operating profit after tax.
2. Working capital requirements.
3. Capital expenditure requirements.
4. Resources required to fund acquisitions and / or new businesses.
5. Cash flow required to meet contingencies.
6. Outstanding borrowings.
7. Past Dividend Trends.

5.2 External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

1. Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws; and
2. Dividend pay-out ratios of companies in the same industry.

6. Circumstances under which the Shareholders may or may not expect Dividend

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company apart from other parameters set out in this Policy. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

7. Utilization of retained earnings

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

This Policy will be reviewed periodically by the Board.



FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial statement of subsidiaries companies.

(In ₹ Lakhs, except % of shareholding and exchange rate)

Sr. No.	Name of the Subsidiary	The date when the subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Share holding
1	Vakrangee Finserve Limited	11/09/2011	March 31, 2021	INR	1500	3491.81	5893.85	5893.85	Nil	9045.85	1591.51	400.48	1191.03	Nil	100%
2	Vakrangee e-Solutions Inc.	08/05/2009	March 31, 2021	1 PHP = 1.51	96.00	126.66	1973.89	1973.89	Nil	Nil	0.78	-	0.78	0.00	100%
3	Vakrangee Logistics Private Limited	18/03/2016	March 31, 2021	INR	1200	-294.59	907.40	907.40	Nil	Nil	-0.48	-0.26	-0.22	Nil	100%

Note: 1. Names of subsidiaries which are yet to commence operations - NIL

2. Names of subsidiaries which have been liquidated or sold during the year - NIL

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 3

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

1	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year;	<p>Executive Directors</p> <p>Mr. Dinesh Nandwana (Managing Director & Group CEO) – 125.34:1</p> <p>Dr. Nishikant Hayatnagarkar (Whole-time Director) – 26.99:1</p> <p>Non-Executive Directors**</p> <p>Mr. Ramesh Joshi (Chairman) – 1.54:1</p> <p>#Mr. Hari Chand Mittal – NA</p> <p>Mr. Babu Lal Meena – 1.41:1</p> <p>Mr. Avinash Vyas – 1.67:1</p> <p>Mr. Sunil Agarwal – 1.44:1</p> <p>Mrs. Sujata Chattopadhyay – 1.31:1</p> <p>Mr. Ranbir Datt – 1.44:1</p>
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<p>Mr. Dinesh Nandwana – Managing Director & Group CEO - NIL</p> <p>Dr. Nishikant Hayatnagarkar - Whole-time Director - NIL</p> <p>*Mr. Jay Bhansali – Company Secretary - NIL</p> <p>*Mr. Ajay Jangid – Chief Financial Officer –NIL</p> <p>*Mr. Mehul Raval – Company Secretary – NIL</p> <p>*Mr. Subhash Singhania – Chief Financial Officer - NIL</p>
3	The percentage increase in the median remuneration of Employees in the financial year;	NIL
4	The number of Permanent Employees on the rolls of the Company;	798 (excluding Managing Director & Group CEO and Whole-time Director)



5	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 point out if there are any exceptional circumstances for increase in the managerial remuneration;	There have been no increase in the salaries of the employees as well as managerial remuneration as compared to last year.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms remuneration is as per the remuneration policy of the Company.

***Non-Executive Directors of the Board were paid only sitting fees.*

Since the remuneration of the Director is only part of the year, the ratio of his remuneration to median remuneration is not comparable. Mr. Hari Chand Mittal was appointed as Non-executive Independent Director w.e.f. July 31, 2020.

** Mr. Jay Bhansali, Company Secretary and Mr. Ajay Jangid, Chief Financial Officer has been appointed w.e.f. December 21, 2020 in the place of Mr. Mehul Raval, Company Secretary and Mr. Subhash Singhania, Chief Financial Officer who cease the office of the Company w.e.f. December 20, 2020.*

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & Group CEO

Nishikant Hayatnagarkar
Whole Time Director

July 26, 2021
Mumbai

ANNEXURE TO THE DIRECTORS' REPORT

Annexure - 4

A. Nomination and Remuneration and Compensation Policy**1. Introduction**

This Nomination and Remuneration & Compensation Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosure Requirements) 2015 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration and Compensation Committee (NRC or the Committee) and has been approved by the Board of Directors.

2. Definitions**"Remuneration" Means:**

Any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

- a. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- b. Chief Financial Officer;
- c. Company Secretary; and
- d. such other officer as may be prescribed.

"Senior Management" Means:

Vakrangee employees who are members of its core management team excluding board of directors and shall comprise all members of management one level below the Chief Executive Officer / Managing Director / Whole time Director / Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

3. Objective

The objective of the policy is to ensure 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.
- 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.

4. Role of the Committee

The role of the Nomination Remuneration and Compensation Committee is:

- a. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d. To carry out evaluation of Director's performance.
- e. To recommend to the Board the appointment and removal of Directors and Senior Management.



- f. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g. To devise a policy on Board diversity, composition, size.
- h. Succession planning for replacing Key Executives and overseeing.
- i. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j. To perform such other functions as may be necessary or appropriate for the performance of its duties.

5. Appointment and removal of Director, Key Managerial Personnel And Senior Management

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's HR Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

6. Term / tenure

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

7. Evaluation

The Committee evaluates the performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary. The portion of incentive pay, and variable pay is quantitatively determined using pre-established parameters such as Outlet Onboarding Targets, Revenue targets, Materiality Issues KPI targets and ESG performance targets released by the Company. The targets are also mentioned in the HR Manual of the Company.

We believe linking Materiality Issues KPI targets and Environmental, Social and Governance (ESG) performance to pay can help hold executive management accountable for the delivery of sustainable business goals. Executive pay should be aligned with performance and long-term strategy in order to protect and create value which is in the interest of both companies and their investors. This alignment presents opportunities for engagement to promote the consideration of ESG issues when setting pay. We have released a detailed quantitative ESG performance Target of Vakrangee on the website giving emphasis on reduction of Green House Gases emissions from our own operations.

Weightage of ESG performance target will be of 33.33 % of the variable pay of the employee. The variable pay of 33.33% will be paid to the employee in the proportion of target achieved by the Company, capped to the 33.33% of the total variable pay. Eg: If the company achieves 60% of the target of ESG Performance, variable pay of employee linked to the ESG target will be $33.33\% \times 60\% = 20\%$.

Variable Pay calculation for an Employee

Scenario	% of ESG Target Achieved	Variable Pay assigned to ESG	Variable Pay linked to ESG
1	60%	33.33%	20%
2	110%	33.33%	33.33%

(Maximum Variable Pay for ESG performance is capped at 33.33%)

Weightage of Materiality Issues KPI Targets will be of 33.33 % of the variable pay as well as long term incentives (Stock Option) of the Employees. The variable pay of 33.33% will be paid to the employee in the proportion of target achieved by the respective Executive.

8. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

9. Retirement

The Director, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

10. Remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing Director / Whole-time Directors:

- The Remuneration/ Commission to be paid to Managing Director / Whole-time Directors, etc. is governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- The Nomination Remuneration and Compensation Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.



2. Remuneration to Non- Executive / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e. The Nomination Remuneration and Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3. Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Nomination Remuneration and Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d. The Incentive pay shall be decided based on the balance between performance of the Company which includes parameters such as ESG performance targets, revenue targets. Performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate. The incentive pay shall be based on the Integrated ESG Performance Targets as defined by the Company from time to time.
- e. Compensation Clawback: The terms of all compensation held by the executive officers allow us to recoup any shares or other amount that may be paid in the event the individual engages in certain acts of misconduct. Vakrangee may recover compensation in the event the named executive officer commits any misconduct while employed by Vakrangee or, while employed by Vakrangee or at any time thereafter, the individual engages in a breach of confidentiality, materially breaches any agreement with Vakrangee, commits an act of theft, embezzlement or fraud, or if Vakrangee is required to prepare an accounting restatement as a result of the named executive officer's misconduct.

11. Implementation

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members.

Appointment Policy

The Appointment Policy for Independent Directors, Key Managerial Personnel & Senior Executives will be as under-

a. Independent Directors:

Independent Directors will be appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

b. Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the resolution of Board of Directors of the Company. Appointment/ Removal will be in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Agreements entered with Stock Exchanges.

c. Senior Executives:

Senior Executive will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman, Managing Director and/or Executive Director. Further, appointment and removal will be noted by the Board as required under clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.



ANNEXURE TO DIRECTOR'S REPORT

ANNEXURE – 5

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2020-21

CORPORATE OVERVIEW

STRATEGY AND PERFORMANCE

PERFORMANCE OF CAPITALS

STATUTORY REPORTS

FINANCIAL STATEMENTS

1 Brief Outline on CSR Policy of the Company

The objectives of Company's CSR Policy are to: (1) Demonstrate commitment to the common good through responsible business practices and good governance. (2) Actively support the Nation's development agenda to ensure sustainable change. (3) Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

The projects the Company has undertaken / proposes to undertake is mainly in eradicating hunger, poverty and malnutrition, promoting preventive health care, promoting education including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecology balance, agro forestry, conservation of natural resources. Ecology balances, protection of natural heritage, art and culture, measures of the benefit of the armed forces, training to promote rural sports etc.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dinesh Nandwana	Chairman (Managing Director & Group CEO)	-	-
2	Mr. Ramesh Joshi	Member (Non-Executive Independent Director, Chairman)	-	-
3	Mr. Sunil Agarwal	Member (Non-Executive Independent Director)	-	-

3. Provide the web -link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://vakrangee.in/board_committees.html
https://vakrangee.in/our_initiative.html

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable. Not Applicable

DIRECTORS'
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5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
1	2017-18	-	-
2	2018-19	-	-
3	2019-20	-	-
Total		-	-

6. Average net profit of the company as per section 135(5). ₹ 37,252 Lakhs

7.

a. Two percent of average net profit of the company as per section 135(5) ₹ 745.04 Lakhs

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL

c. Amount required to be set off for the financial year, if any NIL

Total CSR obligation for the financial year (7a+7b- 7c) ₹ 745.04 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
	Amount (in ₹ Lakhs)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
94.99	650.05	28.04.2021		Not Applicable	



(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No	Name of the Project	Items from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.	Project duration*	Amount allocated for the project (in ₹ Lakhs)**	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
		State	District							CSR Registration number.
1	Promoting Education	CL(ii) Promoting Education	Yes	Maharashtra	Mumbai	5 years	25.00	25.00	No	RVG Educational Foundation
TOTAL						25.00	25.00	-		

*Project duration is from the year of commencement of the project.

**Represents budget for the financial year 2020-21.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.No.	Name of the project	Items from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.	Amount spent for the project (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
			State	District			CSR Registration number.
1	Education	Cl.(ii) Infrastructure for Education	No	Maharashtra Mumbai	20.00	No	VIPRA Foundation
2	Health Care	Cl.(i) Health Care	No	Delhi	5.00	No	Mental Health Foundation (India)
3	Eradicating Hunger	Cl.(i) Eradicating Hunger	Yes	Maharashtra Mumbai	3.63	No	Wockhardt Foundation
4	Eradicating Hunger	Cl.(i) Eradicating Hunger	No	Rajasthan Kota	38.36	No	Kota Dall Mill
5	Education	Cl.(ii) Infrastructure for Education	Yes	Maharashtra Mumbai	3.00	No	Lions Club of Juhu
TOTAL					69.99		
(d) Amount spent in Administrative Overheads				NIL			
(e) Amount spent on Impact Assessment, if applicable				NIL			
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)				₹94.99 Lakhs			
(g) Excess amount for set off, if any				NIL			



Sr. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 745.04 Lakhs
(ii)	Total amount spent for the Financial Year	₹ 94.99 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, NIL if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in ₹ Lakhs)
1	2019-20	-	84.85	-	-
2	2018-19	-	92.50	-	-
3	2017-18	-	424.00	-	-
TOTAL		-	601.35	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID.	Name of the project	Financial Year in which the project was commenced.	Project duration*	Total amount allocated for the project (in ₹ Lakhs) **	Amount spent on the project in the reporting Financial Year (in ₹ Lakhs).	Cumulative amount spent at the end of reporting of Financial Year. (in ₹ Lakhs)	Status of the project – Completed / Ongoing.
1	-	Promoting Education	2019-20	5 years	25.00	25.00	30.00	Ongoing
TOTAL					25.00	25.00	30.00	

*Project duration is from the year of commencement of the project.

**Represents budget for the financial year 2020-21.

DIRECTORS'
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10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details).

(a) Date of creation or acquisition of the capital asset (s)	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable
11. Specify the reasons(s), if the company has failed to spend two percent of the average net profit as per Section 135(5).	The reasons for not spending the CSR amount have been explained in the main Directors' Report.

Mr. Dinesh Nandwana
 Chairman of CSR Committee
 (DIN: 00062532)

Dr. Nishikant Hayatnagarkar
 Whole Time Director
 (DIN: 00062638)

Place: Mumbai
Date: July 26, 2021



**Form No. MR-3
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 31ST MARCH, 2021

To,
The Members,
Vakrangee Limited
Vakrangee Corporate House,
Plot No 93, Road No. 16,
M.I.D.C. Marol,
Andheri (East),
Mumbai - 400093

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **VAKRANGEE LIMITED** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period 1st April, 2020 to 31st March, 2021 (“the reporting period”) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the period 1st April, 2020 to 31st March, 2021 according to the provisions of:

- (a) The Companies Act, 2013 and the Rules made thereunder;
- (b) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- (c) The Depositories Act, 1996 and Regulations & the Bye-laws, 1996 thereunder;
- (d) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment; **(Not Applicable to the Company during the period under Audit)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) 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;

DIRECTORS' REPORT

- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments made from time to time; **(Not applicable as the Company has not made any further issue of Shares)**
 - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Now known as The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The Company has not issued any Debt Securities during the financial year under review)**
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the Financial Year under review)**
 - i) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **(Not applicable as the Company has not brought back/propose to Buy-back any of its securities during the Financial Year under review)**
- vi. The Company has complied with following specific laws applicable to the Company
- i. Information Technology Act, 2000;
 - ii. Payment and Settlement Systems Act, 2007;
 - iii. Insurance Regulatory and Development Authority Act, 1999.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, guidelines, Standards etc.

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through and recorded as part of the minutes.



I 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.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Goods and Service Tax Act, I have relied on the Reports given by the Statutory Auditors of the Company.

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

I further report that during the audit period the Company has no specific events.

For S. K. Jain & Co.

Place: Mumbai

Date: 29th June, 2021

Dr. S. K. Jain
Practicing Company Secretary
Membership No. FCS 1473
COP No. 3076

This report is to be read with our letter of even date which is annexed as "**Annexure - III**" and forms an integral part of this report.

DIRECTORS' REPORT

ANNEXURE - I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under Report;
2. Minutes of General Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the Directors for the Board Meetings;
5. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Obligations and Disclosure Requirements during the financial year under Report;
7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and Directorships in other Companies and interest in other entities by Directors;
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
9. Appointment and remuneration of Statutory Auditor;
10. Closure of Register of Members/record date for dividends;
11. Declaration and payment of dividend.

For S. K. Jain & Co.

Place: Mumbai

Date: 29th June, 2021

Dr. S. K. Jain
Practicing Company Secretary
Membership No. FCS 1473
COP No. 3076

ANNEXURE - II

List of applicable laws to the Company

1. The payment of Bonus Act, 1965
2. The payment of Gratuity Act, 1972
3. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
4. The Maternity Benefits Act,1961
5. The Employees Provident Fund and Miscellaneous Provision Act,1952
6. The Professional tax Act, 1975



Annexure - III

**To,
The Members,
VAKRANGEE LIMITED**

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

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

**Place: Mumbai
Date: 29th June, 2021**

For S. K. Jain & Co.

**Dr. S. K. Jain
Practicing Company Secretary
Membership No. FCS 1473
COP No. 3076**

CORPORATE GOVERNANCE





CORPORATE OVERVIEW

STRATEGY AND PERFORMANCE

PERFORMANCE OF CAPITALS

STATUTORY REPORTS

FINANCIAL STATEMENTS

Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON THE CODE OF CORPORATE GOVERNANCE

Vakrangee's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices. Corporate Governance is that crucial muscle which encourages and moves a viable and accessible financial reporting structure and which enables a transparent system. Through the Governance mechanism in the Company, the Board along with its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Strong corporate governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

At Vakrangee, our aspirations have always been of protecting, strengthening and aligning together the interest of all the stakeholders and to satisfy that we strive hard to implement and continue to follow our core values which are "Belief in people, Entrepreneurship, Customer orientation and pursuit of excellence". Your Company endeavors to put in the right pedestal blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner with strict adherence to best corporate governance practices.

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

At Vakrangee, we are committed to meeting the aspirations of all our stakeholders. This is demonstrated in shareholder returns, our credit ratings, governance processes and an entrepreneurial and performance focused work environment.

The Board of Directors manages the affairs of the Company in the best interest of the shareholders, providing necessary guidance and strategic vision. The Board is also responsible to ensure that the Company's management and employees operate with the highest degree of ethical standards.

Over the years, governance processes and systems have been strengthened and institutionalized at Vakrangee. Your Company is committed to maintain the highest standards of Corporate Governance. Your directors adhere to the stipulations set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015).

Your Board of Directors present the Corporate Governance Report for the year 2020-21:

BOARD OF DIRECTORS

Composition:

The Board comprises of majority of Independent Directors. It has a good mix of Executive and Non-Executive Directors including Independent Directors with more than fifty percent of the board comprising of non-executive Independent Directors. As on date of this Report, the Board consists of Nine Directors comprising six non-executive Independent Directors (including one women director), one Nominee Director representing Life Insurance Corporation of India Limited (LIC), holding equity investment in the Company and two Executive Directors.

None of the Directors of your Company are inter-se related to each other. The profiles of the Directors can be found on https://www.vakrangee.in/board_of_director.html. The composition of Board is in conformity with the SEBI LODR 2015.

The Chairperson of the Board is a Non-Executive Independent Director and not related to any of the Directors of the Company.

None of the Director on the Board is a Member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian public companies in which he/she is a Director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten public companies and seven Listed entities. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of Listed Companies as prescribed under regulation 17A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Whole-time Director/Managing Director is an Independent Director in any other listed companies.

Board is of the opinion that the Independent Directors fulfil the conditions specified in the SEBI LODR 2015 and are independent of the Management.

**Chart / matrix setting out the skills/expertise/competence of the Board of Directors:-**

The Board of Directors of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills /expertise/competencies as identified by the Board:

Skills /expertise/competencies as identified by the Board in the context of its businesses and sector's	Name of Directors who have such skills/expertise/competence
Finance, Law, Management, Administration, Corporate Governance related to the Company's business	Mr. Ramesh Joshi, Mr. Dinesh Nandwana, Mr. B.L. Meena, Mr. Avinash Vyas, Mrs. Sujata Chattopadhyay
Management, Strategy, Sales, Marketing, Administration Technical Operations related to the Company's business	Mr. Dinesh Nandwana, Dr. Nishikant Hayatnagar, Mr. Hari Chand Mittal, Mr. Ranbir Datt, Mr. Sunil Agrawal

The Board consists of 9 directors. The details of the Board of Directors as on March 31, 2021 are given below:

Name	Category	Designation	Date of appointment	No. of other Directorship held #	Directorship in other Listed Company and category of Directorship	Chairmanship in Committees of Boards of other companies\$	Membership in Committees of Boards of other companies
Mr. Ramesh Joshi	Non Executive, Independent	Chairman	20/10/2006	NIL	NIL	NIL	NIL
Mr. Dinesh Nandwana	Promoter & Executive	Managing Director & Group CEO	28/05/1990	3	NIL	NIL	NIL
Dr. Nishikant Hayatnagar	Executive	Whole-Time Director	27/08/1999	1	Nil	NIL	NIL
Mr. Hari Chand Mittal*	Non Executive, Independent	Director	31/07/2020	NIL	NIL	NIL	NIL
Mr. Sunil Agarwal	Non Executive, Independent	Director	28/06/2002	NIL	NIL	NIL	NIL
Mr. B. L. Meena	Non Executive, Independent	Director	25/10/2010	NIL	NIL	NIL	NIL
Mr. Ranbir Datt	Non Executive	Nominee Director, representing LIC of India	12/02/2018	NIL	NIL	NIL	NIL
Mr. Avinash Vyas	Non Executive, Independent	Director	14/11/2014	NIL	NIL	NIL	NIL
Mr. Anil Khanna**	Non Executive	Director	25/01/2019	NIL	NIL	NIL	NIL
Mrs. Sujata Chattopadhyay	Non Executive, Independent	Director	31/03/2015	4	1) IITL Projects Limited – Non- Executive, Independent Director 2) Industrial Investment Trust Limited – Non -Executive, Independent Director 3) Steel Exchange India Limited - Non-Executive, Independent Director	1	2

*With effect from July 31, 2020, the Board has appointed Mr. Hari Chand Mittal as Non-Executive Independent Director of the Company.

** With effect from September 11, 2020 Mr. Anil Khanna resigned as a Director of the Company.

Excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013.

\$ for the purpose of calculating total membership and chairmanship, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not are considered as per Regulation 26(1) of the SEBI LODR 2015.

STATUTORY REPORTS

BOARD MEETINGS:

During the financial year 2020-21, your Board met five times on 31/07/2020, 30/10/2020, 19/12/2020, 08/02/2021 and 27/02/2021 in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020 and MCA Circular No. 11/2020 dated March 24, 2020 wherein relaxation of time gap between two Board meetings was granted. The necessary quorum was present for all the meetings. All the Board meetings were held at the Company's registered office at Mumbai, India, through video conferencing.

The attendance of the directors at the Board Meeting and Annual General Meeting (AGM) held during the year is given below:

Name of the Director	Number of meetings attended	Attended Last AGM	Shareholding in the Company as of March 31, 2021 (no. of shares)
Mr. Ramesh Joshi	5	Yes	500
Mr. Dinesh Nandwana	5	Yes	69107095
Dr. Nishikant Hayatnagarkar	5	Yes	149288
Mr. Sunil Agarwal	5	Yes	NIL
Mr. B. L. Meena	5	Yes	36812
Mr. Avinash Vyas	5	Yes	NIL
Ms. Sujata Chattopadhyay	5	Yes	NIL
Mr. Ranbir Datt	5	Yes	NIL
Mr. Hari Chand Mittal	4	Yes	330623
Mr. Anil Khanna	NIL	N.A.	N.A.

MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR 2015, a separate meeting of the Independent Directors of the Company was held on July 31, 2020 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

BOARD COMMITTEES

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The constitution of the committees and their terms of reference are set out as below:

AUDIT COMMITTEE

The constitution of Audit Committee is in compliance with the requirements of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015.

Terms of reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the quarterly financial results before submission to the Board;
- reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
 - (a) matters required to be included in the director's 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 involving estimates 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;
 - (g) modified opinion(s) in the draft audit report;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;



- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- evaluating 'undertaking or assets' of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing mechanism;
- reviewing the utilization of loans and/or advances from/ investment in subsidiaries;
- Reviewing implementation of Anti-Money Laundering Compliance Program and processes.

Composition

The composition of Audit Committee as on March 31, 2021 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. B. L. Meena	Independent Director (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Avinash Vyas	Independent Director

Meetings & Attendance during the year

There were four meetings of the Audit Committee viz. on July 31, 2020, October 30, 2020, December 19, 2020, and February 08, 2021 and following is the table showing attendance for the same. The Company Secretary acts as the Secretary to the Committee. The meetings were held in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. L. Meena	Independent Director (Chairman)	4	4
Mr. Ramesh Joshi	Independent Director	4	4
Mr. Avinash Vyas	Independent Director	4	4

NOMINATION AND REMUNERATION AND COMPENSATION COMMITTEE

The Nomination and Remuneration and Compensation Committee (NRC Committee) of the Company consists of three non-executive Independent Directors and its composition is as per the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI LODR 2015. Its composition as on March 31, 2021 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Avinash Vyas	Independent Director (Chairman)
2.	Mr. Sunil Agarwal	Independent Director
3.	Mr. Hari Chand Mittal	Independent Director

Terms of Reference of the committee inter-alia includes:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.

STATUTORY REPORTS

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meetings & Attendance during the year

During the year under review, total two meetings of the NRC Committee were held on July 31, 2020 and December 19, 2020 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Avinash Vyas	Independent Director (Chairman)	2	2
Mr. Sunil Agarwal*	Independent Director	1	1
Mr. Hari Chand Mittal*	Independent Director	1	1
Mr. Ramesh Joshi*	Independent Director	1	1
Mr. Ranbir Datt*	Non – Executive Director	1	1

*The composition of the committee was re-constituted on August 29, 2020 and Mr. Sunil Agarwal and Mr. Hari Chand Mittal were appointed as Members of the Committee in place of Mr. Ramesh Joshi and Mr. Ranbir Datt.

The Board of Directors has framed the Nomination and Remuneration and Compensation Policy on Nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same is available on https://www.vakrangee.in/policies_and_guidelines.html. The remuneration paid to the Executive Directors is in accordance with the provisions of Section 197 and Part II of Schedule V of Companies Act, 2013.

Non-Executive Directors have been paid sitting fee as per the limit prescribed under the Companies Act, 2013 for attending Board Meetings and the meetings of the committees thereof.

The Directors, whether whole-time or not, but excluding Independent Directors and Promoters of the Company and its subsidiaries, working in India or abroad shall be eligible to participate in the ESOP Schemes of the Company, provided that a director holding, either by himself or through his relative or through anybody corporate, directly or indirectly, more than 10% of the outstanding equity shares of the Company shall not be entitled to participate in the ESOP Schemes of the Company.

Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on July 31, 2020.

Remuneration of Directors

The details of remuneration paid to Directors during the financial year 2020-2021 are as under:

(a) Non - Executive Directors

(₹ in Lakhs)

Name of Directors	Sitting Fees
Mr. Ramesh Joshi	2.95
Mr. Sunil Agarwal	2.75
Mr. B. L. Meena	2.70
Mr. Avinash Vyas	3.20
Mrs. Sujata Chattopadhyay	2.50
Mr. Ranbir Datt	2.75
Mr. Hari Chand Mittal	2.25



Independent Directors and Non – Independent, Non - Executive Directors are paid sitting fees of ₹ 50,000/- for attending each Meeting of the Board and Members of the Audit Committee are paid sitting fees of ₹5,000/- per meeting and Members of the Nomination and Remuneration and Compensation Committee are paid sitting fees of ₹ 25,000/- per meeting.

Sitting fees paid to Independent Directors and Non - Independent Non - Executive Directors are within the regulatory limits.

(b) Executive Directors

(₹ in Lakhs)

Particulars	Mr. Dinesh Nandwana	Dr. Nishikant Hayatnagarkar
Basic	96.00	32.99
Allowances	96.00	5.31
HRA	48.00	13.27
Others (Bonus & Leave Encashment)	--	--
Perquisites on account of Stock Options exercised	--	--
Total	240.00	51.67

The service contracts for Mr. Dinesh Nandwana and Dr. Nishikant Hayatnagarkar is for a period of five years effective from October 1, 2019 and October 01, 2020 respectively. The notice period is six months for Mr. Dinesh Nandwana and three months for Dr. Nishikant Hayatnagarkar. There are no severance fees.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the financial year under review, one meeting of Stakeholders Relationship Committee was held on February 08, 2021 and all the members were present at the meeting

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.

The composition of the Committee as on March 31, 2021 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Ramesh Joshi	Independent Director (Chairman)
2.	Mr. B. L. Meena	Independent Director
3.	Dr. Nishikant Hayatnagarkar	Executive Director

The Terms of Reference of the committee include:

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

Mr. Jay Bhansali, Company Secretary, functions as Compliance Officer as required under SEBI LODR 2015 and also acts as Nodal Officer to ensure compliance with IEPF Rules.

During the financial year under review, 3 complaints were received from the shareholders. All complaints have been redressed to the satisfaction of the shareholders and none of them were pending as on March 31, 2021.

The Company had no transfers pending at the close of 31.03.2021.

STATUTORY REPORTS

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirements of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee (the "CSR Committee"). The company has adopted a CSR Policy which is available on the website of the Company.

The composition of the committee as on March 31, 2021 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Dinesh Nandwana	Managing Director & Group CEO (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Sunil Agarwal	Independent Director

The role of Corporate Social Responsibility Committee is as follows:

- formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on CSR activities of the Company;
- monitoring CSR Policy of the Company from time to time;
- formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy;
- analyse the need of an impact assessment, if any, for the projects undertaken by the Company.

RISK MANAGEMENT COMMITTEE

As per the requirements of Regulation 21 of SEBI LODR 2015, the Company has constituted Risk Management Committee.

During the financial year under review, one meeting of Risk Management Committee was held on February 08, 2021 and all the members were present at the meeting.

The composition of the Committee as on March 31, 2021 is as follows:

Sr. No	Name of the Director/ Member	Designation
1.	Ms. Sujata Chattopadhyay	Chairperson, Independent Director
2.	Mr. Dinesh Nandwana	Managing Director & Group CEO
3.	Dr. Nishikant Hayatnagarkar	Executive Director
4.	Mr. Prabodh Bhusari	Officer

The brief Terms of Reference of the committee include:

- Review of strategic risk arising out of adverse business decisions and lack of responsiveness to changes;
- Review of operational risks;
- Review of financial and reporting risks;
- Review of compliance risks;
- Review of risk related to Data Privacy;
- Review the Company's risk philosophy and the quantum of risk, on a board level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
- Review the extent to which the management has established effective enterprise risk management at the Company;
- Inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise - wide risk exposures;
- Review periodically key risk indicators and management response thereto.



General Body Meetings

Date, Venue and Time for the last three Annual General Meetings.

Date	Venue	Time	Special Resolutions passed
September 28, 2020	Through Video Conferencing/Other Audio Visual Means at registered office of the Company.	11.00 A.M.	2
September 25, 2019	Courtyard by Marriott Mumbai International Airport, CTS 215, Opposite Carnival Cinemas, Andheri Kurla Road, Andheri East, Mumbai, 400059.	10.00 AM	7
September 28, 2018	The Lalit Plaza, Sahar Airport Road, Andheri (East), Mumbai – 400059.	10.00 AM	2

RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

No postal ballot was conducted during the financial year 2020-21. None of the businesses are proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the same are approved by the Board and those are published in prominent English (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website, www.vakrangee.in.

Detailed Investor's presentations on the Company's quarterly, half - yearly as well as annual financial results are available on the Company's website, www.vakrangee.in. and are also sent to the Stock Exchanges.

EQUITY SHARES IN THE SUSPENSE ACCOUNT

As on March 31, 2021, no shares are lying in suspense account.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

The 31st Annual General Meeting (AGM) of the Company will be held on August 30, 2021 at 11 AM. The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated May 5, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

Financial Year

The financial year of the Company is April 1 to March 31.

Financial Calendar for 2021-22

Tentative Schedule	Likely Board Meeting Schedule
Financial reporting for the quarter ending June 30, 2021	On or before August 14, 2021
Financial reporting for half year ended September 30, 2021	On or before November 14, 2021
Financial reporting for the quarter ending December 31, 2021	On or before February 14, 2022
Financial reporting for the year ended March 31, 2022	On or before May 30, 2022
Annual General Meeting for the year ending March 31, 2022	On or before September 30, 2022

Book Closure:

As mentioned in the Notice of this AGM.

Dividend payment:

i. Payment date:

Dividend, when declared at the AGM, will be paid within 30 days from the date of AGM.

Listing on Stock Exchanges:

Your company's securities are listed on the following stock exchanges.

BSE Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra East, Mumbai - 400 051.

STATUTORY REPORTS

Listing fees as applicable have been paid to the above Stock Exchanges.

Stock Code

Stock Exchange	Code
BSE Ltd.	511431
National Stock Exchange of India Ltd.	VAKRANGEE
ISIN no. for Equity Shares (NSDL & CDSL)	INE051B01021

Stock Market Data relating to Equity Shares listed in India:

Month (2020-21)	Price on BSE during each month		Volume traded	Price on NSE during each month		Volume traded
	High	Low		High	Low	
April	28.60	17.10	78,15,464	28.65	17.15	3,79,10,127
May	29.20	23.95	36,54,588	29.00	23.90	2,52,01,785
June	41.15	26.15	89,22,868	41.25	26.15	7,22,06,500
July	36.15	25.10	72,08,518	36.00	25.30	5,67,46,882
August	33.95	27.85	61,85,341	33.95	27.85	4,87,39,318
September	29.85	24.40	50,66,091	29.95	24.50	3,63,46,741
October	31.30	28.05	38,87,910	31.25	28.00	3,61,86,385
November	39.70	26.00	85,77,290	39.75	26.00	6,28,58,111
December	69.85	39.70	3,18,54,875	69.85	39.75	24,97,82,531
January	69.40	52.25	95,82,534	69.70	52.25	9,22,88,681
February	61.00	49.05	72,38,083	61.05	48.95	7,29,43,303
March	56.05	50.10	55,45,601	56.05	50.30	3,99,76,811

Stock Performance of Vakrangee Limited v/s. BSE Sensex & Nifty:

Month (2020-21)	Price on BSE during each month		Volume traded	Sensex	Price on NSE during each month		Volume traded	Nifty
	High	Low			High	Low		
April	28.60	17.10	78,15,464	33,717.62	28.65	17.15	3,79,10,127	9859.90
May	29.20	23.95	36,54,588	32,424.10	29.00	23.90	2,52,01,785	9580.30
June	41.15	26.15	89,22,868	34,915.80	41.25	26.15	7,22,06,500	10302.10
July	36.15	25.10	72,08,518	37,606.89	36.00	25.30	5,67,46,882	11073.45
August	33.95	27.85	61,85,341	38,628.29	33.95	27.85	4,87,39,318	11387.50
September	29.85	24.40	50,66,091	38,067.93	29.95	24.50	3,63,46,741	11247.55
October	31.30	28.05	38,87,910	39,614.07	31.25	28.00	3,61,86,385	11642.40
November	39.70	26.00	85,77,290	44,149.72	39.75	26.00	6,28,58,111	12968.95
December	69.85	39.70	3,18,54,875	47,751.33	69.85	39.75	24,97,82,531	13981.75
January	69.40	52.25	95,82,534	46,285.77	69.70	52.25	9,22,88,681	13634.60
February	61.00	49.05	72,38,083	49,099.99	61.05	48.95	7,29,43,303	14529.15
March	56.05	50.10	55,45,601	49,509.15	56.05	50.30	3,99,76,811	14690.70

**Registrar and Share Transfer Agent:****Bigshare Services Pvt. Ltd.**

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059.

Telephone No.: 022-62638200

Fax No.: 022-62638299

Email: investor@bigshareonline.com

Share Transfer System

In terms of Regulation 40(1) of SEBI LODR 2015, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

The Company obtains half-yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of SEBI LODR 2015 and files a copy of the said certificate with the concerned Stock Exchanges.

Distribution of shareholding as on March 31, 2021: - (Face Value Re. 1/- per Share)

Category (No. of Shares)	No. of shareholders	% of shareholders	No. of shares	% total equity
0-5000	126345	96.2585	51528396	4.8639
5001-10000	2138	1.6289	15998198	1.5101
10001-20000	1182	0.9005	17289024	1.6320
20001-30000	410	0.3124	10143533	0.9575
30001-40000	221	0.1684	7778656	0.7342
40001-50000	180	0.1371	8376599	0.7907
50001-100000	284	0.2164	20986077	1.9809
100001- above	496	0.3779	927305157	87.5307
Total	131256	100.0000	1059405640	100.0000

Category wise Shareholding as on March 31, 2021

Category	No. of Shares	%
Promoters	451353165	42.60
Financial Institutions/Banks	20503	0.01
Insurance Companies	66976981	6.32
Foreign Portfolio Investors	102569647	9.68
Public	438485344	41.39
Total	1059405640	100.00

STATUTORY REPORTS

Dematerialization of Shares and Liquidity:

The Company's shares are traded in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Mode of Holding	No. of shares (as on March 31, 2021)	%
Held with NSDL	785345663	74.13
Held with CDSL	272658953	25.74
Held in Physical Form	1401024	0.13
Total	1059405640	100.00

Outstanding GDRs, ADRs, warrants or any convertible instruments.

The Company has not issued any GDRs/ADRs/Warrants.

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The details of foreign currency exposure have been disclosed in standalone notes to accounts of the Annual Report.

Plant Locations:

In view of the nature of the Company's business viz. Specialty Retail, the Company operates from various offices in India and does not have any manufacturing plant.

Address of Correspondence:

The address of correspondence:

Vakrangee Limited

"Vakrangee Corporate House", Plot No. 93, Road No. 16, M.I.D.C. Marol, Andheri (E), Mumbai – 400 093.

Shareholders can contact the following officials for Secretarial matters related to the Company:

Name	Telephone No.	Email ID
Jay Bhansali	022 - 67765100	info@vakrangee.in

Credit Ratings:

During the year under review, the Company has not obtained any credit ratings.

DISCLOSURES

Disclosure on materially significant Related Party Transactions with its Promoter, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

During the year there were no material significant transactions with the related parties viz. Promoters, Directors and their relatives, their Subsidiaries, conflicting with the Company's interest. The policy as to Related Party Transactions as approved by the Board, is available on the Company's website, https://vakrangee.in/policies_and_guidelines.html.

Necessary disclosures as to Related Party Transactions, as required have been made in the standalone notes to accounts of the Annual Report.



Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During FY 2018-19, BSE Limited and National Stock Exchange of India Ltd levied a penalty of ₹ 88,500 /- each for delayed submission of Audited Financial Results for the year ended March 31, 2018.

Apart from above, during the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the capital markets.

Vigil Mechanism / Whistle Blower

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees, Franchisee, Business Partner, Vendor or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and no personnel has been denied direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company, https://vakrangee.in/policies_and_guidelines.html.

Compliance with Discretionary requirements of SEBI LODR 2015:

The Company has complied with all the mandatory requirements of SEBI (LODR) 2015. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI (LODR), 2015 is provided below:

- Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.
- Audit Qualifications: The Company's financial statement for the financial year 2020-21 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

MATERIAL SUBSIDIARIES

During the year under review, the company do not have any material subsidiaries as stipulated under the SEBI LODR 2015. The company has adopted a policy for determining Material subsidiaries and is available on the website of the Company, https://vakrangee.in/policies_and_guidelines.html.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company at its various meetings held during the Financial year 2020-21 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices.

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors.

The Familiarization Policy along with the details of familiarization program imparted to the Independent Directors is available on the website of the Company at https://vakrangee.in/policies_and_guidelines.html.

Vakrangee's Code of Conduct

The Board of Directors of the Company has laid down a code of conduct for the Board and all senior management employees of the Company. The same has been posted on the website of the Company https://vakrangee.in/policies_and_guidelines.html. The Company confirms that all Board members and senior management personnel have and shall continue to affirm compliance with the code on an annual basis.

Vakrangee's Code for Preventing Insider Trading

Vakrangee Ltd has Code of Conduct for Prevention of Insider Trading ('VL Code') in the shares of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 and followed in spirit.

STATUTORY REPORTS

Disclosure on Compliance:

The Company is in Compliance with,

- The Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- all the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review the Board has accepted all the recommendations of its Committees.
- The Company has obtained certificate from S.K. Jain & Co., Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.
- Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

Payment to Statutory Auditor	FY 2020 - 21 (₹ In Lakhs)
Audit Fees	65.00
Tax Audit Fees	10.00
Other Services	0.00
Reimbursement of Expenses	1.83
Total	76.83

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

Number of complaints filed during the year 2020 - 21.	Nil
Number of complaints disposed off during the year 2020 - 21.	NA
Number of complaints pending as on 31 March 2021	NA

Compliance Certificate:

The Compliance Certificate issued by Dr. S.K. Jain proprietor of S.K. Jain & Co., Practicing Company Secretary on Compliance with the Corporate Governance requirements by the Company is annexed herewith.

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the financial year 2020-21.

Sd/-
Dinesh Nandwana
 Managing Director & Group CEO
 (DIN:00062532)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
VAKRANGEE LIMITED.
Vakrangee Corporate House, Plot No 93, Road No. 16,
M.I.D.C. Marol, Andheri (East), Mumbai - 400093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vakrangee Limited having CIN L65990MH1990PLC056669 and having registered office at Vakrangee Corporate House, Plot No 93, Road No. 16, M.I.D.C. Marol, Andheri (East), Mumbai - 400093 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors as on 31st March, 2021 on the Board of the Directors of the Company as stated below have been debarred or disqualified from being appointed as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	Ramesh Joshi	00002683	20/10/2006	-
2.	Dinesh Nandwana	00062532	28/05/1990	-
3.	Nishikant Hayatnagarkar	00062638	01/10/2015	-
4.	Sunil Agarwal	00062767	28/06/2002	-
5.	Anil Khanna	01334483	25/01/2019	11/09/2020
6.	Sujata Chattopadhyay	02336683	31/03/2015	-
7.	Babu Lal Meena	03281592	25/10/2010	-
8.	Avinash Chandra Vyas	06869633	14/11/2014	-
9.	Ranbir Datt	08064889	12/02/2018	-
10.	Hari Chand Mittal	08797386	31/07/2020	-

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: June 29, 2021

FOR S. K. JAIN & CO.
Dr. S. K. JAIN
Membership No. FCS 1473
C. P. NO. 3076

**STATUTORY
REPORTS**

To The Members of
VAKRANGEE LIMITED
Vakrangee Corporate House,
Plot No.93, Road No.16,
M.I.D.C. Marol, Andheri East,
Mumbai – 400093

We have examined the compliance of conditions of Corporate Governance by **VAKRANGEE LIMITED** for the year ended on **31st March, 2021**.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

We 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.

Restriction on Use

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Mumbai
Date: June 29, 2021

FOR S. K. JAIN & CO.
Practicing Company Secretary

Dr. S. K. JAIN
Proprietor
C. P. NO. 3076



**To the Board of Directors of
Vakrangee Limited**

Dear Sirs/Madam,

Sub: CEO / CFO Certificate

(Issued in accordance with provisions of Regulation 17(8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

We have reviewed the financial statements read with Cash flow statement of Vakrangee Limited for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (a) (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit committee-
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours sincerely,

For **Vakrangee Limited**

Dinesh Nandwana
Managing Director & Group CEO
(DIN: 00062532)

Ajay Jangid
Chief Financial Officer

Place: Mumbai

Date: June 19, 2021

BUSINESS RESPONSIBILITY REPORT



Vakrangee Kendra



Vakrangee ATM

ਪੰਜਾਬ ਨੈਸ਼ਨਲ ਬੈਂਕ
...ਸਹਿਏ ਕਾ ਪ੍ਰਗਤਿ...

BC POINT

ਵਕਾਂਗੀ ਕੇਂਦਰ



- ਜ਼ਰੂਰ ਪੂਰੀ ਦੁਨੀਆ
ਪਹੋਚੇ ਸੇ
- ATM
 - ਕਰਿਸ਼ਿ
 - ਆਨਲਾਈਨ ਕਰਿਸ਼ਿ
 - ਵਿਖਾਧ
 - ਟੂ-ਵਿਲਡ ਟੂਗਿੰਗ
 - ਬਿਲ ਪੁਰਾਨਾ
 - ਫੀਲਿੰਗ
 - ਟੂਰਿਜ਼ਮ
 - ਲੋਨ
 - ਸਹੀ ਟ੍ਰਾਂਜੈਕਟ

CORPORATE OVERVIEW

STRATEGY AND PERFORMANCE

PERFORMANCE OF CAPITALS

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FINANCIAL STATEMENTS

**STATUTORY
REPORTS**
Section A: General information about the Company

S. No.	Question	Response
1	Corporate Identity Number (CIN) of Company	L65990MH1990PLC056669
2	Name of the Company	Vakrangee Limited
3	Registered address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C., Marol, Andheri (E), Mumbai - 400093.
4	Website	www.vakrangee.in
5	E-mail id	info@vakrangee.in
6	Financial year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	631 - Data processing, hosting and related activities; web portals 639 - Other information service activities 662 - Activities auxiliary to insurance and pension funding 461 - Wholesale on a fee or contract basis 479 - Retail trade not in stores, stalls or markets 791 - Travel agency and tour operator activities 641 - Monetary intermediation 661 - Activities auxiliary to financial service activities, except insurance and pension funding 649 - Other financial service activities, except insurance and pension funding activities
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	We have only one business segment, Vakrangee Kendra, which is also reported in the Company's balance sheet. Our Vakrangee Kendra, a one-stop shop, offers following 3 key services: 1. BFSI - Banking, insurance and financial services 2. ATM 3. E-commerce – assisted online shopping, assisted online healthcare, assisted online travel, telecom and bill payment services; and Logistics.
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of international locations (provide details of major 5)	i. Company operates only in India
	ii. Number of national locations	ii. Company franchises 11,730 operational Next-Gen Vakrangee Kendras across 30 states and Union Territories of India. It is in the process of on-boarding 13,000 additional Next-Gen Vakrangee Kendras in India.
10	Markets served by the Company – local/ state/ national/ international	Local, state and national markets.

**Section B: Financial details of the Company**

S. No.	Question	Response
1	Paid-up capital (INR)	10594.06 Lakhs
2	Total turnover (INR)	22743.67 Lakhs
3	Total profit after taxes (INR)	5136.12 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR is 0.26% of the average net profits of the previous three financial years.
5	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> i. Social and community development ii. Education iii. Healthcare iv. Eradicating Hunger

Section C: Other details

S. No.	Question	Response
1	Does the Company have any subsidiary Company/ companies?	<p>Yes. Company has 3 wholly owned subsidiaries, of which 2 are Indian subsidiaries and 1 is a foreign subsidiary.</p> <p>Indian subsidiaries:</p> <ul style="list-style-type: none"> 1. Vakrangee Finserve Limited 2. Vakrangee Logistics Private Limited 3. Foreign subsidiary: Vakrangee e-Solutions Inc., Philippines
2	Do the subsidiary Company/ companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	Yes. Both Indian subsidiaries participate in BR initiatives of the parent Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities. [Less than 30%, 30-60%, More than 60%]	No.

**STATUTORY
REPORTS**
Section D: BR Information

S. No.	Question	Response																																				
1	Details of Director/Directors responsible for BR	Corporate Governance Committee, Corporate Social Responsibility (CSR) Committee and ESG Committee of Company are responsible for implementing BR policies. Details on the committees are as follows:																																				
(a)	Details of the Director/Director responsible for implementation of the BR policy/policies	<p>Corporate Governance Committee</p> <table border="1"> <thead> <tr> <th>DIN</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>00002683</td> <td>Mr. Ramesh Joshi</td> <td>Chairman</td> </tr> <tr> <td>00062532</td> <td>Mr. Dinesh Nandwana</td> <td>Member</td> </tr> <tr> <td>00062638</td> <td>Dr. Nishikant Hayatnagarkar</td> <td>Member</td> </tr> </tbody> </table> <p>Corporate Social Responsibility Committee</p> <table border="1"> <thead> <tr> <th>DIN</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>00062532</td> <td>Mr. Dinesh Nandwana</td> <td>Chairman</td> </tr> <tr> <td>00002683</td> <td>Mr. Ramesh Joshi</td> <td>Member</td> </tr> <tr> <td>00062767</td> <td>Mr. Sunil Agarwal</td> <td>Member</td> </tr> </tbody> </table> <p>ESG Committee</p> <table border="1"> <thead> <tr> <th>DIN</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>06869633</td> <td>Mr. Avinash Vyas</td> <td>Chairman</td> </tr> <tr> <td>00002683</td> <td>Mr. Ramesh Joshi</td> <td>Member</td> </tr> <tr> <td>02336683</td> <td>Ms. Sujata Chattopadhyay</td> <td>Member</td> </tr> </tbody> </table>	DIN	Name	Designation	00002683	Mr. Ramesh Joshi	Chairman	00062532	Mr. Dinesh Nandwana	Member	00062638	Dr. Nishikant Hayatnagarkar	Member	DIN	Name	Designation	00062532	Mr. Dinesh Nandwana	Chairman	00002683	Mr. Ramesh Joshi	Member	00062767	Mr. Sunil Agarwal	Member	DIN	Name	Designation	06869633	Mr. Avinash Vyas	Chairman	00002683	Mr. Ramesh Joshi	Member	02336683	Ms. Sujata Chattopadhyay	Member
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2	Principle-wise (as per NVGs) BR policy/ policies																																					
(a)	Details of compliance (reply in Y/N)																																					



S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words) (Refer to Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Indicate the link for the policy to be viewed online?	Y ¹	Y ²	Y ³	Y ⁴	Y ⁵	Y ⁶	Y ⁷	Y ⁸	Y ²
8	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
11	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y ⁵	Y ⁵	Y ⁵	Y ⁵	Y ⁵	Y ⁵	Y ⁵	Y ⁵	Y ⁵

- Note 1: Policies are based on NVG, and conform to international standards such as ISO 9000, ISO 20000, ISO 27000, UNGC principles and ILO standards.
- Y¹ <https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf>
- Y² <https://www.vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf>
- Y³ <https://vakrangee.in/pdf/Policies-PDF/Final%20Code%20Of%20Conduct%20-For%20Employees-V2.pdf>
- Y⁴ <https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf>
- Y⁵ <https://vakrangee.in/pdf/Policies-PDF/Human%20Rights%20Policy.pdf>
- Y⁶ <https://vakrangee.in/pdf/Policies-PDF/Environmental%20Policy.pdf>
- Y⁶ <https://vakrangee.in/pdf/Policies-PDF/Sustainable%20Sourcing%20Policy.pdf>
- Y⁷ <https://vakrangee.in/pdf/Policies-PDF/Political%20Involvement%20Policy.pdf>
- Y⁸ https://vakrangee.in/pdf/Policies-PDF/Corporate%20Social%20Responsibility_Policy.pdf
- Y⁵ Policies are evaluated internally

**STATUTORY
REPORTS**

S. No.	Question	Response
3	Governance related to BR	
(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Board, and ESG Committee assess Company's BR performance on quarterly basis.
(b)	Does the Company publish a BR or a sustainability report? What is the hyperlink for viewing this report? How frequently is it published?	Company publishes BR and sustainability reports annually for financial year ending 31st March. This year it forms part of the Annual Integrated Report for FY 2020-21. Hyperlink for viewing the report is www.vakrangee.in

Section E: Principle-wise performance
Principle 1

S. No.	Question	Response
1	Principle 1	
	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	No. Our policy on business conduct applies to all individuals working at all levels and grades including senior managers, officers, directors, employees (permanent, fixed or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors or any other person associated with the Company, its subsidiaries or group companies. Hyperlink of the policy is https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	For details on Investor Complaints and resolution, refer to the Corporate Governance section which is part of this Annual Report.

**Principle 2**

S. No.	Question	Response
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	<p>We have considered both social and environmental aspects of our business segment.</p> <ol style="list-style-type: none"> Company's offerings like banking, financial and insurance services, ATM, e-commerce and logistics promote financial and social inclusion of the unserved and underserved population of India. We provide the facility of directly withdrawing subsidies under Direct Benefits Transfer from our outlets. Considering environmental concerns, we provide paperless banking and ATM use, biometric-enabled banking, and digital payment for bill payments, to name a few. We promote skill development of franchisees, as they have to obtain a certificate in order to provide banking and insurance services. We offer trainings on e-commerce, e-governance, financial services and logistics at Next-Gen Vakrangee Kendras. Company launched Tele-medicine services for the unserved communities where customers in remote rural locations can get access to Digital consultation with Expert Doctors in Regional languages, Home Blood test facilities, Doorstep delivery of medicines and vouchers for discounts at Partner hospitals.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional)	<ol style="list-style-type: none"> Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? – Not Applicable Reduction during usage by consumers (energy, water) has been achieved since the previous year? – Not Applicable
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	<p>Company has a policy on sustainable sourcing and green procurement in place. Policy defines prerequisites for all suppliers carrying out business with us. Link for the Sustainable Sourcing Policy is https://vakrangee.in/pdf/Policies-PDF/Sustainable%20Sourcing%20Policy.pdf</p> <p>Link for the Sustainable Sourcing Policy is https://vakrangee.in/pdf/Policies-PDF/Green%20Procurement%20Policy.pdf</p>
4	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Not applicable
5	Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Not applicable

**STATUTORY
REPORTS**
Principle 3

S. No.	Question	Response																
1	Please indicate total number of employees	800																
2	Please indicate total number of employees hired on temporary/ contractual/ casual basis	0																
3	Please indicate number of permanent women employees	42																
4	Please indicate number of permanent employees with disabilities	1																
5	Do you have an employee association that is recognized by management?	No																
6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable																
7	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year (2020-21)	<table border="1"> <thead> <tr> <th>S. No.</th> <th>Category</th> <th>Number of complaints filed in financial year</th> <th>Number of complaints pending as on end of financial year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Child labour/ forced labour/ involuntary labour</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>2</td> <td>Sexual harassment</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>3</td> <td>Discriminatory employment</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>	S. No.	Category	Number of complaints filed in financial year	Number of complaints pending as on end of financial year	1	Child labour/ forced labour/ involuntary labour	Nil	Nil	2	Sexual harassment	Nil	Nil	3	Discriminatory employment	Nil	Nil
S. No.	Category	Number of complaints filed in financial year	Number of complaints pending as on end of financial year															
1	Child labour/ forced labour/ involuntary labour	Nil	Nil															
2	Sexual harassment	Nil	Nil															
3	Discriminatory employment	Nil	Nil															
8	What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year?	<p>We have trained 100% employees on behavioural aspects and ISO 14001: 2015 (Environmental Management System); ISO 37001:2016 (Anti-Bribery Management System); ISO 45001:2018 (Occupational Health and Safety Management System); and ISO 19600:2014 (Compliance Management System)</p> <ul style="list-style-type: none"> i. Permanent employees- 800 ii. Permanent women employees- 42 iii. Casual/Temporary/ Contractual employees- 0 iv. Employees with disabilities- 1 																

**Principle 4**

S. No.	Question	Response
1	Has the Company mapped its internal and external stakeholders?	Yes
2	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?	Yes
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	<p>Vakrangee offers its services to the underserved and unserved population of the country. Over 80% of Next-Gen Vakrangee Kendras are present in tier 4,5 and 6 locations. Our customers and franchisees from remote locations are disadvantaged as they have poor or no access to basic facilities.</p> <p>Doorstep Banking Facility - Amidst COVID-19 Lockdown, Our Banking Business Correspondents BCs provided doorstep banking services to Jan Dhan Account Holders in remote rural areas especially for senior citizens and old age pensioners.</p> <p>Moreover, we conduct CSR activities for disadvantaged, vulnerable and marginalized stakeholders. Details can be obtained in CSR Report attached to Director's Report.</p>

Principle 5

S. No.	Question	Response
1	Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	The policy covers the Company, its Group, and extends to all stakeholders associated with Vakrangee Ltd., e.g., franchisees, suppliers.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint regarding human rights violations was received in the last financial year.

**STATUTORY
REPORTS**
Principle 6

S. No.	Question	Response
1	Does the Policy related to Principle 6 cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?	It covers the Company and its Group.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink of webpage.	<p>Vakrangee creates positive environmental impact through its Kendras. All services are available at one point of location. Banking and ATM services are purely digital and paperless. Banking service is also biometric-enabled. Strong market penetration helps in reducing carbon footprint further. As Vakrangee Kendras are present in remote locations, customers are not required to travel far for a service.</p> <p>Vakrangee's Business model is completely sustainable model focused on enabling Indians to benefit from financial, social and digital inclusion. Through our vast network of outlets, we are driving financial, digital and social inclusion in rural India. Since we are a technology platform providing services in an environment friendly format at the last mile in rural remote locations. Therefore, our services are always sustainable in nature as we provide Paperless bio metric enabled banking and paperless ATM services.</p> <p>We have integrated our Business strategy and mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. Our commitment for sustainability is supported by a robust governance and risk management mechanism. Our governance bodies oversee the impact areas of our business operations and major global risks faced by all businesses, such as climate change risks as well as identify the emerging opportunities due to Climate change</p> <p>https://vakrangee.in/pdf/Policies-PDF/Integrated%20Approach%20Climate%20Change_%20Business%20Strategy.pdf</p>
3	Does the Company identify and assess potential environmental risks?	Yes
4	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not applicable
5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes. Company's corporate office uses solar panels for 20% of its electricity consumption. Few of our Next-Gen Vakrangee Kendras also run on solar power completely.
6	Are the emissions/ waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year (2020-21) being reported?	As a technology-based Company, we leverage digitization to offer our services. Therefore, emissions or waste generated by Company is minimal.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year (2020-21).	Not applicable

**Principle 7**

S. No.	Question	Response
1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	a. Associated Chambers of Commerce and Industry of India (AASOCHAM) b. Confederation of ATM Industry (CATMi) c. Member of Business Correspondent Federation of India (BFCI)
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes. Company participates in discussions on economic reforms, tax and other legislations.

Principle 8

S. No.	Question	Response
1	Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Vakrangee aims to maximize social and economic development through its services. Not only do we offer same quality services at no additional charge from customers, but we also employ franchisees from local communities. Our services promote government schemes like Direct Benefits Transfer, Atal Pension Yojana, Jeevan Jyoti Beema Yojana, among others. For customers' safety, we have installed CCTV camera, enabled biometric-based banking, and provided grievance redressal helpline numbers.
2	Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ Government structures/ any other organization?	Programmes are undertaken by Company's in-house team.
3	Have you done any impact assessment of your initiative?	Grant Thornton's Centre of Excellence for Sustainable Development conducted an impact assessment of our business operations across economic, social, environmental, governance and cultural parameters in the states of Uttar Pradesh and Maharashtra.
4	What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.	Apart from company's daily initiatives as mentioned in Principle 4 above, the company is also involved in CSR initiatives, detail of which is given in Annexure to the Directors' Report annexed with this Annual Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Our CSR activities are delivered and monitored by highly trained employees. We track initiatives to measure and better the outcomes and benefits to people.

**STATUTORY
REPORTS**
Principle 9

S. No.	Question	Response
1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year (2020-21)?	3.22%
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Most of our services are free of cost to customers. For chargeable services, we display the actual cost. Rates are as per the mandate and are included as part of branding at each Kendra. We have also provided a helpline number for customers, should they have any complaint related to services.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did the Company carry out any consumer survey/ customer satisfaction trends?	Yes. Company has engaged Grant Thornton India LLP as external consultant for Outlet Quality Analysis survey of Next-Gen Vakrangee Kendras. Report can be accessed on https://vakrangee.in/reports_hub.html

STANDALONE FINANCIAL STATEMENTS

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Vakrangee
Kendra



Vakrangee
ATM



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Independent Auditors' Report

To the Members of Vakrangee Limited,

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the standalone financial statements of **VAKRANGEE 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 ended on that date, and a summary of 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 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, 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 (SAs) 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 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

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 reports.

1. **Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives**

(Refer Note 1 "Significant Accounting Policies", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

Company has capitalised additions to Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgement and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Company's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure was appropriate. We noted no material exceptions.



We evaluated whether the useful lives of the component determined and applied by the management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Company has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the standalone financial statement.

2. Information Technology environment

We identified the information technology environment as an area of focus in our audit, since Vakrangee Limited are dependent on their technology structure, both for the processing of their operations, as well as for the reasonable preparation and presentation of their standalone financial statements.

The Company has technological infrastructure for its business activities, as well as ongoing plans for the improvement and maintenance of the access of the management and change in the pertinent systems and applications, the development of new programs and automated controls and automated components in the relevant business processes. The Control to authorise, control restrict and cancel accesses to technology environment and programme changes are fundamental for mitigating the potential risk of fraud or error based on the misuse or improper change in the systems of the Company, thus ensuring the integrity of the financial information and accounting records.

The Company has an information technology structure which comprises more than one technology environment with different processes and segregated controls. The lack of suitability of the general technology control environment and its dependent controls could trigger incorrect processing of critical information for the preparation of the standalone financial statements.

Principal Audit Procedure

We evaluated and tested the design and operational effectiveness of the general controls of information system i.e. VKMS of the Company. Although our audit is not for the purpose of giving an opinion on effectiveness of the information technology controls, we reviewed the group's framework of governance of IT and the controls on the management of access to the data, the development of and changes in programs, generation of financial information and other useful data for review of analytical data.

The IT environment and the controls established by management combined with the testing of controls, including compensating controls, which we have applied, provide us reasonable basis for our reliance in the integrity and reliability of the information generated for the preparation of the Company's financial Statements.

3. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the Standalone financial statements for the year ended March 31, 2021. The management has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the effect of COVID-19 pandemic event on the customers' business operations/ ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹ 597.47 lacs as at March 31, 2021, considered in Note 7 & 13 of the standalone financial statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.

STANDALONE FINANCIAL STATEMENTS

Principal Audit Procedure

We have performed the following procedures:

- i. Evaluated the design and implementation including the operating effectiveness of the controls over:
 - Basis of consideration of the impact of the economic conditions
 - Completeness and accuracy of the data used in estimation of probability of default
 - Computation of the expected credit loss allowance
- ii. Carried out inquiries with the management to understand the impact of COVID-19 in terms of identification of distressed customers and evaluation of recoverability of dues, extension in contractual terms for collections.
- iii. Tested the completeness and accuracy of the ageing of accounts receivable data.
- iv. Further in addition to the above process, a forward-looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.
- v. Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Company's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Company.
- vi. Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, for example 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. The Annual report is expected to be made available to us after the date of this our auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial statements, the Management 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 the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the standalone financial statement that, individually or in aggregate, makes it probable that the economic decision of the reasonably knowledgeable user of the of the financial statement may be influenced. We considered quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the result of our work, and (ii) evaluate the effects of any identified misstatement in the 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.

STANDALONE FINANCIAL STATEMENTS

From the matter communicated with those charge with governance, we determine those matters that were of most significance in audit of standalone financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that the matters 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 2. 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over the 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 managerial remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 39 to the standalone financial statements.
 - 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 amount, required to be transferred to the Investor Education and Protection Fund by the Company.

For A.P.Sanzgiri & Co.
Chartered Accountants
FRN : 116293W

Anil Agrawal
Partner
Membership No. 041396
UDIN: 21041396AAAABK3105

Place: Mumbai
Date: : June 19, 2021



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VAKRANGEE LIMITED)

i. FIXED ASSET

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a program of verification to cover all the item of fixed assets in a phased manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. Pursuant to program, certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
 - iii. The Company has not granted any loans, secured or unsecured, to companies, firm, limited liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (“the Act”).
 - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the Section 185 and 186 of the Act, in respect to the loans, making investment and providing guarantees and securities, as applicable.
 - v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and therefore the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
 - vii. STATUTORY DUES
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, employees’ state insurance, value added tax, goods and service tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, employees’ state insurance, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no dues of duty of customs, goods and service tax and Income tax which have not been deposited with the appropriate authorities on account of any dispute.
 - viii. In our opinion and according to the information and explanation provided by the management, the Company has not defaulted in repayment of loans or borrowing to the bank Company has not taken any loans and borrowings from financial institutions and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
 - ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
 - x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

**STANDALONE
FINANCIAL STATEMENTS**

- xii. In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable and the details of transactions with the related parties have been disclosed in the standalone financial statements as required by applicable Indian Accounting Standard.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- xvii. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For A.P.Sanzgiri & Co.
Chartered Accountants
FRN : 116293W

Anil Agrawal
Partner
Membership No. 041396
UDIN: 21041396AAAABK3105

Place: Mumbai
Date: : June 19, 2021



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VAKRANGEE LIMITED of even date)

Report on the Internal Financial Controls over Financial Reporting with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of VAKRANGEE 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 Company’s management is 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.

Auditors’ 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 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 Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting 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 authorisations 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 A.P.Sanzgiri & Co.
Chartered Accountants
FRN : 116293W**

**Anil Agrawal
Partner
Membership No. 041396
UDIN: 21041396AAAABK3105**

**Place: Mumbai
Date : June 19, 2021**

STANDALONE
FINANCIAL STATEMENTS

Balance Sheet

as at March 31, 2021

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I ASSETS			
1 Non - Current Assets			
Property Plant and Equipment	4	15,564.00	14,934.48
Capital Work-in-Progress	4	140.25	461.82
Intangible Assets under development	5	346.43	-
Financial Assets			
(i) Investments	6	2,934.85	3,129.84
(ii) Trade Receivables	7	0.00	-
(iii) Loans	8	2,739.54	2,817.25
(iv) Other Financial Assets	9	77.64	53.94
Deferred Tax Assets (net)	10	-	92.52
Other Non - Current Assets	11	59,633.83	62,472.21
Total Non-current Assets		81,436.54	83,962.06
2 Current Assets			
Inventories	12	497.22	781.38
Financial Assets			
(ii) Trade Receivables	13	107,614.49	132,849.52
(iii) Cash and Cash equivalents	13	584.01	1,243.61
(iv) Bank Balances other than (iii) above	14	1,004.75	16,169.30
(v) Loans	15	10.14	20.16
(vi) Other Financial Assets	16	1,825.23	466.28
Current Tax Assets (Net)	17	511.53	1,119.72
Other Current Assets	18	89,756.53	42,276.58
Total Current Assets		201,803.90	194,926.55
TOTAL		283,240.44	278,888.61
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	19	10,594.06	10,594.06
Other Equity	20	252,394.70	250,859.44
Total Equity		262,988.76	261,453.50
2 Liabilities			
i Non - Current Liabilities			
Financial Liabilities			
(i) Trade Payables	21	-	-
- Dues of micro enterprises and small enterprises		-	-
- Dues of Creditors other than micro enterprises and small enterprises		14.34	291.35
(ii) Other Financial Liabilities	22	40.39	39.26
Deferred Tax Liabilities (net)	10	58.10	-
Employee Benefit Obligations	23	331.00	337.74
Total Non-Current Liabilities		443.83	668.35
ii Current Liabilities			
Financial Liabilities			
(i) Borrowings	24	-	-
(ii) Trade Payables	25	-	-
- Dues of micro enterprises and small enterprises		38.76	101.56
- Dues of Creditors other than micro enterprises and small enterprises		2,622.47	6,169.56
(iii) Other Financial Liabilities	26	8,086.50	3,439.61
Other Current Liabilities	27	7,236.09	5,630.47
Provisions	28	1,092.08	696.61
Employee Benefit Obligations	29	26.05	24.72
Current Tax Liabilities	30	705.90	704.23
Total Current Liabilities		19,807.85	16,766.76
Total Liabilities (i + ii)		20,251.68	17,435.11
TOTAL		283,240.44	278,888.61
Significant Accounting Policies and Notes forming part of the Standalone Financial Statements.	1-48		

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Anil Agarwal
 Partner
 Membership No.: 041396

Place : Mumbai
 Date : June 19, 2021

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary



Statement of Profit and Loss

for the year ended March 31, 2021

(Amount in ₹ lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Income			
Revenue from Operations	31	22,743.67	62,335.23
Other Income	32	6,815.25	7,599.58
Total Income		29,558.92	69,934.81
II Expenses			
Operating Expenses	33	14,196.94	48,498.23
Purchase of Stock-in-Trade		949.03	2,563.91
Changes in Inventories	34	281.13	(425.63)
Employee Benefits Expense	35	3,347.33	7,382.81
Finance Costs		-	-
Depreciation and Amortization Expense	4	1,478.35	1,470.04
Impairment Loss	4	-	16.00
Other Expenses	36	2,567.55	2,762.10
Total Expenses		22,820.33	62,267.46
III Profit Before Tax and exceptional Items		6,738.59	7,667.35
IV Exceptional Items	37	-	503.41
V Profit Before Tax		6,738.59	8,170.76
VI Tax Expense:			
(a) Current Tax		1,481.87	1,296.35
(b) Deferred Tax		120.60	422.03
		1,602.47	1,718.38
VII Profit for the year		5,136.12	6,452.38
VIII Other Comprehensive Income			
Items that will be reclassified subsequently to profit and loss			
i) Exchange difference on translation of foreign exchange		-	-
Items that will not be reclassified subsequently to profit and loss			
i) Fair value gain on financial instruments at fair value through OCI		-	-
ii) Remeasurement of net defined benefit obligations (net of taxes)		89.24	18.42
Other Comprehensive Income (net of tax)		89.24	18.42
Total Comprehensive Income for the period		5,225.36	6,470.80
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	38		
(1) Basic		10,594.06	10,593.51
(2) Diluted		10,605.24	10,606.65
X Earnings Per Equity Share (Face Value ₹ 1/- Per Share):	38		
(1) Basic (₹)		0.48	0.61
(2) Diluted (₹)		0.48	0.61
Significant Accounting Policies and Notes forming part of the Standalone Financial Statements.	1-48		

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Anil Agarwal
 Partner
 Membership No.: 041396

Place : Mumbai
 Date : June 19, 2021

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary

Cash Flow Statement

for the year ended March 31, 2021

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Cash flow from operating activities		
	Profit before tax from continuing operations	6,738.59	8,170.76
	Profit before tax	6,738.59	8,170.76
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,478.35	1,470.04
	Impairment of Property, Plant and Equipment	-	16.00
	Employee share based payment expenses	(1,041.58)	(663.57)
	Net foreign exchange differences	(0.04)	0.16
	Allowance for credit losses	64.78	3.43
	Fair value gain on financial instrument at fair value through Profit and loss	(14.54)	-
	Remeasurement of defined benefit obligations	119.25	24.61
	Gain on disposal of property, plant and equipment	-	(503.41)
	Finance costs	-	-
	Interest income	(6,797.51)	(7,369.30)
	Dividend income	-	(1.50)
	Operating profit before working capital changes	547.30	1,147.23
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	284.16	(370.71)
	Decrease / (increase) in trade receivables	25,170.26	(4,632.23)
	Decrease / (increase) in loans and other financial assets	18,507.98	96,599.59
	Decrease / (increase) in other current assets	(47,479.95)	(41,380.89)
	Decrease / (increase) in other non-current assets	2,338.93	(61,885.21)
	Increase / (decrease) in trade payables	(3,886.90)	3,481.52
	Increase / (decrease) in employee benefit obligations	(5.40)	151.49
	Increase / (decrease) in provisions	395.48	334.18
	Increase / (decrease) in other current liabilities	1,605.61	3,045.62
	Cash generated from operations	(2,522.53)	(3,509.41)
	Income taxes paid (net of refunds)	(372.58)	(961.18)
	Net cash flow generated from operating activities (A)	(2,895.11)	(4,470.59)
II	Cash flow from investing activities		
	Purchase of property, plant and equipment	(2,132.97)	(2,150.02)
	Proceeds from sale of property, plant and equipment	0.22	1,387.55
	Purchase of investments	-	-
	Proceeds from sale of investments	209.53	33.23
	Investment in subsidiaries	-	-
	Loans of subsidiaries	9.68	-
	Interest received	6,797.51	7,369.30
	Dividends received	-	1.50
	Net cash flow generated from / (used in) investing activities (B)	4,883.97	6,641.56



(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
III	Cash flow from financing activities		
	Proceeds from issue of shares	-	6.03
	Proceeds towards securities premium on issue of shares	-	178.22
	Repayment of borrowings	-	-
	Interest paid	-	-
	Dividends paid to company's shareholders	(2,648.51)	(2,648.51)
	Dividend Distribution Tax paid	-	(544.41)
	Net cash flow (used in) in financing activities (C)	(2,648.51)	(3,008.67)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	(659.65)	(837.70)
	Effects of exchange rate changes on cash and cash equivalents	0.05	(0.17)
	Cash and cash equivalents at the beginning of the year	1,243.61	2,081.48
	Cash and cash equivalents at the end of the year	584.01	1,243.61

Significant Accounting Policies and Notes forming part of the Standalone Financial Statements 1-48

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagar
 Whole-time Director
 DIN : 00062638

Anil Agarwal
 Partner
 Membership No.: 041396
 Place : Mumbai
 Date : June 19, 2021

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary

Statement of changes in equity

for the year ended March 31, 2021

(Amount in ₹ lakhs)

Particulars	Equity Share Capital	Other Equity						Total equity attributable to equity holders of the Company
		Reserves and surplus			Other Comprehensive Income			
		Securities premium	Retained earnings	General Reserve	Share Options Outstanding Account	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Balance as at March 31, 2019	10,588.03	42,318.52	186,894.00	18,268.05	3,793.59	(3,086.34)	(120.91)	258,654.94
Increase in share capital on account of conversion of ESOPs	6.03	-	-	-	-	-	-	6.03
Amount received on shares issued during the year	-	178.22	-	-	-	-	-	178.22
Transferred from Share Options Outstanding Account	-	250.10	-	-	(250.10)	-	-	-
Profit for the year	-	-	6,452.38	-	-	-	-	6,452.38
Dividends (including dividend distribution tax)	-	-	(3,192.92)	-	-	-	-	(3,192.92)
Transfer to General Reserve	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	(663.57)	-	-	(663.57)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	18.42	18.42
Balance as at March 31, 2020	10,594.06	42,746.83	190,153.46	18,268.05	2,879.92	(3,086.34)	(102.49)	261,453.49
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-
Amount received on shares issued during the year	-	-	-	-	-	-	-	-
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-
Profit for the year	-	-	5,136.12	-	-	-	-	5,136.12
Dividends (including dividend distribution tax)	-	-	(2,648.51)	-	-	-	-	(2,648.51)
Transfer to General Reserve	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	(1,041.59)	-	-	(1,041.59)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	89.24	89.24
Balance as at March 31, 2021	10,594.06	42,746.83	192,641.07	18,268.05	1,838.33	(3,086.34)	(13.25)	262,988.75

Significant Accounting Policies and Notes forming part of the Standalone Financial Statements 1-48

As per our report of even date

For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

Anil Agarwal
 Partner
 Membership No.: 041396

 Place : Mumbai
 Date : June 19, 2021

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Ajay Jangid
 Chief Financial Officer

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Jay Bhansali
 Company Secretary



Notes to Standalone Financial Statements

for the year ended March 31, 2021

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C., Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in providing diverse solutions, activities in E-governance, E-commerce, White Label ATM, Financial Services (Including Banking) and Logistics sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrollment projects, data digitization, software and license.

The financial statements were authorized for issue by the Company's Board of Directors on June 19, 2021.

Note 2 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies have been consistently applied by the Company unless otherwise stated or where a newly issued accounting standard is initially adopted.

A. Basis of preparation

i. Statqement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii. Basis of preparation

The financial statements have been prepared on historical cost basis except the following assets and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments)
- defined benefit plans- plan assets; and
- Equity-settled Share Based Payments

The Financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

B. Summary of significant accounting policies

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless 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 current when:

- It is expected to be settled in normal operating cycle.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

ii. Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrolment projects, data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Significant Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.



Arrangement for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a “right to use” the revenue from software and license is recognised at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised either in other comprehensive income or in equity.



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

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

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle 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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. 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 impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Recoverable amount is the higher of fair value less costs of disposal 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 recognized in the profit or loss.

When 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 profit or loss.

xi. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments 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. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.



Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or another financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

A financial liability is derecognised when the 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 derecognition 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.



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.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. **Dividends**

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. **Provisions**

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. **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 beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. **Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. **Employee Benefits**

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

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

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

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.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 43.

- **Fair value measurement of financial instruments**

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. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 47 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The 1c /depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

2A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.



Note 4 - Property, Plant and Equipment

(Amount in ₹ lakhs)

(a) Description	Buildings	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2019	2,002.99	8,284.00	615.98	146.77	547.86	2,460.04	3,185.24	1,323.91	18,566.78	1,336.31	19,903.09
Additions	478.57	2,343.96	37.16	-	40.29	90.06	-	34.46	3,024.51	2,057.80	5,082.31
Disposals/Transfers	722.98	-	87.04	-	92.46	858.43	-	295.00	2,055.90	2,932.29	4,988.19
At March 31, 2020	1,758.58	10,627.96	566.11	146.77	495.69	1,691.67	3,185.24	1,063.38	19,555.39	461.82	19,997.21
Additions	10.13	2,251.00	5.80	-	1.78	1908	-	9.68	2,297.46	2,051.52	4,348.98
Disposals/Transfers	-	-	-	-	0.41	-	-	-	0.41	2,373.09	2,373.51
At March 31, 2021	1,768.72	12,878.95	571.91	146.77	497.05	1,710.75	3,185.24	1,073.05	21,832.44	140.25	21,972.69
Depreciation and Impairment											
At March 31, 2019	217.45	1,385.70	378.73	54.70	208.53	1,851.34	64.04	126.14	4,286.63	-	4,286.63
Depreciation charged for the year	37.09	886.77	39.97	16.66	79.04	238.04	59.50	112.98	1,470.04	-	1,470.04
Impairment during the year	-	16.00	-	-	-	-	-	-	16.00	-	16.00
Disposals/Transfers	165.39	-	82.89	-	78.93	844.55	-	-	1,171.76	-	1,171.76
At March 31, 2020	89.15	2,288.47	335.81	71.35	208.64	1,244.83	123.55	239.12	4,600.91	-	4,600.91
Depreciation for the year charged to P&L	22.41	1,129.18	6.23	16.56	16.62	111.47	59.34	116.54	1,478.35	-	1,478.35
Depreciation for the year transfer to CWIP	6.70	-	29.24	-	58.45	94.96	-	-	189.35	-	189.35
Disposals/Transfers	-	-	-	-	0.18	-	-	-	0.18	-	0.18
At March 31, 2021	118.26	3,417.65	371.28	87.91	283.53	1,451.26	182.89	355.66	6,268.43	-	6,268.43
Net Book Value											
At March 31, 2021	1,650.45	9,461.30	200.63	58.85	213.53	259.49	3,002.35	717.40	15,564.00	140.25	15,704.25
At March 31, 2020	1,669.43	8,339.48	230.30	75.42	287.06	446.84	3,061.69	824.26	14,934.48	461.82	15,396.30

(b) **Impairment of Assets:** Impairment loss mainly pertains to one high speed printer categorised under Plant & Machinery. Based on technical valuation, the recoverable amount is less than the carrying value of the asset.

(c) **Change in Estimate:** During the previous year, the management has analysed the remaining useful life of assets and based on technical valuation of one class of Property, Plant and Equipment viz. ATM, life expectation has been changed from previous estimates. The change in life expectation has been accounted as per Para 38 of Ind-AS 8, Accounting Policies, Change in Estimates and Errors.

(d) Finance Lease arrangement (Leasehold Land and Building):

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

	As at March 31, 2021	As at March 31, 2020
Leasehold Land & Building	3,002.35	3,061.69

During the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Ancheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs.

In consideration to the provisions of Ind AS 17 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation. Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 5 - Intangible Assets under development

(Amount in ₹ lakhs)

(a) Description	Amount
Bharat Easy Super App (Asset under development)	
Gross Block	
At March 31, 2019	-
Additions	-
Disposal	-
At March 31, 2020	-
Additions	346.43
Disposal	-
At March 31, 2021	346.43
Depreciation and Impairment	
At March 31, 2019	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2020	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2021	-
Net Book Value	
At March 31, 2021	346.43
At March 31, 2020	-

Note 6 - Investments (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Unquoted		
Investment carried at Cost		
- Investments in Equity Instruments of Subsidiaries		
96,000 Equity Shares of Vakrangee e-Solutions Inc., Philippines of Peso 100/- each fully paid up (March 31, 2020 : 96,000 Equity shares)	96.00	96.00
1,20,00,000 Equity Shares of Vakrangee Logistics Private Limited of ₹ 10/- each fully paid up (March 31, 2020 : 1,20,00,000 Equity shares)	1,200.00	1,200.00
1,50,00,000 Equity Shares of Vakrangee Finserve Limited of ₹ 10/- each fully paid up (March 31, 2020 : 1,50,00,000 Equity shares)	1,500.00	1,500.00
(A)	2,796.00	2,796.00
Investment carried at Fair value through Profit and Loss (FVTPL)		
- In Equity Shares		
2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1000/- each fully paid up (March 31, 2020 : 2,500 Equity shares)	138.85	126.94
(B)	138.85	126.94



(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(b) Quoted		
Investment carried at Fair value through Profit and Loss (FVTPL)		
Investments in Mutual Funds		
NIL units of Union Capital Protection Oriented Fund Series 8 (March 31, 2020 : 20,00,000 units)	-	206.90
(C)	-	206.90
TOTAL (A + B + C)	2,934.85	3,129.84
Aggregate amount of quoted investments	-	206.90
Aggregate market value of quoted investments	-	206.90
Aggregate amount of unquoted investments	2,934.85	2,922.94

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The strategic investments in subsidiaries have been taken at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Note 7 - Trade Receivables (Non Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	-	-
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivable - credit impaired	381.55	337.33
	381.55	337.33
Less: Allowance for credit losses	381.55	337.33
TOTAL	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 8 - Loans (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)		
(a) Loan to Others		
Security Deposit	41.08	51.62
Earnest Money Deposit	41.00	41.10
(b) Loan to Related Parties		
Dues from subsidiaries	2,657.46	2,724.53
	2,739.54	2,817.25
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
	2,739.54	2,817.25

Note 9 - Other Financial Assets (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits with bank		
- with maturity period of more than 12 months *	77.64	53.94
TOTAL	77.64	53.94
* Amount held as margin money or security against borrowings, guarantee, other commitments	77.09	53.40

Note 10 - Deferred Tax Assets (net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	-
(ii) Provision for Employees' obligations	59.85	85.03
(iii) On account of Expected Credit Losses	150.37	134.07
(A)	210.22	219.10
Liabilities		
(i) On account of difference in depreciation on Property, Plant and Equipment	268.32	126.58
(B)	268.32	126.58
Balance carried to Balance Sheet (A - B)	(58.10)	92.52

**(a) Movement in deferred tax account during the year is as follows:**

(Amount in ₹ lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balances
For the year ended March 31, 2021 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	(126.58)	(141.74)	-	(268.32)
Expenses provided but allowable in Income Tax on payment	85.03	4.84	(30.01)	59.85
Allowance for expected credit losses	134.07	16.30	-	150.37
	92.52	(120.60)	(30.01)	(58.10)
Others	-	-	-	-
	-	-	-	-
TOTAL	92.52	(120.60)	(30.01)	(58.10)
For the year ended March 31, 2020 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	262.08	(388.66)	-	(126.58)
Expenses provided but allowable in Income Tax on payment	73.72	17.50	(6.19)	85.03
Allowance for expected credit losses	184.94	(50.87)	-	134.07
	520.74	(422.03)	(6.19)	92.52
Others	-	-	-	-
	-	-	-	-
TOTAL	520.74	(422.03)	(6.19)	92.52

The analysis of Deferred Tax Assets is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets to be recovered after more than 12 months	-	-
Deferred Tax Assets to be recovered within 12 months	(58.10)	92.52
	(58.10)	92.52

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2021	As at March 31, 2020
Applicable Tax rate considered for deferred tax asset or liability	25.17%	25.17%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 11 - Other Non-Current Assets
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	59,595.90	61,950.00
Prepaid Expenses	2.18	0.87
Balances with statutory / revenue authorities		
- Income Tax (net of provision for taxation)	12.09	511.53
- Sales Tax	23.66	35.75
TOTAL	59,633.83	62,472.21

Note 12 - Inventories

(Amount in ₹ lakhs)

(a) Particulars	As at March 31, 2021	As at March 31, 2020
Stock-in-Trade	485.31	766.44
Consumables	4.04	4.85
Stores & Spares	7.87	10.09
TOTAL	497.22	781.38

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 13 - Trade Receivables
(Current)

(Amount in ₹ lakhs)

(a) Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	1,06,344.61	1,32,745.79
Trade Receivable which have significant increase in Credit Risk	1,485.80	299.09
Trade Receivable - credit impaired	-	-
	1,07,830.41	1,33,044.88
Less: Allowance for credit Losses	215.92	195.36
TOTAL	1,07,614.49	1,32,849.52

(b) Debts due from related parties

(Amount in ₹ lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Subsidiaries	0.90	6.93
TOTAL	0.90	6.93

**Note 14 - Cash & Cash equivalents**

(a)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Cash and Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	532.26	1,044.60
- Deposit Accounts	-	-
(ii) Cash-in-hand	51.75	199.01
	584.01	1,243.61
(B) Bank Balances other than above		
(i) Earmarked balances in unclaimed dividend account	92.44	89.61
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months **	912.31	16,079.69
TOTAL	1,004.75	16,169.30
** Amount held as margin money or security against borrowings, guarantee, other commitments	894.07	670.49

(b) For the purpose of cash flow statement

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	532.26	1,044.60
- Deposit Accounts	-	-
(ii) Cash-in-hand	51.75	199.01
	584.01	1,243.61
Less : - Cash Credit	-	-
TOTAL	584.01	1,243.61

Note 15 - Loans

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)		
(a) Loan to Others		
Security Deposit	7.71	16.13
Staff Advances	2.43	4.03
	10.14	20.16
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
TOTAL	10.14	20.16

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 16 - Other Financial Assets (Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Insurance claim Receivable	0.47	11.71
Accrued Interest on FD	0.29	0.29
ATM Settlement Receivable	1,824.47	454.28
	1,825.23	466.28
TOTAL	1,825.23	466.28

Note 17 - Current Tax Assets (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax (net of provision for taxation)	511.53	1,119.72
TOTAL	511.53	1,119.72

Note 18 - Other Current Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to Vendors	77,386.88	33,950.66
Prepaid Expenses	72.35	103.72
Other Receivable		
- Accrued Revenue	10,919.48	7,334.04
Balances with statutory / revenue authorities		
- Goods & Service Tax	1,377.82	888.16
TOTAL	89,756.53	42,276.58

Note 19 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2020	12,500.00	12,500.00
Increase during the year	-	-
As at March 31, 2021	12,500.00	12,500.00

**(ii) Paid up Equity share capital**

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2019	10,588.03	10,588.03
Exercise of options	6.03	6.03
As at March 31, 2020	10,594.06	10,594.06
Exercise of options	-	-
As at March 31, 2021	10,594.06	10,594.06

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.69%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.37%	1,311.00	12.37%
Life Insurance Corporation of India	659.15	6.22%	659.30	6.22%
Dinesh Nandwana	691.07	6.52%	691.07	6.52%

(iv) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2021, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.25/- per share of ₹ 1/- each for the year ended March 31, 2020.

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(v) Aggregate details for five immediately previous reporting periods for each class of shares

(No. of shares in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	5,294.02	5,294.02
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	8.08	15.22

(vi) Capital Management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ratio within 1:1. The gearing ratios were as follows :

Particulars	(Amount in ₹ lakhs)	
	As at March 31,	
	2021	2020
Net debt	-	-
Total equity	2,62,988.76	2,61,453.50
Net debt to equity ratio	-	-

Note 20 - Other Equity

(i) Reserves and surplus

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium	42,746.84	42,746.84
Share Options Outstanding Account	3,347.37	5,950.10
Deferred Employee Compensation Expense	(1,509.04)	(3,070.18)
General Reserve	18,268.05	18,268.05
Surplus in Statement of Profit and Loss	1,92,641.07	1,90,153.46
Total (A)	2,55,494.29	2,54,048.27

(a) Securities Premium Reserve

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	42,746.84	42,318.52
Add:- On share issued during the year	-	178.22
Add:- Transfer from shares options outstanding account	-	250.10
Closing balance	42,746.84	42,746.84

(b) Share Options Outstanding Account

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	5,950.10	11,025.85
Add:- On further grant of options	-	495.65
Less:- Reversal due to Lapsation of option	(2,602.73)	(5,321.30)
Less: Transfer to Securities premium account	-	(250.10)
Closing balance	3,347.37	5,950.10

**(c) Deferred Employee Compensation Expense** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(3,070.18)	(7,232.25)
Add:- On further grant of options	-	(495.65)
Less:- Reversal due to Lapsation of option	1,269.49	2,398.78
Less:- Amortised during the year	291.65	2,258.94
Closing balance	(1,509.04)	(3,070.18)

(d) General Reserve (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	18,268.05	18,268.05
Add:- Transfer from Profit and Loss account	-	-
Closing balance	18,268.05	18,268.05

(e) Surplus in Statement of Profit & Loss (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1,90,153.46	1,86,894.00
Add:- Profit for the year	5,136.12	6,452.38
Less:- Transfer to General Reserve	-	-
Less:- Dividend declared and paid	(2,648.51)	(2,648.51)
Less:- Dividend distribution tax	-	(544.41)
Closing balance	1,92,641.07	1,90,153.46

(ii) Other Comprehensive Income (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(3,188.83)	(3,207.25)
Remeasurement of net defined benefit obligations (net of taxes)	89.24	18.42
Closing balance	(3,099.59)	(3,188.83)
Total (A+B)	2,52,394.70	2,50,859.44

Nature of Reserves**(a) Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 21 - Trade Payables
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Principal	Interest	Principal	Interest
- Dues of micro enterprises and small enterprises				
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Total Dues of micro enterprises and small enterprises				
- Dues of Creditors other than micro enterprises and small enterprises		14.34		291.35
TOTAL		14.34		291.35

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Note 22 - Other Financial Liabilities
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	40.39	39.26
TOTAL	40.39	39.26

Note 23 - Employee Benefit Obligations
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employees' benefits	331.00	337.74
TOTAL	331.00	337.74

Note 24 - Borrowings
(Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans		
Loan Repayable on Demand		
- From Bank	-	-
TOTAL	-	-



The Company has cash credit facility (sanctioned limit of Rs. 45 Crores) from Union Bank of India. The facility is secured by First charge of hypothecation of Book Debts and present & future current assets of Company.

Collateral Security - Registered Equitable Mortgage of Immovable Property situated at Vakrangee Corporate House, Plot No .93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai-400093 with total built up area of entire building is 21050 Sq ft in the name of M/S Vakrangee Limited.

Note 25 - Trade Payables (Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Principal	Interest	Principal	Interest
Trade Payables				
- Dues of micro enterprises and small enterprises				
Amount due to vendor	38.76	-	101.56	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	38.76	-	101.56	-
Total Dues of micro enterprises and small enterprises		38.76		101.56
- Dues of Creditors other than micro enterprises and small enterprises		2,622.47		6,169.56
TOTAL		2,661.23		6,271.12

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Note 26 - Other Financial Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Payable to Franchisee under WLA	6,648.26	2,794.30
Payable for acquisition of Property, Plant & Equipments	695.96	555.70
Payable towards CSR Expenses	650.05	-
Unpaid Dividend	92.23	89.61
TOTAL	8,086.50	3,439.61

Note 27 - Other Current Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues	294.11	1,043.52
Advance from customers	3,970.75	2,088.32
Kendra money received pending allotment	1,932.08	1,453.50
Franchisee Wallet Balance	286.84	386.64
Staff Emoluments Payable	752.31	658.49
TOTAL	7,236.09	5,630.47

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 28 - Provisions

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Expenses for Goods & services	1,092.08	696.61
TOTAL	1,092.08	696.61

Note 29 - Employee Benefit Obligations (Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employees' benefits	26.05	24.72
TOTAL	26.05	24.72

Note 30 - Current Tax Liabilities (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax (net of provision for taxation)	705.90	704.23
TOTAL	705.90	704.23

Note 31 - Revenue from Operations

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from vakrangee kendra, including e-governance activities	16,261.94	51,911.87
(b) Revenue from Sale of Products		
- Computer consumables & peripherals	1,324.01	2,261.09
	1,324.01	2,261.09
(c) Revenue from Sale of Services		
- Information Technology-enabled Services (ITeS)	4,910.94	7,864.45
	4,910.94	7,864.45
(d) Other Operating Revenues		
- Kit Transportation charge	177.69	263.49
- Scrap Sales	69.09	34.33
	246.78	297.82
TOTAL	22,743.67	62,335.23

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

**Note 32 - Other Income**

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
(i) Interest Income				
(a) Interest Income on the financial assets at amortized cost				
- Bank Deposits	195.94		5,624.96	
(b) Other Interest Income	6,601.57	6,797.51	1,744.34	7,369.30
(ii) Dividend income		-		1.50
(iii) Other non-operating income				
- Rent Received	3.12		3.12	
- Gain on Sale of Asset	-		0.46	
- Gain on Foreign Exchange Fluctuation	0.01		224.81	
- Fair value gain on financial instrument at fair value through Profit and loss*	14.54		-	
- Miscellaneous Income	0.07		0.39	
		17.74		228.78
TOTAL		6,815.25		7,599.58

*Total Fair value gain on financial instrument at fair value through profit and loss includes ₹ 2.63 lakhs (previous year ₹ NIL) as 'Net Gain on sale of Investments'

Note 33 - Operating Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Project Delivery Cost				
- Opening Stock	14.93		17.58	
- Add : Purchase of goods and services	5,106.89		40,904.52	
- Less : Closing Stock	11.92		14.94	
		5,109.90		40,907.16
Project Expenses		1,035.74		708.79
Commission Expenses		7,710.14		6,492.98
Communication Costs		0.70		1.65
Conveyance & Travelling Expenses		6.15		32.10
Transportation, Octroi and Loading / Unloading Charges		113.70		119.13
Rent, Rates and Taxes		220.61		236.42
TOTAL		14,196.94		48,498.23

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 34 - Changes in Inventories

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) At the beginning of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	766.44	393.09
Less : Stock converted into Fixed Assets	-	(52.28)
	766.44	340.81
Less : at the end of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	485.31	766.44
	485.31	766.44
TOTAL	281.13	(425.63)

Note 35 - Employee Benefits Expenses

(Amount in ₹ lakhs)

(a) Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Salaries & Wages	3,857.44	6,174.86
(ii) Directors' Remuneration	287.77	1,411.43
(iii) Contribution to Provident & Other Funds	187.94	347.85
(iv) Share-based Payment Expenses	(1,041.58)	(663.57)
(v) Directors' Sitting Fees	19.10	17.80
(vi) Staff Welfare Expenses	36.66	94.44
	3,347.33	7,382.81
TOTAL	3,347.33	7,382.81

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 43

**Note 36 - Other Expenses**

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Repairs & Maintenance :				
- Building	4.85		18.65	
- Vehicle	2.81		2.42	
- Others	64.27	71.93	42.35	63.42
Advertisement and Publicity		205.81		494.50
Business Promotion		18.10		85.03
Rates & Taxes		235.26		140.40
Insurance		151.57		111.65
Electricity Charges		54.04		90.51
Printing and Stationery		11.43		139.25
Communication Costs		119.50		186.41
Fees & Subscriptions		21.10		6.00
Listing, Registrar & Share Issue/Transfer Charges		41.04		56.30
Loss on Foreign Exchange Fluctuation		67.09		-
Fair value gain on financial instrument at fair value through Profit and loss		-		9.46
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	435.33		678.14	
- Filing, Stamp Duty and Franking Charges	27.91	463.24	9.21	687.35
Payments to Auditors :				
- Audit fees (including limited review)	65.00		65.00	
- Tax Audit fees	10.00		10.00	
- For Other Services	-		0.75	
- For Reimbursement of Expenses	1.98	76.98	4.01	79.76
Conveyance & Travelling		23.57		209.01
Vehicle Expenses		10.34		9.73
Corporate Social Responsibility Expenditure (Refer Note 40)		745.04		84.85
Office & General Expenses		77.71		157.23
Allowance for credit losses				
- Opening Allowances	(532.69)		(529.26)	
- Less : Closing Allowances	(597.47)	64.78	(532.69)	3.43
Miscellaneous Expenses		109.02		147.81
TOTAL		2,567.55		2,762.10

Note 37 - Exceptional Item

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
- Net gain on disposal of Property plant and equipment			-	503.41
TOTAL			-	503.41

Exceptional item consists of profit on sale of investment property and old office premises (an item of PPE).

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Note 38 - Earnings Per Equity Share

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	5,136.12	6,452.38
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	5,136.12	6,452.38
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year		
For Basic EPS	10,594.06	10,593.51
For Diluted EPS	10,605.24	10,606.65
(c) Face Value per Equity Share (₹)	1.00	1.00
Basic EPS (₹)	0.48	0.61
Diluted EPS (₹)	0.48	0.61
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	10,594.06	10,593.51
Add: Potential equity shares	11.18	13.14
No. of shares used for calculating Diluted EPS	10,605.24	10,606.65

Note 39 - Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	-	45.78
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	170.57	175.57
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	325.00	125.00
(A)	495.57	346.35
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	59,595.90	62,797.48
(B)	59,595.90	62,797.48
TOTAL (A + B)	60,091.47	63,143.83

Note: The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

**Note 40 - Corporate Social Responsibility**

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

- a) Gross amount required to be spent by the company during the year is ₹ 745.04 lakhs.

(Amount in ₹ lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	94.99	650.05	745.04

Note 41 - Segment Reporting

The Company's activities predominantly comprise providing various services through Vakrangee Kendra. Considering the nature of the Company's business and operations, there is only one reportable operating segment (business and / or geographical) i.e. Vakrangee Kendra in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Note 42 - Related Party Details**(a) Key Management Personnel & Directors**

Mr. Ramesh Mulchand Joshi	Non-Executive Chairman (w.e.f. January 24, 2020)
Mr. Dinesh Nandwana	Managing Director & Group CEO (Executive Chairman upto January 24, 2020)
Mr. Anil Khanna	Director (upto September 11, 2020) (Managing Director & Group CEO upto January 24, 2020)
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Ranbir Datt	Nominee Director
Mr. Hari Chand Mittal	Director (w.e.f. July 31, 2020)
Mr. Subhash Singhania	Chief Financial Officer (upto December 20 2020)
Mr. Mehul Rawal	Company Secretary and Compliance Officer (upto December 20 2020)
Mr. Ajay Jangid	Chief Financial Officer (w.e.f. December 21, 2020)
Mr. Jay Bhansali	Company Secretary and Compliance Officer (w.e.f. December 21, 2020)

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Mr. Manoj Nandwana	Nephew of Director
- Mr. Shelendra Nandwana	Nephew of Director
- Ms. Divya Nandwana	Daughter of Director
- Mr. Vedant Nandwana	Son of Director

(c) **Subsidiary Companies with whom the Company has entered into transactions during the year**

Name of subsidiaries	Country of Incorporation	Holding as at	
		March 31, 2021	March 31, 2020
Vakrangee e-Solutions Inc.	Phillipines	100%	100%
Vakrangee Finserve Limited	India	100%	100%
Vakrangee Logistics Private Limited	India	100%	100%

Related Party Transactions

- In relation to (a)

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
- Dinesh Nandwana	240.00	240.00
- Anil Khanna	-	1,112.93
- Dr. Nishikant Hayatnagarkar	47.77	58.50
- Subhash Singhania	37.20	54.00
- Mehul Rawal	16.09	26.05
- Ajay Jangid	5.92	-
- Jay Bhansali	1.21	-

Post-employment benefits to Key Managerial Personnel

- Dinesh Nandwana	17.72	16.76
- Dr. Nishikant Hayatnagarkar	20.00	18.75
- Subhash Singhania	-	4.48
- Mehul Rawal	-	1.60
- Ajay Jangid	-	-
- Jay Bhansali	0.49	-

Related Party Transactions**- In relation to (a)**

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
ESOP Perquisites		
- Dr. Nishikant Hayatnagarkar	-	15.40
Directors Sitting Fees		
- Ramesh Mulchand Joshi	2.95	3.95
- Sunil Agarwal	2.75	2.50
- Babulal Meena	2.70	2.15
- Sujata Chattopadhyay	2.50	2.00
- Avinash Chandra Vyas	3.20	3.95
- Ranbir Datt	2.75	3.25
- Hari Chand Mittal	2.25	-
Balance outstanding as on March 31 : (Expenses and Salaries Payable)		
- Dinesh Nandwana	12.48	-
- Dr. Nishikant Hayatnagarkar	3.18	-
- Anil Khanna	-	307.64
- Subhash Singhania	4.63	0.03
- Mehul Rawal	-	0.05
- Ajay Jangid	1.80	-
- Jay Bhansali	0.40	-

- In relation to (b)

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Reimbursement of Expenses Paid		
- Manoj Nandwana	1.66	3.44
- Shelendra Nandwana	-	0.09
- Divya Nandwana	-	1.02
- Vedant Nandwana	-	0.29
Employee Benefit Expenses		
- Manoj Nandwana	7.34	8.97
- Shelendra Nandwana	5.13	6.28
- Divya Nandwana	15.42	18.73
- Vedant Nandwana	6.43	6.81

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

- In relation to (b) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Manoj Nandwana	1.31	0.32
- Shelendra Nandwana	0.42	-
- Divya Nandwana	1.15	-
- Vedant Nandwana	0.50	-

- In relation to (c) (Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales of Support Services		
- Vakrangee Finserve Limited	360.37	361.53
Margin Money against Guarantee issued by Bank		
- Vakrangee Finserve Limited	325.00	125.00
Balance Outstanding as on March 31 :		
- Vakrangee Finserve Limited (Trade Receivable)	0.90	6.93
- Vakrangee e-Solutions Inc. (Loans Receivable, including foreign exchange fluctuation as at year end)	2,657.46	2,724.53

Note 43 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 262.92 lakhs (March 31, 2020 - ₹ 276.07 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/ approved funds in India. The Company has funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 138.94 lakhs (March 31, 2020 - ₹ 260.04 lakhs).



Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-19	455.21	(465.85)	(10.64)
Current Service cost	134.18	-	134.18
Past Service Cost	-	-	-
Interest expense/(income)	35.28	(40.56)	(5.28)
Total amount recognised in profit and loss	169.46	(40.56)	128.90
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	46.28	-	46.28
Experience (gains)/losses	(88.41)	17.52	(70.89)
Total amount recognised in other comprehensive income	(42.13)	17.52	(24.61)
Employer contributions	-	(7.25)	(7.25)
Benefit payments	(95.90)	95.90	-
31-Mar-20	486.64	(400.24)	86.40
01-Apr-20	486.64	(400.24)	86.40
Current Service cost	131.10	-	131.10
Past Service Cost	-	-	-
Interest expense/(income)	31.35	(29.95)	1.40
Total amount recognised in profit and loss	162.45	(29.95)	132.50
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	(132.11)	-	(132.11)
Experience (gains)/losses	1.10	11.75	12.86
Total amount recognised in other comprehensive income	(131.01)	11.75	(119.25)
Employer contributions	-	(5.49)	(5.49)
Benefit payments	(109.99)	109.99	-
31-Mar-21	408.09	(313.95)	94.14

The net liability disclosed above relates to funded plans are as follows

(Amount in ₹ lakhs)

Particulars	31-Mar-21	31-Mar-20
Present value of funded obligations	408.09	486.64
Fair value of plan assets	(313.95)	(400.24)
Deficit/(Surplus) of gratuity plan	94.14	86.40

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

	31-Mar-21	31-Mar-20
Discount rate	6.67%	6.70%
Salary growth rate (per annum)	5.00%	5.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation				
	Change in assumption			Increase in assumption	
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	1%	1%	Decrease by	8%	9%
Salary growth rate	1%	1%	Increase by	9%	10%

Particulars	Impact on defined benefit obligation				
	Change in assumption			Decrease in assumption	
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	1%	1%	Increase by	10%	11%
Salary growth rate	1%	1%	Decrease by	8%	9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

*The major categories of plans assets are as follows:

	In Percentage %	
	31-Mar-21	31-Mar-20
Equity instruments	9.68	5.55
Debt instruments	86.30	91.83
Government bonds	67.56	74.55
Corporate bonds/debentures	18.74	17.28
Asset backed securities	-	0.85
Cash and cash equivalents	4.02	1.77
TOTAL	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.



Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan 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. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 44 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined at 50% of market price of the scrip of the company (on the highest traded Stock Exchange) or at any other price as decided by the Nomination and Remuneration and Compensation Committee.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-21		31-Mar-20	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	70.46	64,58,800	49.95	1,77,89,650
Granted during the year	-	-	18.53	19,61,400
Exercised during the year	-	-	30.58	6,02,550
Lapsed during the year	61.42	32,45,125	35.60	1,26,89,700
Closing Balance	79.48	32,13,675	70.46	64,58,800
Vested and exercisable	86.85	17,31,025	86.88	18,13,475

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was ₹ Nil (March 31, 2020 : ₹ 63.10).

No options expired during the periods in the above tables.

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options	
			31-Mar-20	31-Mar-19
26-11-2014	26-11-2023	32.35	32,475	1,13,200
11-03-2016	10-03-2025	56.54	5,93,900	9,70,300
26-07-2017	25-07-2026	109.40	13,05,600	22,80,800
26-10-2017	25-10-2026	137.33	2,16,800	2,96,800
09-01-2018	08-01-2027	202.28	64,000	2,05,300
13-04-2018	12-04-2027	69.85	3,01,300	3,66,100
10-07-2018	09-07-2027	25.93	1,37,200	2,00,600
05-10-2018	04-10-2027	14.38	1,54,200	2,36,300
03-01-2019	02-01-2028	18.03	71,700	1,42,300
15-04-2019	14-04-2028	32.95	1,18,400	2,09,400
10-07-2019	09-07-2028	17.95	40,200	1,12,100
09-10-2019	08-10-2028	14.18	1,77,900	3,25,600
09-10-2019	08-10-2030	14.18	-	10,00,000
TOTAL			32,13,675	64,58,800

Fair value of options granted

The company has not granted any option during the year ended March 31, 2021. The fair value at grant date of options granted during the year ended March 31, 2020 was ₹ 49.42, ₹ 27.26, ₹ 17.28 and ₹ 17.83. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2020 included:

- a) Options are granted for consideration and vest upon completion of service for a period of one / two years. Vested options are exercisable for a period of four / five years after vesting.

Particulars	Year ended March 31, 2020			
b) Exercise price	32.95	17.95	14.18	14.18
c) Grant date	15-04-2019	10-07-2019	09-10-2019	09-10-2019
d) Expiry date	14-04-2028	09-07-2028	08-10-2028	08-10-2030
e) Share price at grant date (₹)	67.00	36.80	26.05	26.05
f) Expected price volatility of the company's shares	44.79%	50.68%	32.38%	27.48%
g) Expected dividend yield	0.37%	0.44%	0.43%	0.39%
h) Risk free interest rate	7.50%	6.67%	6.67%	6.80%
i) Fair value (₹)	49.42	27.26	17.28	17.83

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.



j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(Amount in ₹ lakhs)

Particulars	March 31, 2021	March 31, 2020
Employee Stock Option Plan	(1,041.58)	(663.57)

Note 45 - Financial Instruments**(i) Method and assumptions used to estimate the fair value**

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than 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 carrying value and fair value by each classification as at March 31, 2021 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	2,739.54	-	-	2,739.54	-	-
Trade Receivables	1,07,614.49	-	-	1,07,614.49	-	-
Cash & Cash equivalents	584.01	-	-	584.01	-	-
Other Bank Balances	1,004.75	-	-	1,004.75	-	-
Short Term Loans	10.14	-	-	10.14	-	-
Other Financial Assets	1,902.87	-	-	1,902.87	-	-
Investments*	-	138.85	-	138.85	-	138.85
TOTAL	1,13,855.80	138.85	-	1,13,994.65	-	138.85

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	2,675.57	-	-	2,675.57	-	-
Other Financial Liabilities	8,126.90	-	-	8,126.90	-	-
TOTAL	10,802.47	-	-	10,802.47	-	-

The carrying value and fair value by each classification as at March 31, 2020 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	2,817.25	-	-	2,817.25	-	-
Trade Receivables	1,32,849.52	-	-	1,32,849.52	-	-
Cash & Cash equivalents	1,243.61	-	-	1,243.61	-	-
Other Bank Balances	16,169.30	-	-	16,169.30	-	-
Short term Loans	20.16	-	-	20.16	-	-
Other financial assets	520.22	-	-	520.22	-	-
Investments*	-	333.84	-	333.84	206.90	126.94
TOTAL	1,53,620.06	333.84	-	1,53,953.90	206.90	126.94
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	6,562.47	-	-	6,562.47	-	-
Other Financial Liabilities	3,478.87	-	-	3,478.87	-	-
TOTAL	10,041.34	-	-	10,041.34	-	-

*excluding Investments in Subsidiary Companies (₹ 2,796.00 lakhs (March 31, 2020 : ₹ 2,796.00 lakhs) measured at cost.

(ii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

**a) Credit Risk :**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of receivables	(Amount in ₹ lakhs)	
	March 31, 2021	March 31, 2020
Within the credit period	1,06,344.61	1,32,745.79
1-90 days past due	834.15	12.70
91-180 days past due	3.56	0.19
181-270 days past due	0.82	0.17
More than 270 days past due	1,028.82	623.36
TOTAL	1,08,211.96	1,33,382.21

Movement in the expected credit loss allowance	March 31, 2021	March 31, 2020
Balance at beginning of the year	532.69	529.26
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	64.78	3.43
TOTAL	597.47	532.69

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities:

As on March 31, 2021	(Amount in ₹ lakhs)			
	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

(Amount in ₹ lakhs)

As on March 31, 2020	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

c) Market Risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(Amount in ₹ lakhs)

Currency	Liabilities		Assets	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
US Dollar (USD)	-	-	2,657.46	2,724.53

Foreign Currency Exposure

(USD in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
	Trade Receivables	-
Loans Receivable	36.14	36.14
TOTAL	36.14	36.14

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(Amount in ₹ lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2021		For year ended March 31, 2020	
	1% increase	1% decrease	1% increase	1% decrease
US Dollar (USD)	26.57	(26.57)	27.25	(27.25)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year..

**ii) Market Risk - Interest Rate**

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 46 - Disclosure under Section 186 (4) of the Companies Act, 2013 pertaining to subsidiaries and associates**(i) Details of loans to subsidiaries**

(Amount in ₹ lakhs)

Name of Subsidiaries	As at March 31, 2021	As at March 31, 2020
- Vakrangee e-Solutions Inc. (Purpose of loan is to provide financial assistance to the subsidiary company)	2,657.46	2,724.53
	2,657.46	2,724.53

(ii) Details of Investment in Subsidiaries

Name of Subsidiaries	No. of Shares as at year-end	% of shareholding
Vakrangee e-Solutions Inc. (incorporated in Philippines)	96,000	100%
Vakrangee Finserve Limited	1,50,00,000	100%
Vakrangee Logistics Private Limited	1,20,00,000	100%

Note 47 - Income Taxes

- (a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before income taxes	6,738.59	8,170.76
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	1,695.97	2,056.42
Effect of non-deductible expenses	(242.18)	(368.94)
Others	-	57.19
Income Tax expense of current year	1,453.79	1,744.67
Earlier year tax expenses	28.08	(448.32)
Current Income Tax expense	1,481.87	1,296.35

- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2021 and March 31, 2020:

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Income Tax Liabilities	705.90	704.23
Income Tax Assets	523.62	1,631.24
Net current income tax liabilities / (assets) at the end	182.28	(927.01)

Notes to Standalone Financial Statements

for the year ended March 31, 2021 (continued)

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2021 and March 31, 2020 is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net current income tax liability / (asset) at the beginning	(927.01)	(1,262.18)
Income Tax paid	(372.58)	(961.18)
Current Income Tax expense	1,481.87	1,296.35
Net current income tax liability / (asset) at the end	182.28	(927.01)

(c) The gross movement in the deferred income tax account for the year ended March 31, 2019 and March 31, 2018, are as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net deferred income tax liability at the beginning	(92.52)	(520.74)
Movements relating to temporary differences	120.60	422.03
Temporary differences on other comprehensive income	30.01	6.19
Net deferred income tax liability at the end	58.10	(92.52)

Note 48 - Previous year figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date
For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
MD & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Anil Agarwal
Partner
Membership No.: 041396
Place : Mumbai
Date : June 19, 2021

Ajay Jangid
Chief Financial Officer

Jay Bhansali
Company Secretary



REMIUM



IndianOil

4.50

2.72

KI

Equipment & Support

Product

Customer Support & Safety

Quality & Compliance

Health & Safety

Quantity & Quality

Quality & Compliance

Health & Safety

Quantity & Quality

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CONSOLIDATED FINANCIAL STATEMENTS

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Independent Auditors' Report

To the Members of Vakrangee Limited,

Report on the Audit of the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of **VAKRANGEE LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended on that date, a summary of significant accounting policies and other explanatory information (hereinafter 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with 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 their consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. 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 Accountant of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and 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 consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives

(Refer Note 1 "Significant Accounting Policies", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

Group has capitalised items of Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgement and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Group's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure was appropriate. We noted no material exceptions.



We evaluated whether the useful lives of the component determined and applied by the management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Group has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the Consolidated financial statement.

2. Information Technology environment

We identified the information technology environment as an area of focus in our audit, since Vakrangee Limited are dependent on their technology structure, both for the processing of their operations, as well as for the reasonable preparation and presentation of their consolidated financial statements.

The Group has technological infrastructure for its business activities, as well as ongoing plans for the improvement and maintenance of the access of the management and change in the pertinent systems and applications, the development of new programs and automated controls and automated components in the relevant business processes. The Control to authorise, control restrict and cancel accesses to technology environment and programme changes are fundamental for mitigating the potential risk of fraud or error based on the misuse or improper change in the systems of the Company, thus ensuring the integrity of the financial information and accounting records.

The Group has an information technology structure which comprises more than one technology environment with different processes and segregated controls. The lack of suitability of the general technology control environment and its dependent controls could trigger incorrect processing of critical information for the preparation of the consolidated financial statements.

Principal Audit Procedure

We evaluated and tested the design and operational effectiveness of the general controls of information system i.e., VKMS of the Group. Although our audit is not for the purpose of giving an opinion on effectiveness of the information technology controls, we reviewed the group's framework of governance of IT and the controls on the management of access to the data, the development of and changes in programs, generation of financial information and other useful data for review of analytical data.

The IT environment and the controls established by management combined with the testing of controls, including compensating controls, which we have applied, provide us reasonable basis for our reliance in the integrity and reliability of the information generated for the preparation of the Group's consolidated financial Statements.

3. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the consolidated financial statements for the year ended March 31, 2021. The Group management has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the effect of COVID-19 pandemic event on the customers' business operations/ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹ 800.29 lacs as at March 31, 2021, considered in Note 7 & 13 of the consolidated financial statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.

Principal Audit Procedure

We have performed the following procedures:

- i. Evaluated the design and implementation including the operating effectiveness of the controls over:
 - Basis of consideration of the impact of the economic conditions
 - Completeness and accuracy of the data used in estimation of probability of default
 - Computation of the expected credit loss allowance
- ii. Carried out inquiries with the management to understand the impact of COVID-19 in terms of identification of distressed customers and evaluation of recoverability of dues, extension in contractual terms for collections.
- iii. Tested the completeness and accuracy of the ageing of accounts receivable data.
- iv. Further in addition to the above process, a forward-looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.
- v. Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Company's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Company.
- vi. Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

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

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, for example 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 consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this our auditor's report.

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 identified above when it becomes available 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.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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.

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

The 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 Responsibilities for the Audit of the Consolidated Financial Statements

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 disclosure, and whether the consolidated financial statement represent the underlying transaction and the events in a manner that achieve fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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.

CONSOLIDATED FINANCIAL STATEMENTS

Materiality is the magnitude of misstatement in the consolidated financial statement that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the financial statement 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 misstatement in the 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 other significant deficiencies in internal control that we identify during the 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 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.

Other Matter

- We did not audit the financial statements of three subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 8873.65 Lakhs as at March 31, 2021, total revenues of ₹ 9196.59 Lakhs and net cash flows amounting to ₹ (27.32) Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditor.

- One of the subsidiary is located outside India whose financial statements has been prepared in accordance with accounting principles generally accepted in such country and which has been reviewed by the other auditor under generally accepted auditing standard applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. Our conclusion in so far relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and conversion adjustments prepared by the management of the company and reviewed by another Chartered Accountant whose report has been furnished to us on which we placed reliance.

Our opinion on the Consolidated Financial Statements above 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 the reports of the other auditors and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the section 143 (3) of the Act, based on our report and on consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries as referred in the 'Other Matter' paragraph, we report, to the extent applicable 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 have been relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting



- Standards Prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
- e. On the basis of the written representations received from the directors of Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group Companies are 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 and operating effectiveness of the internal financial controls over financial reporting; refer to our separate report in "Annexure A" which is based on the auditor's report of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reason stated therein.
- 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:
- According to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2021, has been paid / provided by the group to its directors in accordance with the provisions of Section 197 read with Schedule V to 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 explanation given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matter' paragraph:
- The Consolidated Financial Statements disclose the impact of pending litigation on the Consolidated Financial Position of the Group. Refer to Note 40 to the Consolidated Financial Statements.
 - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2021.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2021.

For A.P.Sanzgiri & Co.
Chartered Accountants
FRN : 116293W

Anil Agrawal
Partner
Membership No. 041396
UDIN: 21041396AAAABL5556

Place: Mumbai
Date: June 19, 2021

Annexure “A” to the Independent Auditor’s Report

(Referred to in the paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Vakrangee 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”)

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of VAKRANGEE LIMITED (hereinafter referred to as “Company”) and its subsidiary companies which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the 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 respective Companies 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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 Accountant 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, and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

The Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting 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 authorisations 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 financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 best of our information and according to the explanation given to us, and based on the consideration of report of other auditor, as referred to in 'Other Matter' paragraph below, the Holding Company and its Subsidiary Companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which is Company incorporated in India, is based on the corresponding reports of the auditor of such Company incorporated in India.

**For A.P.Sanzgiri & Co.
Chartered Accountants
FRN : 116293W**

**Anil Agrawal
Partner
Membership No. 041396
UDIN: 21041396AAAABL5556**

**Place: Mumbai
Date: June 19, 2021**

CONSOLIDATED
FINANCIAL STATEMENTS

Consolidated Balance Sheet

as at March 31, 2021

(Amount in ₹ lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I ASSETS			
1 Non - Current Assets			
Property Plant and Equipment	4	15,564.27	14,935.07
Capital Work-in-Progress	4	140.25	461.82
Other Intangible Assets	5	-	1.83
Intangible Assets under development	5	346.43	-
Financial Assets			
(i) Investments	6	138.85	333.84
(ii) Trade Receivables	7	-	-
(iii) Loans	8	108.23	118.87
(iv) Other Financial Assets	9	364.65	611.73
Deferred Tax Assets (net)	10	0.38	92.64
Other Non - Current Assets	11	59,687.18	62,550.34
Total Non-current Assets		76,350.24	78,803.47
2 Current Assets			
Inventories	12	497.22	781.38
Financial Assets			
(i) Trade Receivables	13	1,12,031.21	1,36,884.21
(ii) Cash and Cash equivalents	14	818.59	1,505.50
(iii) Bank Balances other than (ii) above	14	1,309.63	16,345.05
(iv) Loans	15	1,154.17	1,067.00
(v) Other Financial Assets	16	1,863.97	1,17,177.57
Current Tax Assets (Net)	17	516.81	525.88
Other Current Assets	18	93,021.52	1,56,327.64
Total Current Assets		2,11,213.12	2,03,090.13
TOTAL		2,87,563.36	2,81,893.60
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	19	10,594.06	10,594.06
Other Equity	20	2,55,813.98	2,53,136.44
Total Equity		2,66,408.04	2,63,730.50
2 Liabilities			
(i) Non - Current Liabilities			
Financial Liabilities			
(i) Trade Payables	21	-	-
- Dues of micro enterprises and small enterprises		-	-
- Dues of Creditors other than micro enterprises and small enterprises		14.34	291.35
(ii) Other Financial Liabilities	22	40.39	54.73
Deferred Tax Liabilities (net)	23	58.10	39.26
Employee Benefit Obligations	24	331.00	330.61
Total Non-Current Liabilities		443.83	668.35
(ii) Current Liabilities			
Financial Liabilities			
(i) Borrowings	25	-	-
(ii) Trade Payables	26	-	-
- Dues of micro enterprises and small enterprises		38.76	101.56
- Dues of Creditors other than micro enterprises and small enterprises		3,375.05	6,806.42
(iii) Other Financial Liabilities	27	8,086.50	11,500.31
Other Current Liabilities	28	7,236.09	3,439.61
Provisions	29	1,134.72	5,719.70
Employee Benefit Obligations	30	26.05	698.51
Current Tax Liabilities	31	814.32	24.72
Total Current Liabilities		20,711.49	17,494.75
Total Liabilities (i + ii)		21,155.32	18,163.10
TOTAL		2,87,563.36	2,81,893.60
Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements	1-49		

As per our report of even date
For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
MD & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagar
Whole-time Director
DIN : 00062638

Anil Agarwal
Partner
Membership No.: 041396
Place : Mumbai
Date : June 19, 2021

Ajay Jangid
Chief Financial Officer

Jay Bhansali
Company Secretary



Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(Amount in ₹ lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Income			
Revenue from Operations	32	31,429.14	68,522.16
Other Income	33	6,965.99	7,747.82
Total Income		38,395.13	76,269.98
II Expenses			
Operating Expenses	34	21,262.93	53,660.18
Purchase of Stock-in-Trade		949.03	2,563.91
Changes in Inventories	35	281.13	(425.63)
Employee Benefits Expense	36	3,441.90	7,382.81
Finance Costs		-	-
Depreciation and Amortization Expense	4,5	1,480.51	1,472.60
Impairment Loss	4	-	16.00
Other Expenses	37	2,697.82	2,948.25
Total Expenses		30,113.32	67,618.12
III Profit Before Tax and exceptional Items		8,281.81	8,651.86
IV Exceptional Items	38	-	503.41
V Profit Before Tax		8,281.81	9,155.27
VI Tax Expense:			
(a) Current Tax		1,882.34	1,587.62
(b) Deferred Tax		120.34	439.64
		2,002.68	2,027.26
VII Profit for the year		6,279.13	7,128.01
VIII Other Comprehensive Income			
Items that will be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operations		(0.74)	35.92
Items that will not be reclassified subsequently to profit or loss			
i) Fair value gain on financial instrument at fair value through OCI		-	-
ii) Remeasurement of net defined benefit obligations (net of taxes)		89.24	18.42
Other Comprehensive Income (net of tax)		88.50	54.34
Total Comprehensive Income for the period		6,367.63	7,182.35
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	39		
(1) Basic		10,594.06	10,593.51
(2) Diluted		10,605.24	10,606.65
X Earnings Per Equity Share (Face Value ₹ 1/- Per Share):	39		
(1) Basic (₹)		0.59	0.67
(2) Diluted (₹)		0.59	0.67
Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements	1-49		

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Anil Agarwal
 Partner
 Membership No.: 041396
 Place : Mumbai
 Date : June 19, 2021

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Cash flow from operating activities		
	Profit before tax from continuing operations	8,281.81	9,155.27
	Profit before tax	8,281.81	9,155.27
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,480.51	1,472.60
	Depreciation of investment properties	-	-
	Impairment of Property, Plant and Equipment	-	16.00
	Employee share based payment expenses	(1,041.58)	(663.57)
	Net foreign exchange differences	(0.04)	0.16
	Allowance for credit losses	64.78	0.03
	Fair value gain on financial instrument at fair value through Profit and loss	(14.54)	-
	Remeasurement of defined benefit obligations	119.25	24.61
	Gain on disposal of property, plant and equipment	-	(503.41)
	Finance costs	-	-
	Interest income	(6,948.25)	(7,516.51)
	Dividend income	-	(1.50)
	Operating profit before working capital changes	1,941.94	1,983.68
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	284.16	(370.71)
	Decrease / (increase) in trade receivables	24,788.22	(4,925.23)
	Decrease / (increase) in loans and other financial assets	13,565.22	97,886.46
	Decrease / (increase) in other current assets	(48,442.00)	(42,222.00)
	Decrease / (increase) in other non-current assets	2,365.94	(61,914.95)
	Increase / (decrease) in trade payables	(3,771.18)	3,469.60
	Increase / (decrease) in employee benefit obligations	(5.40)	151.49
	Increase / (decrease) in provisions	436.21	300.98
	Increase / (decrease) in other financial liabilities	4,648.03	(1,020.88)
	Increase / (decrease) in other current liabilities	1,516.39	3,005.54
	Cash generated from operations	(2,672.47)	(3,656.02)
	Income taxes paid (net of refunds)	(390.27)	(1,424.49)
	Net cash flow from operating activities (A)	(3,062.74)	(5,080.51)
II	Cash flow from investing activities		
	Purchase of property, plant and equipment, including CWIP	(2,132.97)	(2,150.02)
	Proceeds from sale of property, plant and equipment	0.22	1,387.55
	Purchase of investments	-	-
	Proceeds from sale of investments	209.53	33.23
	Decrease in foreign currency translation reserve	(0.74)	35.92
	Interest received	6,948.25	7,516.51
	Dividends received	-	1.50
	Net cash flow from/(used in) investing activities (B)	5,024.29	6,824.69



(Amount in ₹ lakhs)

S. No	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
III	Cash flow from financing activities		
	Proceeds from issue of shares	-	6.03
	Proceeds towards securities premium on issue of shares	-	178.22
	Repayment of borrowings	-	-
	Interest paid	-	-
	Dividends paid to company's shareholders	(2,648.51)	(2,648.51)
	Dividend Distribution Tax paid	-	(544.41)
	Net cash flow (used in) in financing activities (C)	(2,648.51)	(3,008.67)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	(686.96)	(1,264.49)
	Effects of exchange rate changes on cash and cash equivalents	0.05	(0.16)
	Cash and cash equivalents at the beginning of the year	1,505.50	2,770.15
	Cash and cash equivalents at the end of the year	818.59	1,505.50

Significant Accounting Policies and Notes forming part of the Standalone Financial Statements 1-49

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Anil Agarwal
Partner
Membership No.: 041396
Place : Mumbai
Date : June 19, 2021

For and on behalf of the Board of Directors

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
MD & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Ajay Jangid
Chief Financial Officer

Jay Bhansali
Company Secretary

Statement of changes in equity

for the year ended March 31, 2021

(Amount in ₹ lakhs)

Particulars	Equity Share Capital	Other Equity							Total equity attributable to equity holders of the Company
		Reserves and surplus				Other Comprehensive Income			
		Securities premium reserve	Retained earnings	General Reserve	Share Options Outstanding Account	Equity instruments through other comprehensive income	Other items of other comprehensive income	Foreign Currency Translation Reserve	
Balance as at March 31, 2019	10,588.03	42,318.52	1,87,875.91	18,268.04	3,793.59	-	(3,207.25)	583.56	2,60,220.40
Increase in share capital on account of conversion of ESOPs	6.03	-	-	-	-	-	-	-	6.03
Amount received on shares issued during the year	-	178.22	-	-	-	-	-	-	178.22
Transferred from Share Options Outstanding Account	-	250.10	-	-	(250.10)	-	-	-	-
Profit for the year	-	-	7,128.01	-	-	-	-	-	7,128.01
Dividends (including corporate dividend tax)	-	-	(3,192.92)	-	-	-	-	-	(3,192.92)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	(663.58)	-	-	-	(663.58)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	18.42	-	18.42
Exchange Translations	-	-	-	-	-	-	-	35.92	35.92
Balance as at March 31, 2020	10,594.06	42,746.84	1,91,811.00	18,268.04	2,879.91	-	(3,188.83)	619.48	2,63,730.49
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-	-
Amount received on shares issued during the year	-	-	-	-	-	-	-	-	-
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	6,279.13	-	-	-	-	-	6,279.13
Dividends (including dividend distribution tax)	-	-	(2,648.51)	-	-	-	-	-	(2,648.51)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	(1,041.58)	-	-	-	(1,041.58)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	89.24	-	89.24
Exchange Translations	-	-	-	-	-	-	-	(0.74)	(0.74)
Balance as at March 31, 2021	10,594.06	42,746.84	1,95,441.63	18,268.04	1,838.32	-	(3,099.59)	618.74	2,66,408.04

Significant Accounting Policies and Notes forming part of the Standalone Financial Statements 1-49

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Anil Agarwal
 Partner
 Membership No.: 041396

Place : Mumbai
 Date : June 19, 2021

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary



Notes to Consolidated financial statements

for the year ended March 31, 2021

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C, Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

Vakrangee Limited along with its subsidiaries, Vakrangee e-Solutions Inc. (Philippines), Vakrangee Finserve Limited and Vakrangee Logistics Private Limited (hereinafter referred to as "Group") is engaged in providing diverse solutions, activities in e-governance and e-commerce sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrollment projects, data digitization, software and license.

The Consolidated financial statements were authorized for issue by the Board of Directors on June 19, 2021.

Note 2 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

A. Basis of preparation

i. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted the Ind AS in accordance with Ind AS 101 First time adoption of Ind AS was done during the year ended March 31, 2017.

The accounting policies have been consistently applied by the Group unless otherwise stated or where a newly issued accounting standard is initially adopted.

ii. Basis of preparation

The consolidated financial statements have been prepared on historical cost basis except the following asset and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments);
- defined benefit plans- plan assets; and
- Equity -settled Share Based Payments

The Consolidated Financial statements of the Group are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

iii. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, entities (including structured entities) controlled by the Company and its Subsidiaries.

Control is achieved when the Company

- has power over the investee.
- it is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to affect those returns through its power over the investee.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than the majority of the voting or similar rights of the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee.
- rights arising from other contractual arrangements.
- the Group's voting rights and potential voting rights. In assessing control, potential voting rights that currently are exercisable are considered; and

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

- the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases control when the Group loses control of the subsidiary. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit and loss from the effective date the Company gains control until the date when the Company ceases to control the subsidiaries.

The financial statements of the subsidiary companies and entities (including structured entities) controlled by the Company used in the consolidation are drawn up to the same reporting date as of the Company, Accounting policies of the respective subsidiaries are adjusted wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group on consolidation.

Changes in the Group's ownership interests in existing subsidiaries:

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of.



B. Summary of significant accounting policies

i. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current /non-current classification.

For the Purpose of Balance Sheet, an asset is classified as current if:

- It is expected to be realized, or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading; or
- It is expected to be realized within twelve months after the reporting date; or
- Cash or cash equivalent unless 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.

Similarly, a liability is classified as current if:

- It is expected to be settled in normal operating cycle; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered in order to hedge certain foreign currency risks.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

Group Companies

For the purposes of presenting these consolidated financial statements, the financial statements of foreign operations/foreign subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated into INR at the exchange rate prevailing at the end of each reporting period.
- Income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- Equity is recorded at the historical rate on the date of issue and hence, is not required to be re-translated at each subsequent reporting date, and

- All the resulting foreign exchange differences are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of Equity.

When the foreign operation is either partially or fully disposed of, the proportionate share or entire cumulative foreign exchange differences (pertaining to the said operation that are held in FCTR as at the date of disposal) respectively, are re-classified from Equity and considered in calculating the resulting profit / (loss) on sale of the operation. The said profit / (loss) on sale of the operation is recognized in the Statement of Profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and Jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrolment projects, data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Significant Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.



Arrangement for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a “right to use” the revenue from software and license is recognized at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licenses which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas. The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to the subsidiary in the respective jurisdiction in which it operates.

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



Deferred tax relating to items recognised outside the profit and loss is recognised (either in other comprehensive income or in equity).

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

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

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle 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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. 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 impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When 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.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal 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 recognized in the profit or loss.

When 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 profit or loss.

xi. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments 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. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.



Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which considers historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

A financial liability is derecognised when the 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 derecognition 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



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.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. 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 beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. Cash and Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

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

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

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.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requiring determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.



- **Fair value measurement of financial instruments**

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. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 46 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The Depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 4 - Property, Plant and Equipment

(a) Description	Buildings	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2019	2,002.99	8,284.00	615.98	146.77	548.86	2,664.70	3,185.24	1,323.91	18,772.45	1,336.31	20,108.76
Additions	478.57	2,343.96	37.16	-	40.29	90.06	-	34.46	3,024.51	2,057.80	5,082.31
Disposals/Transfers	722.98	-	87.04	-	92.46	858.43	-	295.00	2,055.90	2,932.29	4,988.19
At March 31, 2020	1,758.58	10,627.96	566.11	146.77	496.69	1,896.33	3,185.24	1,063.37	19,741.06	461.82	20,202.88
Additions	10.13	2,251.00	5.80	-	1.78	19.08	-	9.68	2,297.46	2,051.52	4,348.98
Disposals/Transfers	-	-	-	-	0.41	-	-	-	0.41	2,373.09	2,373.51
At March 31, 2021	1,768.71	12,878.95	571.91	146.77	498.06	1,915.41	3,185.24	1,073.05	22,038.11	140.25	22,178.36
Depreciation and Impairment											
At March 31, 2019	217.45	1,385.70	378.73	54.70	208.87	2,055.36	64.04	126.14	4,490.98	-	4,490.98
Depreciation charged for the year	37.09	886.77	39.97	16.66	79.24	238.56	59.50	112.98	1,470.77	-	1,470.77
Impairment during the year	-	16.00	-	-	-	-	-	-	16.00	-	16.00
Disposals/Transfers	165.39	-	82.89	-	78.93	844.55	-	-	1,171.76	-	1,171.76
At March 31, 2020	89.15	2,288.47	335.81	71.35	209.17	1,449.37	123.54	239.12	4,805.99	-	4,805.99
Depreciation for the year charged to P&L	22.41	1,129.18	6.23	16.56	16.82	111.59	59.34	116.54	1,478.68	-	1,478.68
Depreciation for the year transfer to CWIP	6.70	-	29.24	-	58.45	94.96	-	-	189.35	-	189.35
Disposals/Transfers	-	-	-	-	0.18	-	-	-	0.18	-	0.18
At March 31, 2021	118.26	3,417.65	371.28	87.91	284.26	1,655.92	182.88	355.66	6,473.84	-	6,473.84
Net Book Value											
At March 31, 2021	1,650.45	9,461.30	200.63	58.86	213.80	259.49	3,002.36	717.39	15,564.27	140.25	15,704.52
At March 31, 2020	1,669.43	8,339.48	230.30	75.42	287.52	446.96	3,061.70	824.26	14,955.07	461.82	15,396.89

(b) **Impairment of Assets:** Impairment loss mainly pertains to one high speed printer categorised under Plant & Machinery. Based on technical valuation, the recoverable amount is less than the carrying value of the asset.

(c) **Change in Estimate:** During the year, the management has analysed the remaining useful life of assets and based on technical valuation of one class of Property, Plant and Equipment viz. ATM, life expectation has been changed from previous estimates. The change in life expectation has been accounted as per Para 38 of Ind-AS 8, Accounting Policies, Change in Estimates and Errors.

(d) Finance Lease arrangement (Leasehold Land and Building):

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

	As at March 31, 2021	As at March 31, 2020
Leasehold Land & Building	3,002.36	3,061.70

During the current year, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs.

In consideration to the provisions of Ind AS 17 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.



Note 5 - Intangible Assets

(Amount in ₹ lakhs)

(a) Description	Amount
Logistics Portal Software	
Gross Block	
At March 31, 2019	5.50
Additions	-
Disposal	-
At March 31, 2020	5.50
Additions	-
Disposal	-
At March 31, 2021	5.50
Depreciation and Impairment	
At March 31, 2019	1.83
Depreciation Charged for the year	1.84
Impairment during the year	-
Disposal	-
At March 31, 2020	3.67
Depreciation Charged for the year	1.83
Impairment during the year	-
Disposal	-
At March 31, 2021	5.50
Net Book Value	
At March 31, 2021	-
At March 31, 2020	1.83

(b) Intangible Assets under development

(Amount in ₹ lakhs)

Description	Amount
Bharat Easy Super App	
Asset under development)	
Gross Block	
At March 31, 2019	-
Additions	-
Disposal	-
At March 31, 2020	-
Additions	346.43
Disposal	-
At March 31, 2021	346.43
Depreciation and Impairment	
At March 31, 2019	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2020	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2021	-
Net Book Value	
At March 31, 2021	346.43
At March 31, 2020	-

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 6 - Investments (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Unquoted		
Investment carried at Fair value through Profit and Loss (FVTPL)		
- In Equity Shares		
2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1000/- each fully paid up (March 31, 2020 : 2,500 Equity shares)	138.85	126.94
(A)	138.85	126.94
(b) Quoted		
Investment carried at Fair value through Profit and Loss (FVTPL)		
Investments in Mutual Funds		
20,00,000 units of Union Capital Protection Oriented Fund Series 8 (March 31, 2020 : 20,00,000 units)	-	206.90
(B)	-	206.90
TOTAL (A + B)	138.85	333.84
Aggregate amount of quoted investments	-	206.90
Aggregate market value of quoted investments	-	206.90
Aggregate amount of unquoted investments	138.85	126.94

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Note 7 - Trade Receivables (Non Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	-	-
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivable - credit impaired	381.55	337.33
	381.55	337.33
Less: Allowance for credit losses	381.55	337.33
TOTAL	-	-



Note 8 - Loans (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)	-	-
(a) Loan to Others		
Security Deposit	42.23	52.77
Earnest Money Deposit	66.00	66.10
	108.23	118.87
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
	108.23	118.87

Note 9 - Other Financial Assets (Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Deposits with bank		
- with maturity period of more than 12 months	364.65	309.06
TOTAL	364.65	309.06
* Amount held as margin money or security against borrowings, guarantee, other commitments	364.11	308.51

Note 10 - Deferred Tax Assets (net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	0.38	0.12
(ii) Provision for Employees' obligations	-	85.03
(iii) Temporary differences on Tax Provisions	-	-
(iv) On account of Expected Credit Loss	-	134.07
(v) Unused tax credits	-	-
(A)	0.38	219.22
Liabilities		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	126.58
(B)	-	126.58
Balance carried to Balance Sheet (A - B)	0.38	92.64

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

(a) Movement in deferred tax account during the year is as follows:

(Amount in ₹ lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2021 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	0.12	0.26	-	0.38
Expenses provided but allowable in Income Tax on payment	-	-	-	-
Allowance for expected credit losses	-	-	-	-
Unused tax credits	-	-	-	-
	0.12	0.26	-	0.38
Others	-	-	-	-
	-	-	-	-
TOTAL	0.12	0.26	-	0.38
For the year ended March 31, 2020 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	261.98	(388.44)	-	(126.46)
Expenses provided but allowable in Income Tax on payment	73.72	17.50	(6.19)	85.03
Allowance for expected credit losses	184.94	(50.87)	-	134.07
Unused tax credits	17.83	(17.83)	-	-
	538.47	(439.64)	(6.19)	92.64
Others	-	-	-	-
	-	-	-	-
TOTAL	538.47	(439.64)	(6.19)	92.64

The analysis of Deferred Tax Assets is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets to be recovered after more than 12 months	-	-
Deferred Tax Assets to be recovered within 12 months	0.38	92.64
	0.38	92.64

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2021	As at March 31, 2020
Applicable Tax rate considered for deferred tax asset or liability	25.17%	25.17%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

**Note 11 - Other Non-Current Assets**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	59,595.90	61,950.00
Prepaid Expenses	4.64	30.44
Balances with statutory / revenue authorities		
- Income Tax (net of provision for taxation)	61.26	558.47
- Sales Tax	25.38	11.43
	86.64	569.90
TOTAL	59,687.18	62,550.34

Note 12 - Inventories

(Amount in ₹ lakhs)

(a) Particulars	As at March 31, 2021	As at March 31, 2020
(i) Stock-in-Trade	485.31	766.44
(ii) Consumables	4.04	4.85
(iii) Stores & Spares	7.87	10.09
TOTAL	497.22	781.38

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 13 - Trade Receivables**(Current)**

(Amount in ₹ lakhs)

(a) Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	1,10,761.33	1,36,780.47
Trade Receivable which have significant increase in Credit Risk	1,688.62	501.92
Trade Receivable - credit impaired	-	-
	1,12,449.95	1,37,282.39
Less: Allowance for credit Losses	418.74	398.18
TOTAL	1,12,031.21	1,36,884.21

(b) Debts due from related parties

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 14 - Cash & Cash equivalents

(a)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	763.46	1,303.11
- Deposit Accounts	-	-
(ii) Cash-in-hand	55.13	202.39
	818.59	1,505.50
(B) Bank Balances other than above		
(i) Earmarked balances in unclaimed dividend account	92.44	89.61
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months **	1,217.19	16,255.44
TOTAL	1,309.63	16,345.05
** Amount held as margin money or security against borrowings, guarantee, other commitments	1,145.89	793.20

(b) For the purpose of cash flow statement

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	763.46	1,303.11
- Deposit Accounts	-	-
(ii) Cash-in-hand	55.13	202.39
	818.59	1,505.50
Less : - Cash Credit	-	-
TOTAL	818.59	1,505.50

Note 15 - Loans

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)	-	-
(a) Loan to Others		
Security Deposit	7.71	16.13
Staff Advances	2.43	4.03
Inter Corporate Deposits	1,144.03	1,046.84
	1,154.17	1,067.00
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
TOTAL	1,154.17	1,067.00



**Note 16 - Other Financial Assets
(Current)**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Others		
Advance for Outlets	19.84	43.53
Advance to BCAs	18.66	15.77
Insurance claim Receivable	0.47	11.71
Accrued Interest on FD	0.53	0.59
ATM Settlement Receivable	1,824.47	454.28
COD Receivables	20.09	20.09
Less : - Allowance for credit losses	(20.09)	(20.09)
	-	-
TOTAL	1,863.97	525.88

Note 17 - Current Tax Assets (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax (net of provision for taxation)	516.81	1,401.59
TOTAL	516.81	1,401.59

Note 18 - Other Current Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to Vendors	80,591.63	36,106.21
Prepaid Expenses	72.35	103.72
Other Receivable		
- Accrued Revenue	10,919.48	7,334.04
Balances with statutory / revenue authorities		
- Goods & Service Tax	1,438.06	1,035.55
TOTAL	93,021.52	44,579.52

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 19 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2020	12,500.00	12,500.00
Increase during the year	-	-
As at March 31, 2021	12,500.00	12,500.00

(ii) Paid up Equity share capital

(Amount in ₹ lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2019	10,588.03	10,588.03
Exercise of options	6.03	6.03
As at March 31, 2020	10,594.06	10,594.06
Exercise of options	-	-
As at March 31, 2021	10,594.06	10,594.06

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.69%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.37%	1,311.00	12.37%
Life Insurance Corporation of India	659.15	6.22%	659.30	6.22%
Dinesh Nandwana	691.07	6.52%	691.07	6.52%

(iv) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2021, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.25/- per share of ₹ 1/- each for the year ended March 31, 2020.

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

**(v) Aggregate details for five immediately previous reporting periods for each class of shares**

(No. of shares in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	5,294.02	5,294.02
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	8.08	15.22

(vi) Capital Management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows:

(Amount in ₹ lakhs)

Particulars	As at March 31,	
	2021	2020
Net debt	-	-
Total equity	2,66,408.04	2,63,730.50
Net debt to equity ratio	-	-

Note 20 - Other Equity**(i) Reserves and surplus**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Reserve	42,746.84	42,746.84
Share Options Outstanding Account	3,347.37	5,950.10
Deferred Employee Compensation Expense	(1,509.04)	(3,070.19)
General Reserve	18,268.04	18,268.04
Surplus in Statement of Profit & Loss	1,95,441.62	1,91,811.00
Total (A)	2,58,294.83	2,55,705.79

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

(a) **Securities Premium Reserve** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	42,746.84	42,318.52
Add:- On share issued during the year	-	178.22
Add:- Transfer from shares options outstanding account	-	250.10
Closing balance	42,746.84	42,746.84

(b) **Share Options Outstanding Account** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	5,950.10	11,025.85
Add:- On further grant of options	-	495.65
Less:- Reversal due to Lapsation of option	(2,602.73)	(5,321.30)
Less:- Transfer to Securities premium account	-	(250.10)
Closing balance	3,347.37	5,950.10

(c) **Deferred Employee Compensation Expense** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(3,070.19)	(7,232.26)
Add:- On further grant of options	-	(495.65)
Less:- Reversal due to Lapsation of option	1,269.49	2,398.78
Less:- Amortised during the year	291.64	2,258.94
Closing balance	(1,509.04)	(3,070.19)

(d) **General Reserve** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	18,268.04	18,268.04
Add:- Transfer from Profit & Loss account	-	-
Closing balance	18,268.04	18,268.04

(e) **Surplus in Statement of Profit & Loss** (Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1,91,811.00	1,87,875.91
Add:- Profit for the year	6,279.13	7,128.01
Less:- Transfer to General Reserve	-	-
Less:- Dividend declared	(2,648.51)	(2,648.51)
Less:- Dividend distribution tax	-	(544.41)
Closing balance	1,95,441.62	1,91,811.00



(ii) Other Comprehensive Income		(Amount in ₹ lakhs)	
(a) Particulars	As at March 31, 2021	As at March 31, 2020	
Opening balance	(3,188.83)	(3,207.25)	
Remeasurement of net defined benefit obligations (net of taxes)	89.24	18.42	
Closing balance (i)	(3,099.59)	(3,188.83)	
(b) Foreign Currency Translation Reserve		(Amount in ₹ lakhs)	
Particulars	As at March 31, 2021	As at March 31, 2020	
Opening balance	619.48	583.56	
Translation reserve for the year	(0.74)	35.92	
Closing balance (ii)	618.74	619.48	
Total (B)	(2,480.85)	(2,569.35)	
Total (A+B)	2,55,813.98	2,53,136.44	

**Note 21 - Trade Payables
(Non - Current)**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Principal	Interest	Principal	Interest
- Dues of micro enterprises and small enterprises				
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Total Dues of micro enterprises and small enterprises				
- Dues of Creditors other than micro enterprises and small enterprises		14.34		291.35
TOTAL		14.34		291.35

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

**Note 22 - Other Financial Liabilities
(Non - Current)**

Particulars	(Amount in ₹ lakhs)	
	As at March 31, 2021	As at March 31, 2020
Other Payable		
Security Deposit	40.39	39.26
TOTAL	40.39	39.26

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 23 - Deferred Tax Liabilities (net)
(Non - Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	-
(ii) Provision for Employees' obligations	59.85	-
(iii) Temporary differences on Tax Provisions	-	-
(iv) On account of Expected Credit Loss	150.37	-
(v) Unused tax credits	-	-
(A)	210.22	-
Liabilities		
(i) On account of difference in depreciation on Property, Plant and Equipment	268.32	-
(B)	268.32	-
Balance carried to Balance Sheet (A - B)	58.10	-

(a) Movement in deferred tax account during the year is as follows:

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2021:				
Deferred tax (liabilities)/assets in relation to:				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	126.58	141.74	-	268.32
Expenses provided but allowable in Income Tax on payment	(85.03)	(4.84)	30.01	(59.85)
Allowance for expected credit losses	(134.07)	(16.30)	-	(150.37)
Unused tax credits	-	-	-	-
	(92.52)	120.60	30.01	58.10
Others	-	-	-	-
	-	-	-	-
TOTAL	(92.52)	120.60	30.01	58.10
For the year ended March 31, 2020:				
Deferred tax (liabilities)/assets in relation to:				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	-	-	-	-
Expenses provided but allowable in Income Tax on payment	-	-	-	-
Allowance for expected credit losses	-	-	-	-
Unused tax credits	-	-	-	-
	-	-	-	-
Others	-	-	-	-
	-	-	-	-
TOTAL	-	-	-	-



The analysis of Deferred Tax Assets is as follows:

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets to be recovered after more than 12 months	-	-
Deferred Tax Assets to be recovered within 12 months	(58.10)	-
	(58.10)	-

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Applicable Tax rate considered for deferred tax asset or liability	25.17%	25.17%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

**Note 24 - Employee Benefit Obligations
(Non - Current)**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employees' benefits	331.00	337.74
TOTAL	331.00	337.74

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans		
Loans repayable on demand		
- From Banks	-	-
TOTAL	-	-

The Company has cash credit facility (sanctioned limit of ₹ 45 Crores) from Union Bank of India. The facility is secured by First charge of hypothecation of Book Debts and present & future current assets of Company.

Collateral Security - Registered Equitable Mortgage of Immovable Property situated at Vakrangee Corporate House, Plot No .93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai-400093 with total built up area of entire building is 21050 Sq ft in the name of M/S Vakrangee Limited.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 26 - Trade Payables (Current)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Principal	Interest	Principal	Interest
Trade Payables				
- Dues of micro enterprises and small enterprises				
Amount due to vendor	38.76	-	101.56	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	38.76	-	101.56	-
Total Dues of micro enterprises and small enterprises		38.76		101.56
- Dues of Creditors other than micro enterprises and small enterprises		3,375.05		6,806.42
TOTAL		3,413.81		6,907.98

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Note 27 - Other Financial Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Payable to Franchisee under WLA	6,648.26	2,794.30
Payables against cash collection	-	-
Payable for acquisition of Property, Plant & Equipments	695.96	555.70
Payable towards CSR Expenses	650.05	-
Unpaid Dividend	92.23	89.61
TOTAL	8,086.50	3,439.61

Note 28 - Other Current Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues	294.11	1,132.75
Advance from customers	3,970.75	2,088.32
Kendra money received pending allotment	1,932.08	1,453.50
Franchisee Wallet Balance	286.84	386.64
Staff Emoluments Payable	752.31	658.49
TOTAL	7,236.09	5,719.70

**Note 29 - Provisions**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Expenses for Goods & services	1,134.72	698.51
TOTAL	1,134.72	698.51

**Note 30 - Employee Benefit Obligations
(Current)**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employees' benefits	26.05	24.72
TOTAL	26.05	24.72

Note 31 - Current Tax Liabilities (Net)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax (net of provision for taxation)	814.32	704.23
TOTAL	814.32	704.23

Note 32 - Revenue from Operations

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from vakrangee kendra, including e-governance activities	24,947.41	58,096.74
(b) Revenue from Sale of Products		
- Computer consumables & peripherals	1,324.01	2,261.09
	1,324.01	2,261.09
(c) Revenue from Sale of Services		
- Information Technology-enabled Services (ITeS)	4,910.94	7,864.45
- Courier and Delivery Services	-	2.06
- Others	-	-
	4,910.94	7,866.51
(d) Other Operating Revenues		
- Kit Transportation charge	177.69	263.49
- Scrap Sales	69.09	34.33
	246.78	297.82
TOTAL	31,429.14	68,522.16

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 33 - Other Income

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
(i) Interest Income				
(a) Interest Income on the financial assets at amortized cost				
- Bank Deposits	226.70		5,657.68	
(b) Other Interest Income	6,721.55	6,948.25	1,858.83	7,516.51
(ii) Dividend Income		-		1.50
(ii) Other non-operating income				
- Rent Received	3.12		3.12	
- Gain on Sale of Asset	-		0.46	
- Gain on Foreign Exchange Fluctuation	0.01		224.82	
- Fair value gain on financial instrument at fair value through Profit and loss*	14.54		-	
- Miscellaneous Income	0.07		1.41	
		17.74		229.81
TOTAL		6,965.99		7,747.82

*Total Fair value gain on financial instrument at fair value through profit and loss includes ₹ 2.63 Lakhs (previous year ₹ NIL) as 'Net Gain on sale of Investments'

Note 34 - Operating Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Project Delivery Cost				
- Opening Stock	14.93		17.58	
- Add : Purchase of goods and services	5,106.89		40,904.72	
- Less : Closing Stock	11.92		14.94	
		5,109.90		40,907.36
Project Expenses		1,035.74		708.79
Commission Expenses		14,775.60		11,651.15
Communication Costs		1.23		5.23
Conveyance & Travelling Expenses		6.15		32.10
Transportation, Octroi and Loading / Unloading Charges		113.70		119.13
Rent, Rates and Taxes		220.61		236.42
TOTAL		21,262.93		53,660.18

**Note 35 - Changes in Inventories**

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) At the beginning of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	766.44	393.09
Less : Stock converted into Fixed Assets	-	(52.28)
	766.44	340.81
Less : at the end of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	485.31	766.44
	485.31	766.44
TOTAL	281.13	(425.63)

Note 36 - Employee Benefits Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a)		
(i) Salaries & Wages	3,952.01	6,174.86
(ii) Directors' Remuneration	287.77	1,411.43
(iii) Contribution to Provident & Other Funds	187.94	347.85
(iv) Share-based Payment Expenses	(1,041.58)	(663.57)
(v) Directors' Sitting Fees	19.10	17.80
(vi) Staff Welfare Expenses	36.66	94.44
	3,441.90	7,382.81
TOTAL	3,441.90	7,382.81

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 43

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 37 - Other Expenses

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Repairs & Maintenance :				
- Building	4.85		18.65	
- Vehicle	2.81		2.42	
- Others	64.27	71.93	42.35	63.42
Advertisement and Publicity		205.81		494.50
Business Promotion		18.10		85.03
Rates & Taxes		239.95		276.79
Insurance		151.57		111.65
Electricity Charges		54.04		90.51
Printing and Stationery		11.43		139.25
Communication Costs		119.50		186.41
Fees & Subscriptions		21.10		6.00
Listing, Registrar & Share Issue/Transfer Charges		41.04		56.30
Loss on Foreign Exchange Fluctuation		82.38		10.92
Fair value gain on financial instrument at fair value through Profit and loss*		-		9.46
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	442.55		682.82	
- Filing Stamp Duty and Franking Charges	28.29		9.47	
- Registration charges	-	470.84	-	692.29
Payments to Auditors :				
- Audit fees (including limited review)	66.45		66.45	
- Tax Audit fees	10.15		10.15	
- For Other Services	1.30		2.46	
- For Reimbursement of Expenses	1.98	79.88	4.01	83.07
Conveyance & Travelling		43.58		222.32
Vehicle Expenses		10.34		9.73
Corporate Social Responsibility Expenditure (Refer Note 41)		745.04		84.85
Office & General Expenses		152.20		163.42
Allowance for credit losses				
Opening Allowances	(755.60)		(755.57)	
Less : Written off during the year	-		-	
Less : Closing Allowances	(820.38)	64.78	(755.60)	0.03
Miscellaneous Expenses		114.31		162.30
TOTAL		2,697.82		2,948.25

Note 38 - Exceptional Item

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
- Net gain on disposal of Property plant and equipment			-	503.41
TOTAL			-	503.41

Exceptional item consists of profit on sale of investment property and old office premises (an item of PPE).

**Note 39 - Earnings Per Equity Share**

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	6,279.13	7,128.01
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	6,279.13	7,128.01
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year		
For Basic EPS	10,594.06	10,593.51
For Diluted EPS	10,605.24	10,606.65
(c) Face Value per Equity Share (₹)	1.00	1.00
Basic EPS (₹)	0.59	0.67
Diluted EPS (₹)	0.59	0.67
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	10,594.06	10,593.51
Add: Potential equity shares	11.19	13.14
No. of shares used for calculating Diluted EPS	10,605.25	10,606.65

Note 40 - Contingent Liabilities and Commitments (to the extent not provided for)

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	-	45.78
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	521.57	553.40
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	325.00	125.00
(A)	846.57	724.18
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	59,595.90	62,797.48
(B)	59,595.90	62,797.48
TOTAL (A + B)	60,442.47	63,521.66

Note: The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 41 - Corporate Social Responsibility

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

- a) Gross amount required to be spent by the company during the year is ₹ 745.04 lakhs.

(Amount in ₹ lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	94.99	650.05	745.04

Note 42 - Segment Reporting

The Company's activities predominantly comprise providing various services through Vakrangee Kendra. Considering the nature of the Company's business and operations, there is only one reportable operating segment (business and / or geographical) i.e. Vakrangee Kendra in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Note 43 - Related Party Details

(a) Key Management Personnel & Directors

Mr. Ramesh Mulchand Joshi	Non-Executive Chairman (w.e.f. January 24, 2020)
Mr. Dinesh Nandwana	Managing Director & Group CEO (Executive Chairman upto January 24, 2020)
Mr. Anil Khanna	Director (upto September 11, 2020) (Managing Director & Group CEO upto January 24, 2020)
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Ranbir Datt	Nominee Director
Mr. Hari Chand Mittal	Director (w.e.f. July 31, 2020)
Mr. Subhash Singhania	Chief Financial Officer (upto December 20 2020)
Mr. Mehul Rawal	Company Secretary and Compliance Officer (upto December 20 2020)
Mr. Ajay Jangid	Chief Financial Officer (w.e.f. December 21, 2020)
Mr. Jay Bhansali	Company Secretary and Compliance Officer (w.e.f. December 21, 2020)

- (b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year
- Mr. Manoj Nandwana Nephew of Director
 - Mr. Shelendra Nandwana Nephew of Director
 - Ms. Divya Nandwana Daughter of Director
 - Mr. Vedant Nandwana Son of Director

**Related Party Transactions****- In relation to (a)**

(Amount in ₹ lakhs)

Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	240.00	240.00
- Anil Khanna	-	1,112.93
- Dr. Nishikant Hayatnagarkar	47.77	58.50
- Subhash Singhania	37.20	54.00
- Mehul Rawal	16.09	26.05
- Ajay Jangid	5.92	-
- Jay Bhansali	1.21	-
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	17.72	16.76
- Dr. Nishikant Hayatnagarkar	20.00	18.75
- Subhash Singhania	-	4.48
- Mehul Rawal	-	1.60
- Ajay Jangid	-	-
- Jay Bhansali	0.49	-
ESOP Perquisites		
- Dr. Nishikant Hayatnagarkar	-	15.40
Directors Sitting Fees		
- Ramesh Mulchand Joshi	2.95	3.95
- Sunil Agarwal	2.75	2.50
- Babulal Meena	2.70	2.15
- Sujata Chattopadhyay	2.50	2.00
- Avinash Chandra Vyas	3.20	3.95
- Ranbir Datt	2.75	3.25
- Hari Chand Mittal	2.25	-
Balance outstanding as on March 31 :		
(Salaries Payable)		
- Dinesh Nandwana	12.48	-
- Dr. Nishikant Hayatnagarkar	3.18	-
- Anil Khanna	-	307.64
- Subhash Singhania	4.63	0.03
- Mehul Rawal	-	0.05
- Ajay Jangid	1.80	-
- Jay Bhansali	0.40	-

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

- In relation to (b)	(Amount in ₹ lakhs)	
Nature of Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Reimbursement of Expenses Paid		
- Manoj Nandwana	1.66	3.44
- Shelendra Nandwana	-	0.09
- Divya Nandwana	-	1.02
- Vedant Nandwana	-	0.29
Employee Benefit Expenses		
- Manoj Nandwana	7.34	8.97
- Shelendra Nandwana	5.13	6.28
- Divya Nandwana	15.42	18.73
- Vedant Nandwana	6.43	6.81
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Manoj Nandwana	1.31	0.32
- Shelendra Nandwana	0.42	-
- Divya Nandwana	1.15	-
- Vedant Nandwana	0.50	-

Note 44 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 262.92 lakhs (March 31, 2020 - ₹ 276.07 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company has fully funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 138.94 lakhs (March 31, 2020 - ₹ 260.04 lakhs).

**Gratuity**

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-19	455.21	(465.85)	(10.65)
Current Service cost	134.18	-	134.18
Past Service Cost	-	-	-
Interest expense/(income)	35.28	(40.56)	(5.28)
Total amount recognised in profit and loss	169.46	(40.56)	128.90
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	46.28	-	46.28
Experience (gains)/losses	(88.41)	17.52	(70.89)
Total amount recognised in other comprehensive income	(42.13)	17.52	(24.61)
Employer contributions	-	(7.25)	(7.25)
Benefit payments	(95.90)	95.90	-
31-Mar-20	486.64	(400.25)	86.40

(Amount in ₹ lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-20	486.64	(400.25)	86.40
Current Service cost	131.10	-	131.10
Past Service Cost	-	-	-
Interest expense/(income)	31.35	(29.95)	1.40
Total amount recognised in profit and loss	162.44	(29.95)	132.49
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	(132.11)	-	(132.11)
Experience (gains)/losses	1.10	11.75	12.86
Total amount recognised in other comprehensive income	(131.01)	11.75	(119.25)
Employer contributions	-	(5.49)	(5.49)
Benefit payments	(109.99)	109.99	-
31-Mar-21	408.09	(313.95)	94.14

The net liability disclosed above relates to funded plans are as follows

(Amount in ₹ lakhs)

Particulars	31-Mar-21	31-Mar-20
Present value of funded obligations	408.09	486.64
Fair value of plan assets	(313.95)	(400.25)
Deficit/(Surplus) of gratuity plan	94.14	86.40

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

	31-Mar-21	31-Mar-20
Discount rate	6.67%	6.70%
Salary growth rate (per annum)	5.00%	5.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation				
	Change in assumption			Increase in assumption	
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	1%	1%	Decrease by	8%	9%
Salary growth rate	1%	1%	Increase by	9%	10%

Particulars	Impact on defined benefit obligation				
	Change in assumption			Decrease in assumption	
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20
Discount rate	1%	1%	Increase by	10%	11%
Salary growth rate	1%	1%	Decrease by	8%	9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

*The major categories of plans assets are as follows:

	In Percentage %	
	31-Mar-21	31-Mar-20
Equity instruments	9.68	5.55
Debt instruments	86.30	91.83
Government bonds	67.56	74.55
Corporate bonds/debentures	18.74	17.28
Asset backed securities	-	0.85
Cash and cash equivalents	4.02	1.77
TOTAL	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.



Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan 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. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 45 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined at 50% of market price of the scrip of the company (on the highest traded Stock Exchange) or at any other price as decided by the Nomination and Remuneration and Compensation Committee.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-21		31-Mar-20	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	70.46	64,58,800	49.95	1,77,89,650
Granted during the year	-	-	18.53	19,61,400
Exercised during the year	-	-	30.58	6,02,550
Lapsed during the year	61.42	32,45,125	35.60	1,26,89,700
Closing Balance	79.48	32,13,675	70.46	64,58,800
Vested and exercisable	86.85	17,31,025	86.88	18,13,475

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was ₹ Nil (March 31, 2020 : ₹ 63.10).

No options expired during the periods in the above tables.

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options	Share options
			31-Mar-20	31-Mar-19
26-11-2014	26-11-2023	32.35	32,475	1,13,200
11-03-2016	10-03-2025	56.54	5,93,900	9,70,300
26-07-2017	25-07-2026	109.40	13,05,600	22,80,800
26-10-2017	25-10-2026	137.33	2,16,800	2,96,800
09-01-2018	08-01-2027	202.28	64,000	2,05,300
13-04-2018	12-04-2027	69.85	3,01,300	3,66,100
10-07-2018	09-07-2027	25.93	1,37,200	2,00,600
05-10-2018	04-10-2027	14.38	1,54,200	2,36,300
03-01-2019	02-01-2028	18.03	71,700	1,42,300
15-04-2019	14-04-2028	32.95	1,18,400	2,09,400
10-07-2019	09-07-2028	17.95	40,200	1,12,100
09-10-2019	08-10-2028	14.18	1,77,900	3,25,600
09-10-2019	08-10-2030	14.18	-	10,00,000
TOTAL			32,13,675	64,58,800

Fair value of options granted

The company has not granted any option during the year ended March 31, 2021. The fair value at grant date of options granted during the year ended March 31, 2020 was ₹ 49.42, ₹ 27.26, ₹ 17.28 and ₹ 17.83. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2020 included:

- a) Options are granted for consideration and vest upon completion of service for a period of one / two years. Vested options are exercisable for a period of four / five years after vesting.

Particulars	Year ended March 31, 2020			
b) Exercise price	32.95	17.95	14.18	14.18
c) Grant date	15-04-2019	10-07-2019	09-10-2019	09-10-2019
d) Expiry date	14-04-2028	09-07-2028	08-10-2028	08-10-2030
e) Share price at grant date (₹)	67.00	36.80	26.05	26.05
f) Expected price volatility of the company's shares	44.79%	50.68%	32.38%	27.48%
g) Expected dividend yield	0.37%	0.44%	0.43%	0.39%
h) Risk free interest rate	7.50%	6.67%	6.67%	6.80%
i) Fair value (₹)	49.42	27.26	17.28	17.83

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

- j) Expense arising from share based payment transactions



Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(Amount in ₹ lakhs)

Particulars	March 31, 2021	March 31, 2020
Employee Stock Option Plan	(1,041.58)	(663.57)

Note 46 - Financial Risk Management

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than 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 carrying value and fair value by each classification as at March 31, 2021 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	108.23	-	-	108.23	-	-
Trade Receivables	1,12,031.21	-	-	1,12,031.21	-	-
Cash & Cash equivalents	818.59	-	-	818.59	-	-
Other Bank Balances	1,309.63	-	-	1,309.63	-	-
Short Term Loans	1,154.17	-	-	1,154.17	-	-
Other Financial Assets	2,228.62	-	-	2,228.62	-	-
Investments	-	138.85	-	138.85	-	138.85
TOTAL	1,17,650.45	138.85	-	1,17,789.30	-	138.85

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	3,428.15	-	-	3,428.15	-	-
Other Financial Liabilities	8,126.90	-	-	8,126.90	-	-
TOTAL	11,555.05	-	-	11,555.05	-	-

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

The carrying value and fair value by each classification as at March 31, 2020 were as follows:-

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	118.87	-	-	118.87	-	-
Trade Receivables	1,36,884.21	-	-	1,36,884.21	-	-
Cash & Cash equivalents	1,505.50	-	-	1,505.50	-	-
Other Bank Balances	16,345.05	-	-	16,345.05	-	-
Short term Loans	1,067.00	-	-	1,067.00	-	-
Other financial assets	834.94	-	-	834.94	-	-
Investments	-	333.84	-	333.84	206.90	126.94
TOTAL	1,56,755.57	333.84	-	1,57,089.41	206.90	126.94
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	7,199.33	-	-	7,199.33	-	-
Other Financial Liabilities	3,478.87	-	-	3,478.87	-	-
TOTAL	10,678.20	-	-	10,678.20	-	-

(ii) Financial Risk Management

The Respective Board of Directors of the Holding and Component Company has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Holding Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.



Table showing age of gross trade receivables and movement in expected credit loss allowance:

(Amount in ₹ lakhs)

Age of receivables	March 31, 2021	March 31, 2020
Within the credit period	1,10,263.59	1,36,349.34
1-90 days past due	871.10	14.32
91-180 days past due	4.87	139.63
181-270 days past due	2.16	27.45
More than 270 days past due	1,689.79	1,088.99
TOTAL	1,12,831.50	1,37,619.73

Movement in the expected credit loss allowance	March 31, 2021	March 31, 2020
Balance at beginning of the year	755.60	755.57
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	64.78	0.03
TOTAL	820.38	755.60

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities:

(Amount in ₹ lakhs)

As on March 31, 2021	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

(Amount in ₹ lakhs)

As on March 31, 2020	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

c) Market Risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

Notes to Consolidated financial statements for the year ended March 31, 2021 (continued)

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

Currency	(Amount in ₹ lakhs)			
	Liabilities		Assets	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
US Dollar (USD)	-	-	-	-

Foreign Currency Exposure

Particulars	(USD in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Trade Receivables	-	-
Loans Receivable	-	-
TOTAL	-	-

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

Currency	(Amount in ₹ lakhs)			
	Impact of Profit and Loss / Equity			
	For year ended March 31, 2021		For year ended March 31, 2020	
	1% increase	1% decrease	1% increase	1% decrease
US Dollar (USD)	-	-	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 47 - Income Taxes

- (a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	(Amount in ₹ lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before income taxes	8,281.81	9,155.27
Enacted tax rates in India *	25.17%	25.17%
Computed expected tax expense	2,097.60	2,304.20
Effect of non-deductible expenses	(255.50)	(369.06)
Absorption of unabsorbed brought forward losses and depreciation	0.12	(1.03)
Others	12.03	101.83
Income Tax expense	1,854.26	2,035.94
Earlier year tax expenses	28.08	(448.32)
Current Income Tax expense	1,882.34	1,587.62

* Tax rate on subsidiaries have been considered at 26%, being rate for companies having turnover of less than 250 crores.



- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2021 and March 31, 2020 :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Income Tax Liabilities	814.32	704.23
Income Tax Assets	578.07	1,960.06
Net current income tax liabilities / (assets) at the end	236.25	(1,255.83)

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2021 and March 31, 2020 is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net current income tax liability / (asset) at the beginning	(1,255.83)	(1,418.96)
Income Tax paid	(390.27)	(1,424.49)
Current Income Tax expense	1,882.34	1,587.62
Net current income tax liability / (asset) at the end	236.25	(1,255.83)

- (c) The gross movement in the current income tax liability / (asset) for the year ended March 31, 2021 and March 31, 2020 is as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net deferred income tax liabilities / (asset) at the beginning	(92.63)	(538.47)
Movements relating to temporary differences	120.34	421.81
Temporary differences on other comprehensive income	30.01	6.19
Unused Tax Credit	-	17.83
Net deferred income tax liabilities / (asset) at the end	57.72	(92.63)

Notes to Consolidated financial statements

for the year ended March 31, 2021 (continued)

Note 48 - Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

Name of the entity	Country of incorporation	% of voting power as at March 31, 2021	% of voting power as at March 31, 2020	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	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Vakrangee Limited	India	-	-	96.67%	2,57,534.39	76.06%	4,775.74	100.83%	89.24	76.40%	4,864.98
Indian Subsidiaries											
Vakrangee Finserve Limited	India	100.00	100.00	1.87%	4,992.71	24.71%	1,551.41	0.00%	-	24.36%	1,551.41
Vakrangee Logistics Private Limited	India	100.00	100.00	0.34%	905.41	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
Foreign Subsidiary											
Vakrangee e-Solutions Inc.	Philippines	100.00	100.00	1.13%	2,975.53	-0.76%	(47.80)	-0.83%	(0.74)	-0.75%	(48.54)
Total					2,66,408.04		6,279.13		88.50		6,367.63

Note 49 - Previous year / period figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped or rearranged wherever necessary.

As per our report of even date
For A. P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

Anil Agarwal
 Partner
 Membership No.: 041396
 Place : Mumbai
 Date : June 19, 2021

For and on behalf of the Board of Directors

Ramesh Joshi
 Chairman
 DIN : 00002683

Dinesh Nandwana
 MD & Group CEO
 DIN : 00062532

Dr. Nishikant Hayatnagarkar
 Whole-time Director
 DIN : 00062638

Ajay Jangid
 Chief Financial Officer

Jay Bhansali
 Company Secretary

OFFICE ADDRESSES:**Mumbai:****Registered Office:**

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New Delhi – 110066 (New Delhi)

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Jaipur - 302023 (Rajasthan)

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Pune - 411001 (Maharashtra)

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