



EL/SEC/2023-24/39

May 31, 2023

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring Rotunda
Building, P J Towers, Dalal Street, Fort,
Mumbai - 400 001

The Manager, Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block G
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Script Code: 543533

Symbol: EMUDHRA

Dear Sir/Madam,

Sub: Notice of the 15th Annual General Meeting (AGM) and Annual Report 2022-23

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed herewith the Notice of the 15th Annual General Meeting of shareholders scheduled to be held on Thursday, June 29, 2023 at 11:00 a.m. IST through video conferencing (VC) / Other Audio-visual Means (OA VM) and the Annual Report for the Financial year 2022-23 which will be circulated to the shareholders through electronic mode.

The said Notice of AGM is also being made available on the Company's website i.e., www.emudhra.com.

This is for your information and records.

Thanking you

Yours faithfully,

For eMudhra Limited

Johnson Xavier
Company Secretary & Compliance Officer
Membership No. A28304

Encl: As Above.



Annual Report 2022 - 23

Empowering Sustainable Growth with Secure Digital Solutions

Contents/ Index

Chairman's Message	01
More than 15 Years of Industry Experience	03
Vision, Mission & Competitive Edge	04
emLabs - The Future of Digital Trust and Cybersecurity	07
Solidifying our Global Trust Ecosystem	10
eMudhra is now an E-CSP in Kenya	11
Solution Portfolio	12
Covering the Industry Value Chain	13
Global Recognitions & Key Associations	15
Diving Deeper into the World of Cryptography	17
Thought Leadership	21
Quality Accreditations & Certifications	22
Peer Reviews on Gartner	23
Employee Speaks	25
Client Case Snippets	26
eMudhra is a Great Place to Work	30
Post Pandemic - A Time to Reconnect	31
CSR at eMudhra	34
Environmental Stewardship: Efforts to Reduce Carbon Footprint	41
Company Details	52
Financial Summary	54
Annual General Meeting Notice	57
Director's Report	71
Corporate Governance Report	106
Management Discussion and Analysis	128
Business Responsibility & Sustainability Reporting	146
Independent Auditor's Report - Consolidated	180
Consolidated Financials	192
Independent Auditor's Report - Standalone	257
Standalone Financials	274



“On behalf of the Board of Directors, I am pleased to present eMudhra’s Annual Report and Audited Financial Statements for the Financial Year 2022-23”

Mr. V Srinivasan
Executive Chairman, eMudhra

Chairman's Message

The past year has been a very important year in eMudhra's journey towards growth, & innovation in the Identity and Digital Trust industry. We have evolved from being a small player in the Digital signature Industry to a public listed organization renowned for providing end-to-end solutions and services across Trust Services, Signing Solutions, and Digital Identity. The successful IPO highlights the growing importance of our offerings to a rapidly evolving technology environment that continues to power the future.

As organizations are becoming more aware and building preventive measures around management of vulnerabilities, computing capacities are constantly being enhanced, and the consumer demand for digitization that is 'easy to use' is on the rise, eMudhra's portfolios are more relevant than ever in helping organizations survive and scale in this new business environment. In fact, 'Zero-trust' principles are becoming commonplace where organizations work on a 'no trust by default' basis. At the core of zero-trust principles lie the necessity to establish trusted digital identities, authenticate and manage identities and access, and the need for establishing accountability for legally binding actions taken by employees; all of which are areas where we are formidably well positioned.

On our solution portfolio front, over the course of the year, we have been proactively working towards readying our PKI portfolio to enable resistance in the Post Quantum Cryptographic world. We have simplified our Indian Digital Signature platform. Through eMudhra One, we have allowed for a user-friendly co-existence of personal and professional identities, digital signatures, and eSign services all in a single app and web interface. We recently launched our Certificate Lifecycle Management platform which already boasts some noteworthy clients.

On the eSignature Workflow side of things, emSigner continues to grow in more markets, with more marquee clients, and more functionalities as we evolve. From powering pharmaceutical use cases, to facilitating retail PoS, 'Buy Now Pay Later' schemes, emSigner has grown in maturity and relevance across industries. 'emSigner for Banks' is also further evolving as we continue to acquire leading Banks in the International markets. eMudhra is also now the only entity to support all forms of eSign in India. This, paired with our eStamping portfolio and easy integration and technical adoption methodologies give us tremendous competitive edge to compete locally and internationally.

From a Business Development perspective, our business in India has reasonably grown. In BFSI, we see traction across our signing solution portfolio. Our government

reach has further deepened with some sizeable engagements both, directly, and through key partners with long term relationships built on trust.

Our positioning as a dominant player in the Digital Signature market continues to remain in-tact, with strong support and operations capabilities and easy and convenient channels and platforms on mobile and web. Our end-to-end eSign, eStamping, and Workflow platform, paired with our aggressive sales approach positions us well in capturing the digital wave in the BFSI sector in India.

International markets have seen a robust growth of 141% this year. We received our eCSP License to operate as a CA in Kenya. We implemented a large-scale retail lending use case with a popular retail chain in North America. We have acquired some marquee clients and key partners in Indonesia and continue to service more PKI use cases in Europe. Our Middle East & Africa Business prospects continue to grow. More Banks are interested to leverage emSigner for the enterprise-wide digitization programs, while the prevailing banking clients are continuously working with us to entrench emSigner more deeply in their processes across various departments.

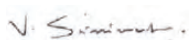
International business now accounts for 35.8% of eMudhra's revenues against 19.1% last year. The popularity of the brand is growing year on year across the globe as we start to emerge as a serious industry player. Our thought leadership activities, community & ecosystem engagement, omni-channel marketing approach, and most importantly, the efforts put in over the past decade are bearing fruit.

The Company has achieved an overall revenue growth of 38.3%.

In summary, FY 2022-23 has been a great year for eMudhra with tremendous learning and development at all levels of the organization. We were recognized as a 'Great Place to Work' by the Great Place to Work Institute. The team has brought out the best of themselves to help us grow our business and our brand. I am thankful to their hard work, competency, and humility which has helped us get to where we are today.

I want to thank our shareholders, employees, board members and other stakeholders for their trust in eMudhra and their continued support.

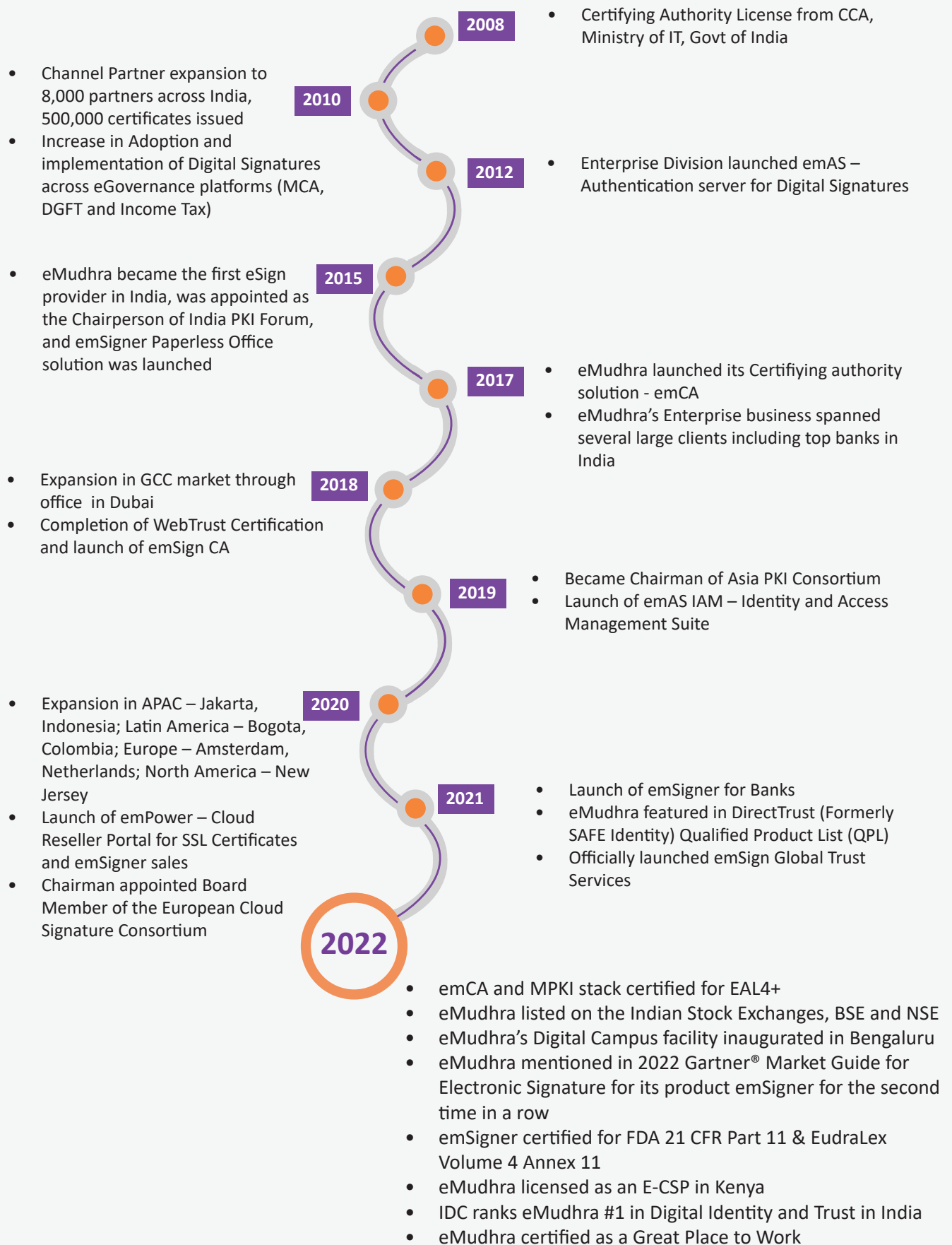
Yours Sincerely,



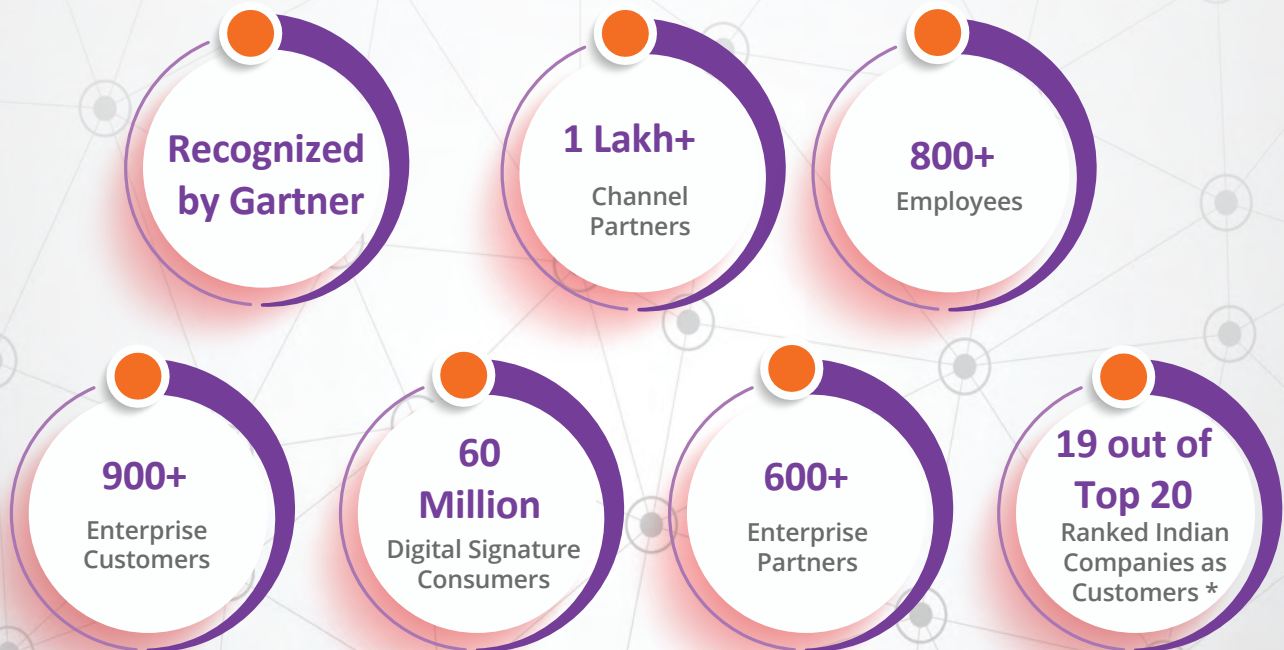
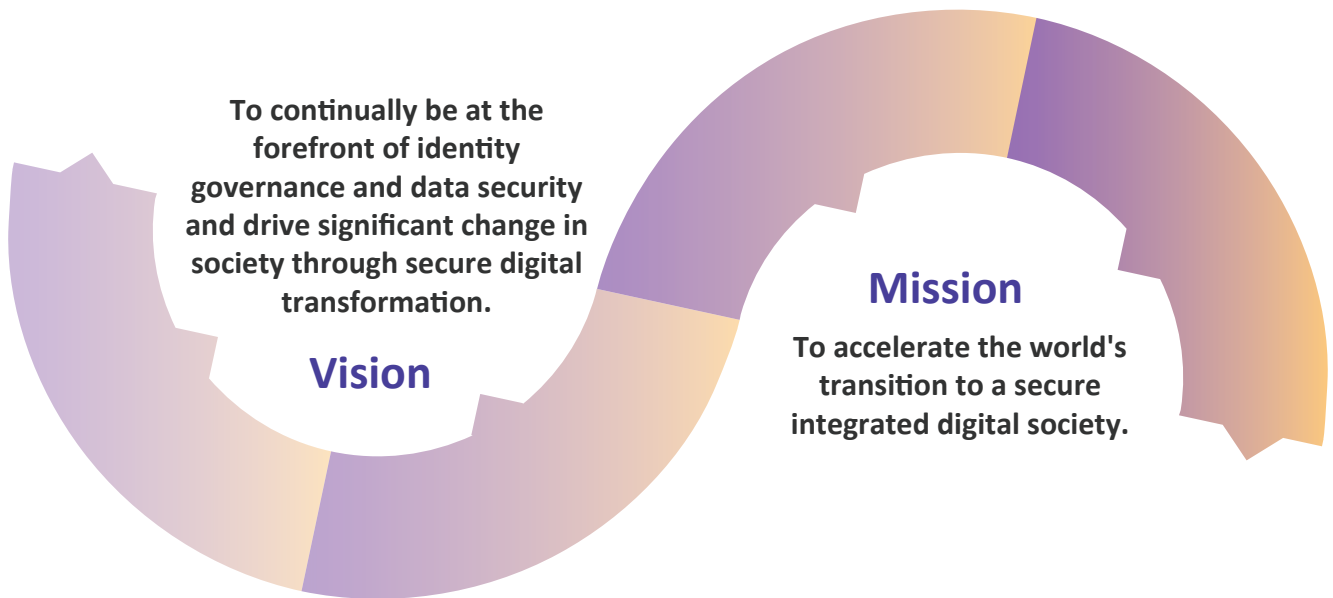
V. Srinivasan

Bangalore, April 28, 2023

More than 15 years of Industry Experience



Vision - Mission



*As per ET500 Company list

eMudhra's Competitive Edge

emSigner

- **Comprehensive Solution:** Comprehensive digital signature and workflow management solution to meet the unique needs of organizations of all sizes
- **Security:** Built with advanced security features such as SSL encryption, digital signature certificates, and multi-factor authentication, to ensure the security and integrity of documents. Compliant with ISO 27001, SOC 2, HIPAA, and GDPR, etc.
- **Integration:** Seamlessly integrates with a wide range of ERP, CRM and HRM systems.
- **Cost-Effective:** A cost-effective solution. Eliminates the need for paper-based processes and automates workflows.

emCA

- **Strong Security Infrastructure:** Compliant with global security standards and regulations. Digital certificates issued are based on advanced cryptographic algorithms and offer high levels of Trust.
- **Scalability:** Issues digital certificates in high volumes to meet the needs of large organizations and government agencies.
- **Trusted Brand:** Issued more than 60 million digital certificates to individuals and organizations across the world.
- **Customer Focus:** Strong emphasis on customer satisfaction with personalized service to clients and understand their specific needs to provide customized solutions that meet their requirements.

emAS

- **Strong Security:** Advanced security mechanisms such as multi-factor authentication, biometric authentication, and digital certificates to ensure the security and integrity of the authentication process.
- **Flexible Authentication Methods:** A wide range of authentication methods to meet diverse needs of organizations, including SMS OTP, email OTP, hardware tokens, and biometric authentication.
- **Scalability:** Architecture that can handle high volumes of authentication requests, making it ideal for large organizations, banks, defense organizations and government agencies.
- **Cost-Effective:** Cost-effective solution that reduces the time and effort required for authentication processes, while ensuring the security and integrity of the processes.

TrustServices

- **Extensive Experience:** eMudhra Trust Services has been in the industry for over a decade and has extensive experience in the digital signature and authentication domain.
- **Strong Technology Platform:** Strong technology platform to support its digital signature and authentication solutions. Technology designed to be scalable, flexible, and secure.
- **Customer Focus:** Strong emphasis on customer satisfaction, and work closely with our clients to understand their specific needs and requirements.
- **Global Presence:** eMudhra Trust Services has a strong global presence, with operations in several countries, enabling us to offer digital signature and authentication solutions to a diverse range of clients.



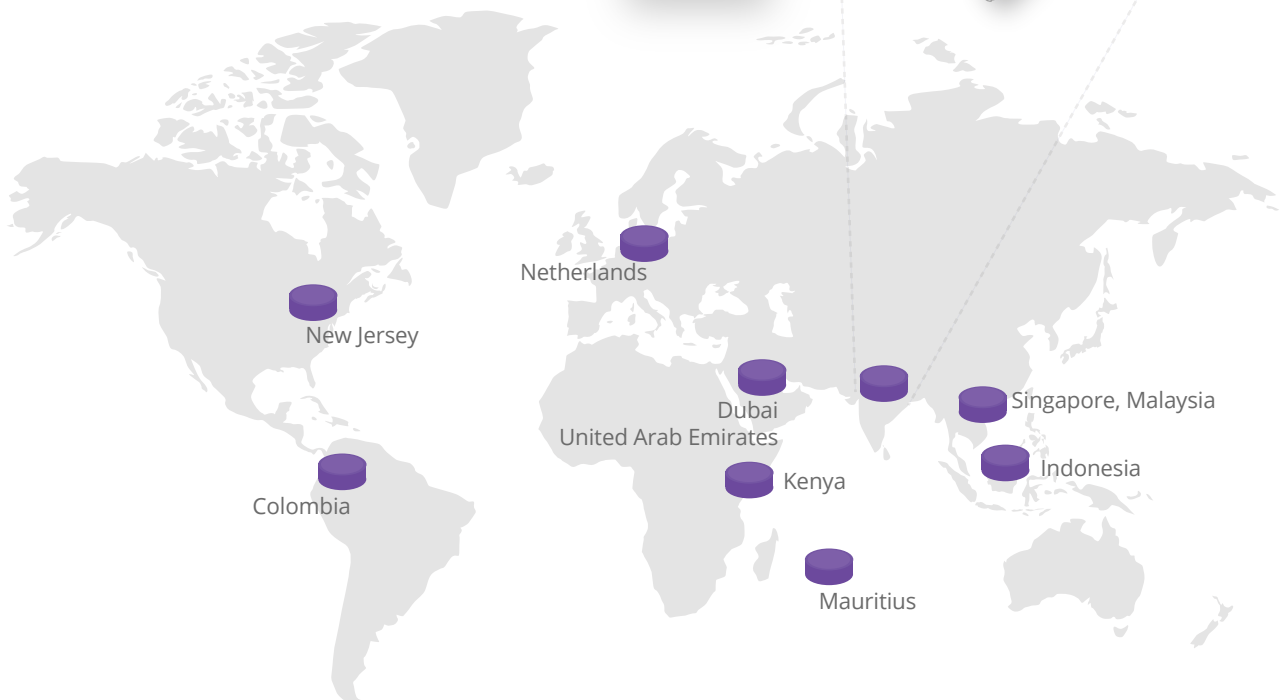
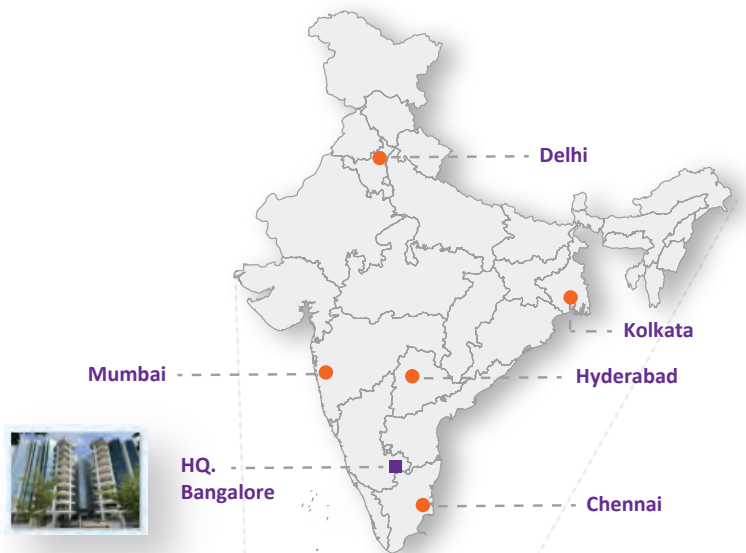
India's No.1 Digital Identity and Trust Provider

-IDC's Worldwide Semiannual Software Tracker

“One Stop Shop” Solution Provider for Secure Digital Transformation with Domestic and International Presence

- 1 Strong Brand Recall
- 2 Extensive Reach – Direct and Partner Network
- 3 In-House Technology
- 4 Only Holistic Online Direct Retail Player
- 5 Solution Built Around Digital Signature

- Pan India Direct Presence and Channel Network
- Trust Services with 1 Lakh Channel Partners
- Enterprise Solution Partners
 - Domestic 270+
 - International 280+





emLabs - The Future of Digital Trust and Cybersecurity

Cryptography in the Post Quantum World

Traditional Public Key Infrastructure (PKI) based encryption relies on the mathematical complexity of certain problems, such as factoring large integers or computing discrete logarithms, that are currently believed to be hard for classical computers to solve. However, with the advent of quantum computers, these problems can be solved more efficiently, which poses a significant risk to traditional PKI-based encryption in the post-quantum world.

Quantum computers are able to perform operations using quantum bits or qubits, which can exist in a superposition of states and can be entangled with other qubits. This enables quantum computers to perform certain calculations much faster than classical computers, including factoring large integers and computing discrete logarithms, which are the basis for many traditional PKI-based encryption schemes.

In the post-quantum world, these encryption schemes will be vulnerable to attacks by quantum computers, which could potentially break the encryption and expose sensitive data. This means that new post-quantum cryptography schemes are needed that are resistant to attacks by quantum computers.

eMudhra is gearing up for the post Quantum world by working with and closely following key technical standards bodies to be at the forefront of the Post Quantum PKI world. There are currently some PQC (Post Quantum Cryptography) algorithms which are being experimented by eMudhra Labs to effectively help us achieve Post Quantum Resilience ahead of our competition and be in a position to commercially leverage this key advantage as our systems get more advanced.

PQC provides a huge commercial opportunity to eMudhra in light of the necessity for product upgrades and several enhancements across all global enterprises to effectively safeguard the data in their organizations and across their application stack. We expect PQC to become a reality in the near future.

You can search encrypted data?

That's right! Homomorphic encryption is a cryptographic technique that allows computations to be performed on encrypted data without the need for decryption. Identified by eMudhra as the future of privacy preserving cryptography, we are working on bring this encryption standard to the market to safeguard day-to-day operations in an increasingly digital world.

The commercial potential behind this technology is immense! Considering the importance of data encryption in a world where breaches increase by the day, and security compliance is becoming core to large organizations, eMudhra believes this technology will be a game changer in how organizations work in the future.

Web 3.0 and PKI work together?

Indeed. Web 3.0 aims to facilitate consensus driven, peer to peer applications to facilitate more efficient, cost effective, and seamless contract capabilities. So far, the dominant use cases have been around peer to peer lending amongst others. In case you weren't aware, PKI is embedded in block chain technologies that power Web 3.0 use cases.

Commercial use cases however, still do require legal admissibility in the court of law to provide protection to the stakeholders. That's where eMudhra comes into the picture! Our robust Global Trust Services framework gives us the ability to embed Trust and Identity into Web 3.0 use cases globally!



The Future of Trust and Security in the
Digital World

A glowing lightbulb containing a miniature green landscape with trees and a path, symbolizing sustainable ideas.

Sustainability and Security: The Power of Digital Solutions

Journey to Net Zero

As the world moves towards a more sustainable future, the journey to net zero emissions is becoming a priority for:



Individuals



Businesses



Governments

One of the ways eMudhra can help in the journey to net zero is by providing digital solutions that can help reduce paper usage. Paper production is a significant contributor to greenhouse gas emissions, and reducing paper usage can make a significant impact on the environment. eMudhra's digital signature solution allows individuals and businesses to sign documents electronically, eliminating the need for paper-based signatures. This can significantly reduce paper usage and contribute to the goal of net-zero emissions.

Furthermore, eMudhra's digital solutions can help businesses transition towards a more sustainable supply chain. For example, eMudhra's digital signature solution can help businesses sign contracts electronically, reducing the need for paper-based contracts and transportation of physical documents. This can make a significant impact on the environment and help businesses reduce their carbon footprint.

By reducing paper usage, energy usage, and promoting sustainable supply chain practices, eMudhra can help businesses reduce their carbon footprint and make a significant contribution towards achieving the goal of net-zero emissions. By leveraging the power of digital solutions, we can accelerate the transition to a more sustainable future and create a greener world for generations to come.

Solidifying our Global Trust Ecosystem

USA

eMudhra is accredited by Direct Trust to help us bring forth our digital solutions to the Healthcare Sector in America. To further our initiative in Healthcare, eMudhra is also recently certified for 21 CFR Part 11 so as to ensure our signing solutions adhere to all required local standards in the domain.

KENYA

eMudhra is a Licensed Electronic Certification Service Provider (E-CSP) under the Communications Authority of Kenya (CA) authorized to issue digital signatures that are compliant with the Kenya Information and Communications Act, 1998.

UAE

eMudhra is a certified Cross Certification Service Provider under the Telecommunications Regulatory Authority (TRA) of the UAE and is authorized to provide electronic signatures and Digital Signature Certificates in the country.

PERU

eMudhra has enabled a local TSP, Soft & Net Solutions, through its globally accredited emSign root of trust in the country. Furthermore, eMudhra's emSigner platform is accredited by Indecopi allowing eMudhra to offer an end-to-end paperless transformation solution to customers in Peru.

INDIA

eMudhra is the largest Certifying Authority in India, the first eSign Service provider in the country and the only player to provide all types of eSign with LTV capabilities. eMudhra is the biggest player in the Identity and Trust market in India. Having issued more than 60 million digital certificates, eMudhra is the only Indian company to be WebTrust accredited and issuing SSL/TLS certificates through its own trust root.

EUROPE

From deploying IoT certificate management platform for a large global car manufacturer to IoT certificate deployment for smart meters as part of energy grids in Europe, eMudhra is expanding its local presence in Europe through channel partners and direct client relationships. eMudhra is a board member of the Cloud Signature Consortium and our solutions are compliant with eIDAS and GDPR.

CHILE

eMudhra works with BMC Pro in Chile through our emSign Root of Trust to power eSignatures in the local market. While this helps to address local market requirements for the most part, BMC and eMudhra intend to extend our range of Trust Services offerings in the local market through this collaboration.

MAURITIUS

eMudhra has the distinction of being the first Certification Authority to get license from the Controller of Certification Authorities (CCA), Mauritius to issue digital signature certificates in the country.

INDONESIA

eMudhra has made significant inroads into Indonesian market by onboarding a very large public sector conglomerate for providing a mix of signature solutions and eStamping services. eMudhra is also providing Mobile PKI for digital ID, secure authentication and signing for a state-owned entity in the country.



Scalability



Global Reach



Digital Trust

Serving Clients in 25+ Countries across the World

eMudhra provides a unified ecosystem for digital transformation with a wide-ranging solution to secure digital infrastructure and build PAPERLESS business processes under country specific accreditations.



eMudhra is now an E-CSP in Kenya

eMudhra last year got granted the status of Electronic Certificate Service Provider (E-CSP) in Kenya. This development is significant because it enables the company to provide legally valid electronic certificates for businesses and individuals in Kenya. As an early mover advantage, this certification places eMudhra at an undisputed thought leadership position and a market leader in the country.

Electronic certificates are digital certificates that are used to authenticate the identity of an individual or organization over the internet. They are used to establish trust between two parties and to ensure that sensitive information is transmitted securely. Electronic certificates are used in a variety of applications, including e-commerce, online banking, and online government services.

As a leading Trust Service Provider with global expertise and one of the early contenders in the Kenyan market with a strong value proposition, eMudhra is uniquely positioned to grow in Kenya and in East Africa in the coming years. Our experience in India positions us to take our learnings and empower the local market, which shares several demographic similarities to India.

eMudhra is in talks with several local authorities and entities to bring forth a foundation for digitization in the country which would pave the way for innovation and empowerment. With a mission to grow and help others grow, eMudhra is truly Made in India, for the World.

"We are delighted to be granted the status of E-CSP in Kenya. This is an important milestone for eMudhra, and it reflects our commitment to providing secure and reliable digital identity solutions to businesses and individuals around the world. We look forward to working with our partners in Kenya to promote the use of electronic certificates and to help businesses and individuals benefit from the many advantages that they offer." - V. Srinivasan, Executive Chairman, eMudhra.

Solution Portfolio



Enterprise Signing Solutions

- emSigner Enterprise Signing Suite
- eSign | Digital Stamp | eBG

Digital Security Solutions

- emCA - Certifying Authority Solutions emAS
- IAM - Identity and Access Management emAS
- MFA - Multi-factor Authentication
- emSafe Encryption Suite
- emDiscovery

Digital Trust Services

- Private Trust Service Products
- SSL/TLS Certificates
- Code Signing Certificates
- Email Encryption Certificates
- Document Signing Certificates
- IoT Certificates
- emSign Managed PKI

eMudhra Managed Services

- Public Key Infrastructure and Identity Management
- Security Services (VAPT, Access Management, etc.)

Covering the Industry Value Chain

In today's digital world, security has become a primary concern for individuals and businesses alike. As the reliance on technology increases, so does the need for secure online transactions. This is where eMudhra comes in - A company that has established its presence across the industry value chain with its offerings of trust services, PKI, signing, authentication, encryption and discovery solutions.



Global Trust Services

At the core of eMudhra's offerings lies its trust services. eMudhra's trust anchors across website security, document signing, and our country level accreditations, WebTrust accreditations and Browser(s) listing provide a robust Root of Trust framework.



Public Key Infrastructure Suite

Not only are we at a Root level, but eMudhra has a solid PKI suite of offerings including emCA and emDiscovery. Now, this spans both on-premise, and cloud based models with industry specific solutions to cater to a variety of global requirements.



Electronic Signature Suite

emSigner is an industry acknowledged Signing Solution Suite offered on cloud or on premise. emSigner works with our Trust Services and PKI (and more) to help solve complex use cases on Digital Transformation.



Identity and Access Management

No digital transformation happens without Identity at the forefront. Authentication & access are critical to ensure organizational hygiene and robust security posture. Our emAS suite complements our offerings by addressing exactly that!



Encryption Services

Encryption is the last big piece of the PKI framework. With expertise in cryptography, eMudhra has been able to power several large and complex encryption use cases. This expertise is embedded in all of our products to ensure more than just business functionality.

Statistics on Cybersecurity and Sustainable Growth



In 2020, 56% of organizations worldwide reported that they had experienced a cybersecurity incident related to remote working. (Source: Kaspersky)



Sustainable investing assets reached a record high of \$17.1 trillion in 2020, up from \$12 trillion in 2018. (Source: Morningstar)



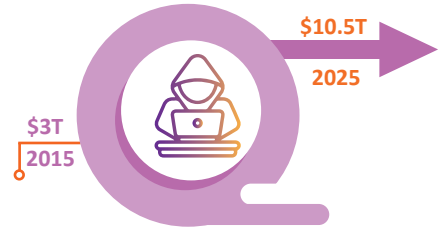
The top three drivers for implementing sustainable practices in organizations are cost savings, brand reputation, and risk management. (Source: Harvard Business Review)



The global market for green technology is projected to reach \$4.8 trillion by 2030, up from \$1.4 trillion in 2020. (Source: IRENA)



Cybersecurity incidents cost businesses an average of \$3.86 million per breach. (Source: IBM Security)



Cybercrime is expected to cost the world \$10.5 trillion annually by 2025, up from \$3 trillion in 2015. (Source: Cybersecurity Ventures)



Sustainable supply chain practices can lead to cost savings of up to 6% of the total company spend. (Source: BSR)



Implementing sustainable practices in the workplace can improve employee engagement and retention, with 73% of employees saying they would work for a company with a good reputation for sustainability. (Source: Harvard Business Review)

Global Recognitions

Gartner®

JANUARY 2023

eMudhra mentioned as an example vendor for PKI and Certificate Management in the Gartner Report Titled “How to Select DevSecOps Tools for Secure Software Delivery”

DECEMBER 2022

eMudhra mentioned as a Strong Performer in Gartner® Peer Insights™/Voice of Customer': Electronic Signature Report for the Asia/Pacific Region

JULY 2022

eMudhra gets mentioned as a "Representative Vendor" in 2022 Gartner® Market Guide for Electronic Signature for its product emSigner for the second time in a row



2022

In the IDC's Worldwide Software Tracker, eMudhra Ranked No.1 in the year 2022 under Identity and Digital Trust Category with 12.2% and 13.3% market share in the 1st and 2nd half of the financial year. eMudhra has left behind the biggies of the industry to take the 1st spot in this category



Key Associations

Resellers Partnership

Technology Partnership

Diving Deeper into the World of Cryptography

Public Key Infrastructure (PKI) is a set of technologies and processes used to secure digital communication and transactions. PKI provides authentication, confidentiality, and integrity for digital assets and data. PKI uses digital certificates, digital signatures, and encryption to ensure the security of digital communication. PKI has become increasingly important in recent years, especially in ePassports, EMV cards, and IoT deployments.



ePassports: An ePassport is a biometric passport that contains a microchip that stores the passport holder's personal information, photo, and biometric data such as fingerprints. PKI is used to secure the digital signature and authentication of the data stored in the microchip. A digital certificate is used to verify the authenticity of the ePassport data and ensure that it has not been tampered with. This PKI-based authentication ensures that only authorized parties, such as border control agents, can access the data stored in the ePassport.

EMV Cards: EMV cards are smart cards that contain a microprocessor chip that stores and processes data. PKI is used to secure the transaction between the card and the point-of-sale (POS) terminal. When a transaction is initiated, the EMV card generates a digital signature that is verified by the POS terminal using a digital certificate. This ensures that the card is genuine and that the transaction has not been tampered with. PKI-based authentication also protects against card skimming and other forms of fraud.



IoT Deployments: IoT devices are connected devices that collect and transmit data over the internet. PKI is used to secure the communication between IoT devices and other systems. Each IoT device is assigned a unique digital certificate that is used to authenticate the device and establish a secure connection. This ensures that only authorized parties can access the data transmitted by the IoT device. PKI-based authentication also protects against cyber-attacks such as man-in-the-middle attacks and data breaches.



Managed PKI and Certificate Lifecycle Management

What is Managed PKI and Certificate Lifecycle Management?

Public Key Infrastructure (PKI) is a set of technologies and processes used to secure digital communication and transactions. PKI provides authentication, confidentiality, and integrity for digital assets and data. Managed PKI and Certificate Lifecycle Management (CLM) are two essential components of a PKI ecosystem that help organizations manage digital certificates efficiently.

Managed PKI: eMudhra allows organizations to outsource their PKI management to us. Managed PKI simplifies the management of digital certificates by providing a centralized platform to allow organizations to issue, renew, and revoke digital certificates. Managed PKI offered by eMudhra also provides a single point of contact for technical support and ensures compliance with industry standards and regulations. Managed PKI also ensures that digital certificates are issued and managed as per a set of predefined protocol and policy, hence improving the overall security of the organization's digital assets and data.

Certificate Lifecycle Management: Certificate Lifecycle Management (CLM) is the process of managing digital certificates throughout their lifecycle, including issuance, renewal, and revocation. CLM ensures that digital certificates are valid, up-to-date, and secure. CLM also helps organizations manage the costs associated with maintaining a PKI by providing tools to automate certificate management tasks. CLM includes several key processes, including certificate enrollment, certificate issuance, certificate revocation, and certificate renewal.



Making eSignatures Easy & Secure in Banking

While the journey to digital transformation helps speed up processes and reduce paperwork, what the banking industry stands to achieve with emSigner is an over-arching holistic approach in defining and executing their Digital Transformation plans. Many processes that are 'digital' today, often have an intense manual operational 'behind the scenes' element to them. While organizations are adopting digital technologies, they are generally being adopted to the extent of digitizing customer experience in the front-end, i.e., user-interface, portals, and applications that enable customer onboarding. Further, for this front-end customer experience, they are engaging with a multitude of vendors that makes a common organizational objective enormously difficult to achieve. With emSigner, bankers can achieve holistic digital transformation in their operations using a platform that helps achieve zero paper target and end-to-end digitization of both frontend and backend processes using Qualified Electronic Signatures (QES) and workflow automation.

How emSigner makes eSignatures easy and secure?

emSigner is a unified digital transformation solution for the banking industry that makes eSignatures easy and secure. Here are some of the key features of emSigner that enable secure and compliant eSignatures:

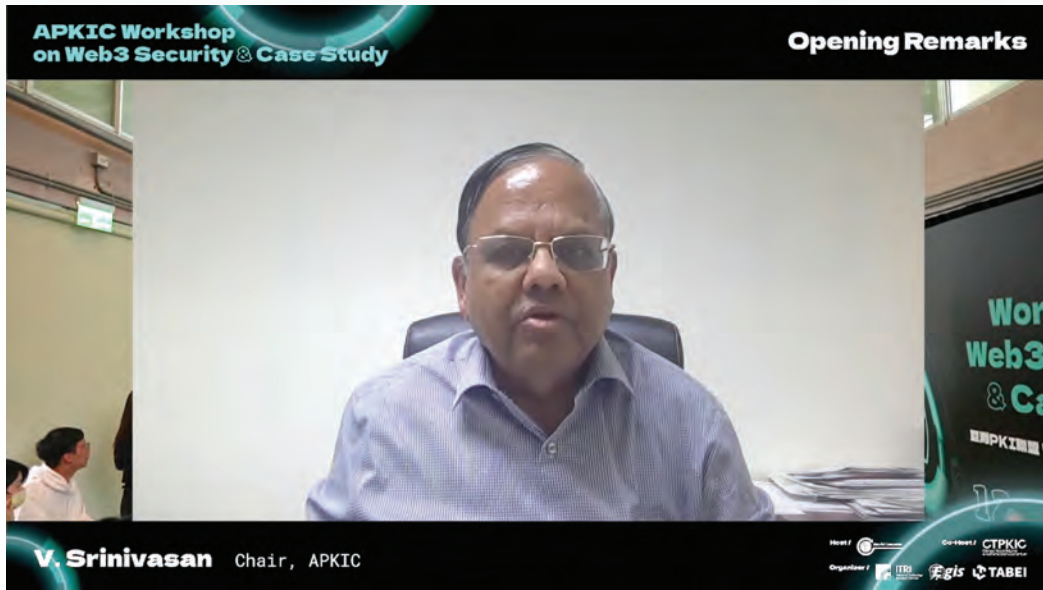
- **Secure authentication:** emSigner uses secure authentication mechanisms to ensure that the signer is authorized to sign the document. This includes multi-factor authentication, biometric authentication, and digital certificates.
- **Audit trail:** emSigner provides a comprehensive audit trail that records every step of the eSignature process, including who signed the document, when they signed it, and how they signed it.

- **Compliance:** emSigner complies with various international eSignature and data privacy regulations, including the eIDAS regulation in Europe and the ESIGN and UETA acts in the US.
- **Integrations:** emSigner integrates with various banking systems and workflows, making it easy for banks to adopt eSignatures into their existing processes.
- **User-friendly interface:** emSigner has a user-friendly interface that enables signers to sign documents easily and quickly, reducing the time and effort required to complete transactions.
- **Enhanced data security:** The platform uses industry-standard encryption and security protocols to protect sensitive information and documents from unauthorized access, tampering, or interception.
- **Increased efficiency:** The platform offers a streamlined and automated workflow that eliminates the need for physical signatures and paper-based documentation.

Essentially, a unified approach with emSigner not only helps to drive optimization and real value from digital transformation, but also helps provide a single source of truth around the vast number of contracts that a large bank or any organization may execute. It helps to drive greater accountability, supports hybrid working models, and enhances customer experience not just on the first point of interaction, but through the lifetime of their relationship with the organization.



Thought Leadership



AsiaPKI Web3: Delivering the address on Web3 at Asia PKI event organized in association with Digital Ministry in Taipei, Taiwan



IDC Kenya Roundtable: Delivering talk on how Digital ecosystems are a function of technology and commercial models



IIT Tirupati: Delivering talk on Aadhaar Based Digital Transformation and role of PKI



Speaking on the topic “Future-Proofing Cybersecurity with PKI” at eMudhra Engage 2023



eMudhra Engage 2023: Panel Discussion on Adapting to Changing Cybersecurity Landscape

Quality Accreditations & Certifications



eMudhra is appraised as CMMI Maturity Level 5. The highest CMMI Maturity Level signifies that our organization is focused on continuous improvement and is built to pivot and respond to opportunities as well as changes. CMMI Level 5 appraisal is a standing testimony to our high standard of performance in terms of crucial software engineering parameters such as productivity, quality and risk management.



ISO 9001: 2015 ISO 27001-2013 ISO 20000-1:2018 ISO 27018-2014 ISO 22301: 2019 ISO 32000: 2020 ISO 19005: 2020

eMudhra is an ISO 9001, ISO 20000, ISO 27001 and ISO 27018 certified organization. ISO certifications prove an organization’s capabilities and processes to ensure high level of accuracy, adequate security standards, and quality management across the entire organization.



eMudhra certificate issuance processes and methodologies are in line with the standards prescribed by WebTrust body and eMudhra’s global trust services are WebTrust accredited and supported by WebTrust seal.



Data Protection and Privacy are important pillars towards enabling trust in a digital society. With increasing concerns around ownership and presence of data, it’s important that the applications of today’s world are built to manage data protection regulations globally. eMudhra’s solutions are GDPR compliant to enable worry-free adoption.



EAL 4+ Certification becomes relevant in showcasing the quality of Certifying Authority (PKI) solutions and the processes and technologies used within by ensuring it adheres to globally accepted standards. Our EAL 4+ certification, from Cyber Security Agency of Singapore, is primarily relevant to eMudhra’s emCA Solution suite to enable global acceptance.



The Health Insurance Portability and Accountability Act of 1996, commonly known as HIPAA, is a series of regulatory standards that outline the lawful use and disclosure of protected health information.

eMudhra is compliant with all aspects of HIPAA. We ensure that all requirements related to health information are followed comprehensively and ensure that Personal Health Information (PHI) of patients’ is handled with utmost care. You can place your full trust in our foolproof security measures and rest easy, knowing that your organization’s security is safe in our hands.



eMudhra has received the SOC 2 Type II certification. The certification issued by AICPA, the world’s largest member association representing the accounting profession, affirms that eMudhra is compliant with the principles of security, availability, processing integrity, confidentiality and privacy, and has proper internal controls and processes in place to protect client data.



eMudhra is featured in DirectTrust (Formerly SAFE Identity) Qualified Product List (QPL). Issued by DirectTrust, a US based industry consortium and certification body operating a Trust Framework for digital identities in healthcare. This certification will provide assurance to the healthcare community that the digital identities issued by eMudhra can be trusted across the healthcare ecosystem.



eMudhra’s emSigner enables FDA regulated industries to cost-effectively comply with both 21 CFR Part 11 as well as EU Annex 11 while achieving- optimal operational and regulatory compliance efficiencies. All emSigner customers governed by 21 CFR part 11 and EudraLex Volume 4 Annex 11 can meet the relevant regulations while using emSigner.

Quality is an integral part of everything we do at eMudhra. To ensure that we are maintaining high standards in our product offerings and corresponding implementations and deployments, we have measured ourselves against leading global quality standards and successfully attained these quality certifications. We employ a quality management team within eMudhra that constantly assesses our methodologies and processes, project performance, resource utilization to evaluate how we can upgrade ourselves and serve our customers in a better manner.

 4.4

Peer Reviews on Gartner

"MOST Powerful Digital Signature Tool" - The feature we like the most about the product is plug and play apart from the automatic adding of signatures. The key factors were overall cost and strong expertise.

"Perfect Solution for Digital Signing" - The software is very simple and user friendly and helps our team to sign the documents virtually very easily. This is one of the fastest and secured eSigning platform that we have come across and its in-built tools help us to save a lot of time. The user interface is very easy to understand and can be used by anyone easily without any prior training. The unique feature about this tool is that we can easily set up any kind of document template to be signed electronically via email.

"Lower TCO and Highest ROI For CX And DX" - Right Product for the clear requirement for High ROI and Lower TCO for improving DX and CX. We like Both the product and the team of professionals.

"Good Product with Excellent Customer Support" - Product is simple to use and we completed the purpose of purchase with much ease. Customer Support is excellent. We procured emSigner to Improve compliance & risk management and Improve business process outcomes. The key factors are Product functionality, performance and strong services expertise.

"Best Product in Terms of Digital Security and Certificate" - The product is known by all resellers in the market. Everyone is aware of this product and the product reach is very good in BFSI and government sectors. As a product, it gives us wide range of solutions. We purchased this product to Improve compliance & risk management. The key factor is Product functionality and performance.

"A Great Initiative for Documents, which Is Safe and Secure" - A paperless office document solution in a simple and diversified manner. The product is reliable and secured as well. The usability is quite straightforward with advanced features. Credibility, security and the usage techniques are the key features of the product. They also have a great customer base. We procured this product in order to reduce time to market, improve business process outcomes, improve supplier or partner relationships and enhance decision making.

"emAS is a Complete Package for Access Control" - emAS is a complete package for Access Management equipped with OTP, encryption, OCR, QR Code, etc. Authentication is sophisticated 1. With OTP 2. QR Code 3. Company Logo enablement during approval 4. Encryption 5. Adherent to standards.

"Must Use Tool For eSign" - emSigner incredibly makes the process simple. It allows to sign files (e-sign) in an efficient and organized manner. It is one of the alternatives to do the same either by mailing or faxing which is time consuming. This software is very convenient for signing document digitally as it has been integrated with Aadhaar Card and PAN Card. These features make it really attractive: - Simple User Interface that can be used by anyone -Integration with Aadhaar card and Pan card - Tracking of the document when sending for e-sign. The key factors are Strong services expertise, Breadth of services, Product functionality, performance and Financial/organizational viability.

"Great Electronic Signer!!" - The product has simple user interface which helps it to be faster than its competitors. I like it's simple and intuitive user interface the most. Its's interface makes it faster and secure.

"Great Solution for Digitalization" - Great cloud solution for electronic signature authentication services. It is helpful to provide trusted identities. This is a great product to save time in recruitment process, signing up the NDA, online communication and digital signatures. Easy to implement in any environment and easy to integrate with other applications.

Employee Speaks



Ahmad Ashraf

I've had a great experience working at emudhra. From day one, the team and leadership have been incredibly supportive and welcoming. They've provided me with the resources and guidance I needed to succeed in my role, and I've learned a lot in my time here. What sets eMudhra apart is the company's commitment to its employees. The leadership truly cares about their team members and invests in their professional development. It's refreshing to be a part of a company that recognizes and values the contributions of its employees. I feel fortunate to be a part of such a supportive and collaborative workplace. The people I work with have become like a second family to me, and I appreciate the sense of community that we have at eMudhra. I would highly recommend this company to anyone who is looking for a great team and a growth-oriented workplace.



Angel Joy

It's been 7 years working with the company and being a mother and a working woman at the same time is not easy. But, working in a company like eMudhra has made everything seem effortless and has helped me to balance my family life as well. The work environment is challenging, exciting, collaborative, positive, and feels like family. The company has given me enormous support over the years. It has been an honor and a privilege to work and be a part of an organization that deeply cares about its employees and customers.



Vinutha

I have been with eMudhra for nearly 6.5 years, starting as a fresh graduate. During my college days, there were many things I was unfamiliar with, but at eMudhra, I had the opportunity to learn them. Within a few months, I was working on live products, which was an incredible experience as a novice. I gained hands-on knowledge of product life cycles in a production environment, which proved to be an invaluable learning experience for me. I look forward to staying with this organization for many more years to come.



Archan

My tenure with eMudhra has been nothing short of exceptional. The management team is deeply committed to fostering a culture of collaboration, transparency, and mutual respect. Every employee is empowered to contribute to the company's vision, and the opportunities for growth and development are unparalleled. Moreover, the company's commitment to work-life balance is truly commendable, allowing me to thrive both professionally and personally. With ample opportunities for professional growth, a supportive work environment, and excellent benefits, I am proud to be a part of this dynamic and forward-thinking team.

CASE SNIPPET

A Large Specialty Retailer in the U.S.



Our client is a specialty retailer that sells appliances, furniture, mattresses, and consumer electronics. They operate several retail stores across many states in the US. The company provides financing options to customers who want to purchase items on credit, and it also offers repair and maintenance services for the products it sells.

They were already using an eSignature platform for document processing related to the securitization journey of customers making purchase of furniture or appliances on credit. However, the existing solution was not scalable enough for the task at hand. Being a specialty retailer offering a range of products with credit facility, it was business critical for our client to have a foolproof digital documentation process for securitization while being absolutely customer friendly at the same time. In retail its all about the customer experience!

As a best solution to the business challenge, eMudhra deployed emSigner – An eSignature workflow platform along with document vault capabilities for our client as a replacement to their existing eSignature platform. emSigner is being used as an integrated solution to manage both document signature and document movement for securitization journey resulting in improved customer experience as well as operational efficiency.

CASE SNIPPET

Central Bank of a Country in the Middle East



Our client is the central bank of a state in the Middle East. It was established in 1973 and is responsible for regulating the state's monetary and financial system. With a primary objective to ensure stability of the currency and promote development of a sound and efficient financial sector in the country. They are also responsible for managing foreign exchange reserves. In addition, the bank plays a key role in implementing monetary policy and overseeing the banking sector to ensure that financial institutions in the state operate in a safe and sound manner.

They wanted a CA solution to issue secure payment cards compliant with global standards for which a solution was needed to ensure strong cryptographic algorithms for confidentiality, integrity, and authenticity of payment transactions. Which would include the use of secure key management practices and the use of industry-standard encryption protocols.

To solve for the business challenge at hand, eMudhra deployed emCA – A CA solution for payments and security for the Central Bank. This is helping to establish a secure card payment infrastructure using PKI as the backbone and be compliant with global payment security standards. Given eMudhra's domain expertise in PKI and cryptography, the overall solution was deployed for our client in just 3-5 business days.

CASE SNIPPET

Defense Forces of a Sovereign State



Our client is the land-based branch of a sovereign state's armed forces, responsible for defending against external threats and maintaining internal security. It is one of the largest standing armies in the world. As new paradigms of warfare coming to the fore in the field of Cyber and space, an organization with sheer number of internal applications in circulation and the high volume of users, they wanted an overhaul of identity verification system for the entire rank and file across the organization.

eMudhra deployed emAS Identity and Access Management (IAM) solution along with Multifactor Authentication (MFA) and Single Sign On (SSO) for the land forces. They are now using the SSO and MFA capability to securely login into more than 300+ internal applications. eMudhra also setup the PKI infrastructure to issue verified digital signatures, which is being leveraged to validate user credentials at scale.

eMudhra's solution is helping our client to ensure data security both in rest and transit. Digital Signature based login and SSO is helping the personnel to access applications in a seamless manner.



CASE SNIPPET

Large Multinational Public Sector Bank

emDiscovery

Our client is one of the large Indian multinational public sector banks. Managing digital certificates became a complex and challenging task for them, particularly being a large organization using a large number of certificates across multiple systems and applications.

The lack of proper certificate management could lead to security vulnerabilities, system downtime, and compliance issues. As certificate management at scale is a complex and time-consuming process that requires specialized skills and expertise, and lack of proper certificate management may lead to compliance issues and security vulnerabilities. Our client sought for the Supply, Installation, Configuration, Integration, Maintenance and Monitoring of an Enterprise-wide Cryptographic Key Management Solution.

eMudhra deployed its state-of-the-art CLM solution emDiscovery, to offer cutting edge certificate discovery and management across the organization. Our client is now able to issue both internal and external certificates using emDiscovery, which provided very high availability engine and redundancy to cater for any exigencies in the production environment. emDiscovery, hardware security module and our overall expertise in deploying large scale PKI management solution in the industry has helped our client to safeguard its operations from cyberattacks and manage organization-wide certificates using a Certificate Life Cycle (CLM) solution that is built for scale.

A red and blue badge with white text. The top part is red and says 'Great Place To Work®'. The bottom part is blue and says 'Certified DEC 2022 - DEC 2023 INDIA'.

Great
Place
To
Work®
Certified
DEC 2022 - DEC 2023
INDIA

eMudhra is a Great Place to Work

Great Place to Work Institute has recognized eMudhra as one of the great workplaces under the SME (Small Medium Enterprise) category in India. We are proud to celebrate our position amongst the distinguished community of other Great Place to Work-Certified companies across the country.

At eMudhra, we firmly believe that employees are the core of any purpose-driven organization in the society, which aims to move towards equitable and sustainable development of one and all. Our goal of creating an inclusive, integrated, inspiring, and welcoming work culture is further reassured by this recognition. This certification by the institute is the recognition of our collaborative efforts in building this culture.

This assessment has helped our organization in two significant ways. Firstly, we have gained access to actionable insights & recommendations to help create & sustain a great workplace. Secondly, based on this assessment, Great Place to Work® Institute has considered our organization's application for its annual Best Workplaces List and found eMudhra to be a Great Place to Work. By participating in this assessment, we have benchmarked employee perceptions of our workplace environment, which has enabled us to better appreciate our strengths and identify focus areas for improvement.

Post Pandemic - A Time to Reconnect

The COVID-19 pandemic brought significant changes in our lives, affecting the way we work, socialize, and conduct business. Pandemic disrupted the global economy, and many industries faced unprecedented challenges. However, as the world started to recover in 2022, it was time to reconnect and rebuild. Events play a crucial role in bringing people together, and eMudhra has actively participated in several events in India, MEA and APAC.

These events provided a platform for eMudhra to showcase its digital solutions, interact with industry leaders, and exchange ideas. In conclusion, as the world looks forward to reconnecting and rebuilding, eMudhra's participation in various events has showcased its digital solutions and commitment to driving digital transformation across industries, globally.





eMudhra Engage 2023

eMudhra Engage 2023 was recently concluded in New Delhi, focusing on the theme of Future-Proof Cyber Security, Built on Digital Trust and Cryptographic Identities. The event was attended by the stalwarts of the PKI community in India including the Controller of Certifying Authorities and other government and industry players. The power-packed event in the heart of the National Capital, created opportunities for our colleagues from the Industry and Government to delve into the most pertinent topics in line with cybersecurity, cryptography and Post-Quantum Encryption. The event included keynote speeches on PKI and cryptography, as well as a panel discussion on adapting to the changing cybersecurity landscape in the context of cyber threats, data privacy, blockchain, and quantum computing.

Keynote Speeches: PKI and Cryptography as Foundations of Digital India

This keynote speech was given by Mr. Arvind Kumar, Controller of Certifying Authorities (CCA), Govt. of India. He emphasized on the importance of PKI and cryptography as important foundational pillars of Digital India. PKI, or Public Key Infrastructure is a framework that uses digital certificates and key pairs to provide secure communication over the internet. Cryptography, on the other hand, involves the use of mathematical algorithms to encrypt and decrypt information.

Mr. Arvind Kumar highlighted the importance of PKI and cryptography in securing digital transactions and protecting sensitive information. He also discussed the potential of scaling the application of PKI and cryptography in the Indian landscape. The distinguished guest emphasized the role of industry players in taking this technology to the people to achieve last mile penetration of secure digital services.

Future-Proofing Cybersecurity with PKI

Another keynote speech at the event focused on future-proofing cybersecurity with PKI. eMudhra's Co-founder and Senior Vice President, Mr. Kaushik Srinivasan made an elevated pitch touching on topics like Web3.0, Homomorphic Encryption and Quantum Cryptography and emphasized the need for organizations to implement PKI to secure their digital assets, protect against cyber threats, comply with data privacy regulations, and be prepared for the post-quantum encryption scenarios.

Panel Discussion

Adapting to Changing Cybersecurity Landscape Panel discussion at the event was attended by Mr. Golok Kumar Simli, CTO – Passport Seva, MEA, Govt. of India; Mr. Anant Rao, Head of Procurement, Infosys; Mr. Rajnish Gupta, Associate Vice President – LTI Mindtree and; Mr. Aashish Banati, Deputy Controller of Certifying Authorities. The discussion revolved around adapting to the changing cybersecurity landscape in the context of cyber threats, data privacy, blockchain, and quantum computing. They also discussed the need for ongoing education and training to ensure that cybersecurity professionals are equipped with the skills and knowledge needed to protect against evolving cyber threats.

Conclusion

Discussions at eMudhra Engage 2023 provided insights into the challenges and opportunities presented by emerging technologies such as blockchain and quantum computing. As the cybersecurity landscape continues to evolve, it is essential for organizations to stay informed and adopt best practices to mitigate cyber risks and protect against data breaches.





CSR at eMudhra

At eMudhra, our approach towards Corporate Social Responsibility (CSR) is to integrate social, environmental, and ethical considerations into our operations and interactions with stakeholders. Our CSR program includes a wide range of activities that go beyond traditional profit-making objectives, with the main goal to contribute positively to the society.

Key Dimensions of CSR at eMudhra

Environmental responsibility: We have minimized our ecological footprint by reducing pollution, waste, and resource consumption, and by adopting sustainable practices such as implementing energy-efficient technologies, using renewable energy sources, and promoting recycling and waste management.

Social responsibility: We respect and uphold human rights, treat employees fairly, promote diversity and inclusion, and support community development. We provide fair wages, ensure safe working conditions, offer employee training and development programs, and engage in upliftment of the society.

Ethical responsibility: eMudhra operates with integrity, transparency, and accountability. This includes adhering to laws and regulations and maintaining responsible supply chain practices.

Economic responsibility: By creating jobs, paying taxes, investing in local communities, and supporting small enterprises, we are contributing to the economic well-being of our society.

It is our endeavor to prioritize youth centric activities as they are the future of our culture and civilization. Our CSR practices are also aimed at boosting employee morale as their active participation help them gain a greater sense of purpose in their lives.



Project Puthri

Project Puthri is an initiative that aims to empower underprivileged girls through education, skill development, and career guidance. The project was launched by the Avtar Group, an Indian talent strategy consulting firm. "Puthri" stands for "Pioneering Unique Training for High-potential and talented Rural and Urban girls to High growth employment sectors."

It is our humble effort to empower girls to claim their right to education, skill development and sustainable career opportunities. This grassroots initiative touches upon the lives of girls pursuing education at eMudhra supported schools.

Few Snippets from the initiative:

Puthri4Tech

An exclusive certification program for Puthri scholars called 'Puthri4Tech' program focusing on "Coding Without Computer" for Grade 9-12 Puthri scholars. This program will be helpful for Puthri scholars to attain practical knowledge and skills on tech.

Puthri Career Choice Assessment

Puthri Career Choice Assessment (PCCA) is a one-of-a-kind self-assessment tool developed indigenously to fit the students in India. PCCA helps Puthri Scholars primarily to understand her personality better in order to make informed career choices and to get insights into her strengths, passions and interests, which will enable her to study her choice of subjects and pursue her dream career.

Puthri Ilakku

Project Puthri, a one-of-a-kind initiative by Avtar Human Capital Trust (AHCT), marked five years of its impact on underprivileged girls, on August 6 2022. Puthri Ilakku #VetriPadiKattu, was held in Chennai and attended by the Puthri scholars, mentors, donors and corporates.

Udyog Utsav

An event that turns the spotlight on India's underprivileged daughters and helps them choose educational courses and career paths from a variety of options in order for them to rise out of poverty. This event featured knowledge sharing sessions delivered by organizations to explain the available career opportunities in various industries and in the process build aspirations among young minds to focus on education to build sustainable careers. This conference cum career expo aimed to inspire and motivate underprivileged girl children to pursue their tertiary education, build careers with organizations and ultimately contribute to the growing Indian economy.





Caravan Classroom and UDGAM

Caravan Classroom

CARAVAN CLASSROOM is a one-of-its-kind alternative school to transform the current education system. Since it is imperative to take basic education to the next level – this is where Caravan Classroom makes a huge difference in the society.

Caravan Classroom is an alternative education system programmed for all age groups. There is no bar to any gender, race, sex or age. Anyone and everyone can be a part of it.

The key feature of Caravan Classroom is its module of syllabus which plugs the gaps in our current education system. Caravan Classroom also caters to upliftment of rural artisans.

UDGAM Charitable Trust

UDGAM Charitable Trust works on diverse social issues including education, women empowerment equality, healthcare and HIV/AIDS, water & sanitation, social justice and human rights. Since its inception, UDGAM has been focusing on the elimination of extreme poverty and opportunity gaps between rural and urban areas of India. It works to develop entrepreneurship and income generation activities for rural youth. At the heart of all its endeavors, UDGAM looks to create effective partnerships for socio-economic development.



Spoken Tutorial Health and Nutrition project - IIT Bombay

Spoken Tutorial Health and Nutrition project, IIT Bombay, offers valuable advice on Maternal Nutrition, Child Nutrition, General Nutrition and COVID related information by a team of eminent Doctors, Nutritionists and field officers with 10+ years of experience. With more than 300 videos translated in more than 18 recognized national languages in India, this initiative offers valuable advice on Maternal Nutrition, Child Nutrition, General Nutrition and COVID related information.

In year 2022-2023, 5 new tutorials were created for the following categories:

- Importance of Vitamin A
- Importance of selenium
- Selenium rich vegetarian recipes
- Sulphur rich vegetarian recipes
- Iron rich non-vegetarian recipes

All these tutorials which were created are available here. These tutorials are useful in the training that is being currently undertaken in the Nashik District. Further on, there is plan to undertake the training of health workers in the following districts: Jashpur, Washim, and possibly Thane. This, in turn, will benefit a large number of newborns and their mothers, and the entire families in these districts of Maharashtra.

Digital Awareness

Today, consumers, employees, and other stakeholders expect organizations to be more than just profit-focused institutes. We at eMudhra, are accountable for how our practices impact the society and environment. Corporate Social Responsibility (CSR) is not just an alternative for us, but an essential aspect of driving sustainable digital transformation initiatives in the society.

We understand that our success is closely tied to global public and environmental well-being, and we are dedicated to making a difference. Our CSR initiatives are driven by our core values of empowering sustainable growth with accountability and transparency. The CSR policies are a testament to our commitment to creating a shared value of accountability towards our staff, stakeholders, public and the environment.

At eMudhra, we believe in the power of business to make a positive impact on the society. The CSR activities in eMudhra are focused towards expanding our community engagement initiatives and promoting ethical governance. We endeavour to prioritize youth-centric activities as they are the future of our culture and civilization. We at eMudhra believe that CSR is not just a responsibility, but a privilege. We are committed to using our resources and influence to make a positive impact on the future of our communities.



Kristu Jaynati College



Don Bosco Engineering College



Surana College

Creating Digital Awareness with Skill-Based Training

Secured Software Development Lifecycle

Training Session with Students and faculties from Kristu Jayanti College, Don Bosco Engineering College

An on-campus interactive training session on Secured Software Development Lifecycle was conducted with students from Kristu Jayanti College and Don Bosco Engineering College. This skill-based training session was attended by more than 100 participants. It focused to impart know-how on digital security, its need, the vulnerability factors and the solutions to mitigate cyber threats. The training session also included a guidance session on cyber security as a career path and how to reach there.

Digital Security

Training Session with 100+ Students and faculties from Surana College

As part of our CSR initiative to educate aspiring industry leaders about the changing digital landscape and its applications across industry verticals, experts from eMudhra conducted a training session for 100+ students and faculties from Surana College. The session focused on digital transformation and identity security, the driving force behind this phenomenon. The participants were exposed to the latest trends and techniques in secure software development, including threat modelling, vulnerability assessment, and code analysis. The training session also included a guidance session on cyber security as a career path and how to reach there.

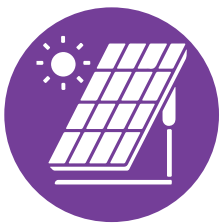
Key Takeaways

As our goal to create a meaningful impact in the society and provide equal opportunities, it was great to see the astounding participation and a sense of enthusiasm to explore the field of Digital transformation and security. Our CSR initiatives reflect our commitment towards building a community-conscious, and value-driven organization that invests in the larger good of the society. As the world is becoming digital, cyber security is the need of the hour. The session conducted by our inhouse experts provided an in-depth understanding of the principles and best practices involved in creating safe and secure digital products and solutions. Investing in training young minds is one of the instances of our commitment towards creating a digitally secure future by empowering the youth of today.

Environmental Stewardship: Efforts to Reduce Carbon Footprint

As a technology company, we understand that our operations have a significant impact on the environment. That's why we have implemented several measures to reduce our carbon footprint and minimize our environmental impact.

We have invested in energy-efficient infrastructure and equipment to reduce our energy consumption. We have installed LED lighting, energy-efficient air conditioning systems, and optimized our data center operations to minimize our energy usage. By doing so, we have reduced our carbon footprint and lowered our energy costs.



Renewable Energy

We recognize that using renewable energy is an essential part of our sustainability efforts. That's why we have invested in solar energy to power our operations. We have installed solar panels on our office buildings, which generate a significant portion of our energy needs.



Waste Reduction

We have implemented a waste reduction program that encourages our employees to reduce, reuse and recycle. We have eliminated single-use plastics and implemented a paperless office policy to reduce our paper usage.



Green Products and Services

We are committed to promoting sustainable products and services that help our customers reduce their environmental impact. We offer e-signature solutions that eliminate the need for paper-based transactions, reducing our customers' paper usage. We also offer digital identity solutions that enable secure and efficient online transactions, reducing the need for physical documents and travel.

Our infrastructure ensures rain water harvesting, effective usage of natural lights and a sprawling lush green garden to provide a beautiful outlook to our entire Digital Campus. We believe that by implementing these measures, we have built a more sustainable business that creates value not just for our shareholders but for our employees, customers, and society as a whole. We will continue to seek ways to reduce our environmental impact and promote sustainability in all aspects of our operations.

At the state-of-the-art eMudhra Digital Campus:

50 KW



Electricity is being saved daily using natural light inlets

50 KL



Storage facility to promote rain water harvesting

20000 CFM



Natural air saved per minute with air infiltration into the common areas

100+ KW



Of solar energy capacity at all times

2 Lakh Liters



Rain water released into ground monthly to boost water table levels

1000+ Plants



Of different species placed inside the premises to promote a greener interior





Promoting Green Infrastructure

eMudhra has launched a new initiative to promote greenery and sustainable practices in its operation centers. This move follows a line of companies worldwide recognizing their social responsibility towards environmental preservation and making tangible efforts to create a more sustainable world.

To this effect, eMudhra has created a new lush green lawn within its Digital Campus in Bangalore, India. The aim is to not only beautify the surroundings but also provide a serene and rejuvenating environment for the employees. This initiative is a reflection of the Company's broader commitment to promote sustainability and ecological balance.

The lawn, sprawling over a considerable area, is full of native grasses that require less water, thereby promoting water conservation. It's a model of sustainable landscaping, blending aesthetic appeal with ecological responsibility. Construction of the lawn is significant step in promoting greenery and sustainability in our surroundings. The project aligns with the Company's broader vision of technological innovation blended with ecological responsibility.



Innovation for Sustainability: Product and Service Offerings for ESG

At eMudhra, we recognize that innovation is essential to creating sustainable solutions that address the world's most pressing environmental and social challenges. That's why we have developed a range of products and services that promote sustainability and support our customers' environmental, social, and governance (ESG) goals.

eMudhra Sustainability Solutions

Our emSigner platform helps our customers achieve their ESG goals, including:

- **Carbon footprint measurement and reduction:** It helps our customers measure and reduce their carbon footprint by adopting fully paperless processes.
- **Sustainable supply chain solution:** emSigner helps our customers manage their supply chains in a sustainable way using paperless processes. Operations involving supply chain mapping, supplier assessments, and procurement processes are digitized using emSigner solution.
- **Environmental reporting and compliance:** emSigner helps our customers to comply with environmental regulations and report on their environmental performance. It helps our customers to analyze how much paper they have saved by deploying emSigner into their operations.

Digital Identity and Security Solutions

We believe that digital identity and security solutions are essential to creating a more sustainable and equitable future. Our digital identity and security solutions help our customers reduce paper-based processes, increase efficiency, and enhance security while reducing their environmental impact. Our solutions include:

- **Digital signature solutions:** Our digital signature solution allows our customers to sign and approve documents electronically, reducing the need for paper-based processes and transportation.
- **Digital identity solutions:** Our digital identity solution enables our customers to securely authenticate their users and customers, reducing fraud and increasing efficiency.
- **Encryption and security solutions:** Our encryption and security solutions protect our customers' sensitive data and information, reducing the risk of data breaches and cyber-attacks.

At eMudhra, we are committed to innovation for sustainability. We believe that by developing sustainable solutions that address our customers' ESG goals, we can create a more sustainable and equitable future for all. We will continue to invest in innovation and sustainability and seek ways to create value for our customers and society while reducing our environmental impact.





Good Governance: Policies and Practices for Ethical Conduct

At eMudhra, we are committed to upholding the highest standards of corporate governance and ethical conduct. We believe that good governance is essential to building trust with our stakeholders and creating a sustainable business that creates value for all.

Code of Conduct and Ethics

We have implemented a comprehensive code of conduct and ethics that outlines our expectations for ethical behavior and compliance with laws and regulations. The code covers various topics such as conflicts of interest, bribery and corruption, data protection, and social responsibility. We regularly review and update our code to ensure that it reflects the evolving legal and ethical landscape.

Whistleblower Policy

We believe that our employees are our first line of defense against unethical behavior. That's why we have implemented a whistleblower policy that allows employees to report any concerns or suspicions about unethical behavior or violations of the law. We ensure that all reports are treated with confidentiality, and we take appropriate action to investigate and address any issues raised.

Risk Management Framework

We believe that effective risk management is essential to maintaining good governance and ensuring long-term sustainability. We have implemented a risk management framework that identifies, assesses, and manages risks across our operations. We regularly review and update our risk management framework to ensure that it is effective and aligned with our business objectives.

Board Oversight

We believe that effective oversight by our board of directors is essential to maintaining good governance. Our board oversees our strategy, risk management, and compliance with laws and regulations. We ensure that our board members have the necessary skills, expertise, and independence to provide effective oversight and guidance.

Transparency and Accountability

We believe that transparency and accountability are essential to building trust with our stakeholders. We regularly disclose information about our operations, financial performance, and sustainability efforts to our stakeholders through various channels such as annual reports, sustainability reports, and stakeholder engagement activities.

We are committed to upholding the highest standards of corporate governance and ethical conduct. We believe that by implementing policies and practices that promote good governance, we can build trust with our stakeholders and create a sustainable business. We will continue to seek ways to improve our governance and ethical practices and ensure that they remain aligned with our business objectives and values.



Social Responsibility: Impact on the Communities we Serve



At eMudhra, we recognize that we have a responsibility to make a positive impact on the communities where we operate. We strive to be a responsible corporate citizen by supporting and engaging with our local communities in various ways.

Education and Skill Development

Education is key to empowering individuals and communities. That's why we have implemented various programs including Project Puthri to support education and skill development in the communities where we operate. We have worked with local artisans for skill development and provided scholarships to girl students, donated computers and other educational materials to schools, and organized training programs to enhance the skills of students.



Diversity and Inclusion

At eMudhra, we believe that diversity and inclusion are essential to creating a thriving and innovative workforce. We have implemented policies and practices to ensure that our workplace is inclusive and welcoming to employees of all backgrounds and experiences. We believe that by promoting diversity and inclusion, we can create a more creative and dynamic workplace that benefits our employees and our customers.

Social responsibility is an essential part of our commitment to sustainability. We are committed to making a positive impact on the communities where we operate by supporting education, healthcare, and social welfare initiatives. We believe that by engaging with local communities and promoting diversity and inclusion, we can create a more sustainable and equitable future for all. We will continue to seek ways to make a positive impact on society and be a responsible corporate citizen.



Sustainability at the Core: eMudhra's Commitment to ESG

Sustainability has become an increasingly important issue for businesses around the world. At eMudhra, we recognize the vital role we play in creating a more sustainable future, and we are committed to incorporating environmental, social, and governance (ESG) factors into our business operations.

Environmental Responsibility

As a technology company, we understand the significant impact our operations can have on the environment. That's why we have implemented measures to reduce our carbon footprint and minimize our environmental impact. We have invested in energy-efficient equipment and infrastructure, implemented recycling and waste reduction programs, and encouraged our employees to adopt environment friendly practices.

In addition to our internal efforts, we also work with our suppliers and partners to ensure that they share our commitment to environmental responsibility. We select suppliers and partners who have a demonstrated track record of sustainability and encourage them to adopt sustainable practices in their operations.



Social Responsibility

At eMudhra, we believe that we have a responsibility to make a positive impact on society. We strive to be a responsible corporate citizen by supporting and engaging with our local communities. We have implemented various programs to support education, healthcare, and social welfare initiatives in the communities where we operate.

We also believe that diversity and inclusion are essential to creating a thriving and innovative workforce. We have implemented policies and practices to ensure that our workplace is inclusive and welcoming to employees of all backgrounds and experiences.

Governance Responsibility

Good governance is the foundation of our commitment to ESG. We are committed to maintaining high standards of ethical behavior and transparency in all aspects of our business operations. We have implemented robust governance policies and procedures to ensure compliance with all applicable laws and regulations.

We believe that good governance is essential to creating a sustainable business that can thrive over the long term. We have implemented measures to ensure that our business practices are aligned with our core values of integrity, honesty, and transparency.

By focusing on sustainability, we can create a more resilient and prosperous future for ourselves and for generations to come. We invite all our stakeholders to join us in this journey towards a more sustainable future.

Company Details

Board of Directors

Mr. Venkatraman Srinivasan, Founder & Executive Chairman

Dr. Nandlal L. Sarda, Independent Director

Mr. Manoj Kunkalienkar, Independent Director

Ms. Chandra Iyer, Independent Director

Mr. Chandrasekar Padmanabhan, Independent Director

Mr. Venu Madhava, Whole Time Director

Bankers

Kotak Mahindra Bank (Principal Banker)

ICICI Bank Ltd.

Karur Vysya Bank Ltd.

Canara Bank Ltd.

Auditor

Suri & Co. Chartered Accountants

Internal Auditor

Manohar Chowdhry & Associates Chartered Accountants

WebTrust Auditor

BDO

Legal Advisors

Shardul Amarchand Mangaldas & Co.

Executive Management

Mr. Venkatraman Srinivasan - *Founder and Executive Chairman*

Mr. A.M. Kiran, *VP - Operations and Administration*

Mr. Arvind Srinivasan, *SVP & Head - International Sales and Marketing*

Mr. Biju Varghese, *SVP & Head – Enterprise Sales (India & APAC)*

Mr. Janarthanan S, *SVP & Head - Customer Success*

Mr. Johnson Xavier - *Company Secretary and Compliance Officer*

Mr. Kaushik Srinivasan - *SVP & Head - Product Engineering*

Mr. Saji Louiz - *Chief Financial Officer*

Mr. Venu Madhava - *Whole Time Director and Head –
Legal and Human Resources*

Mr. Vijay Kumar, *SVP & Head - Technology*

Corporate Office

eMudhra Digital Campus

Plot No 12-P1-A & 12-P1-B,

Hi-Tech Defence and Aerospace Park (IT sector),

Jala Hobli, BK Palya Bangalore

Bangalore KA 562149 IN

FY2023 Performance Highlights

Strong growth led by Enterprise Solutions and growth in international markets

Revenue growth driven by Enterprise Solutions primarily due to incremental cross sales, international market expansion and new customer acquisition

Strong EBITDA and PAT growth and margins maintained despite increased investment into overseas market growth and ESOP expenses of INR 31.6 million

Company continues to generate strong cash flows as a result of underlying profitable business model and is debt free

Total Income
Rs. 2,541 Mn
+ 38.3% YoY

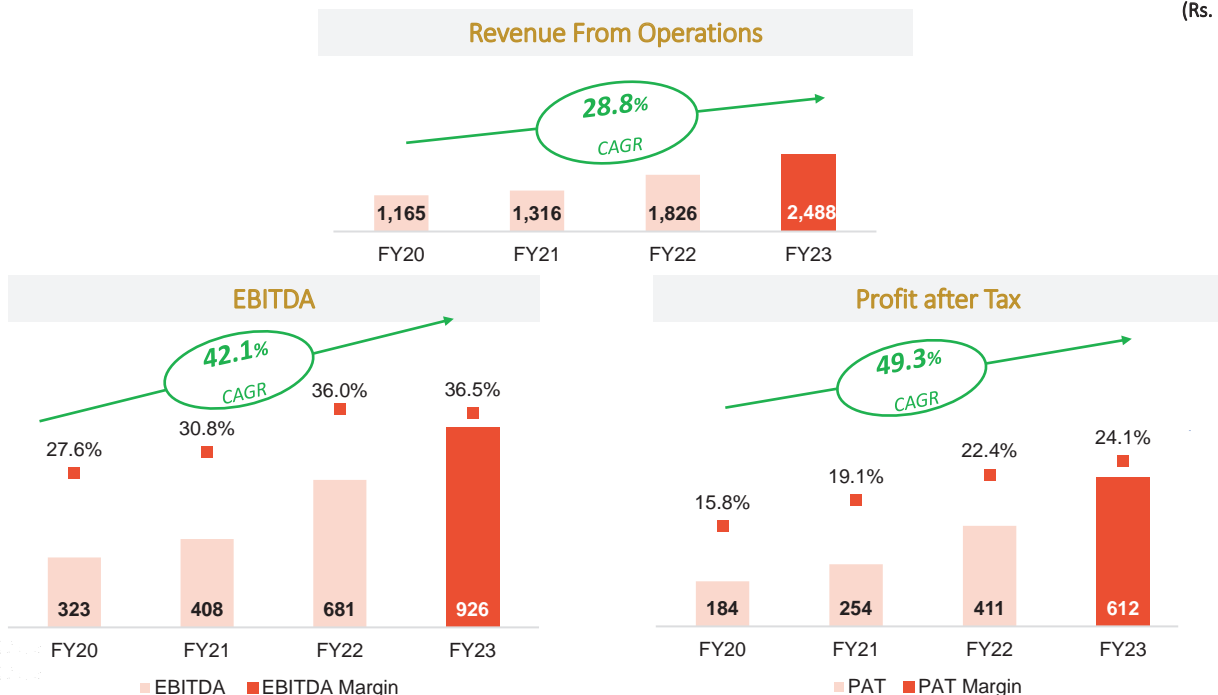
EBITDA	EBIT	Net Profit
Rs. 926 Mn	Rs. 768 Mn	Rs. 612 Mn
+ 36.0% YoY 36.5% Margins	+ 39.5% YoY 30.2% Margins	+ 48.8% YoY 24.1% Margins
Adjusted Net Profit*	Cash from Operations	Dividend
Rs. 644 Mn	Rs. 486 Mn	Rs. 1.25 per share
+ 54.5% YoY 25.3% Margins	+ 66.3% of PBT	15.0% on Basic EPS

*adjusted for ESOP benefit expenses

Financial Performance

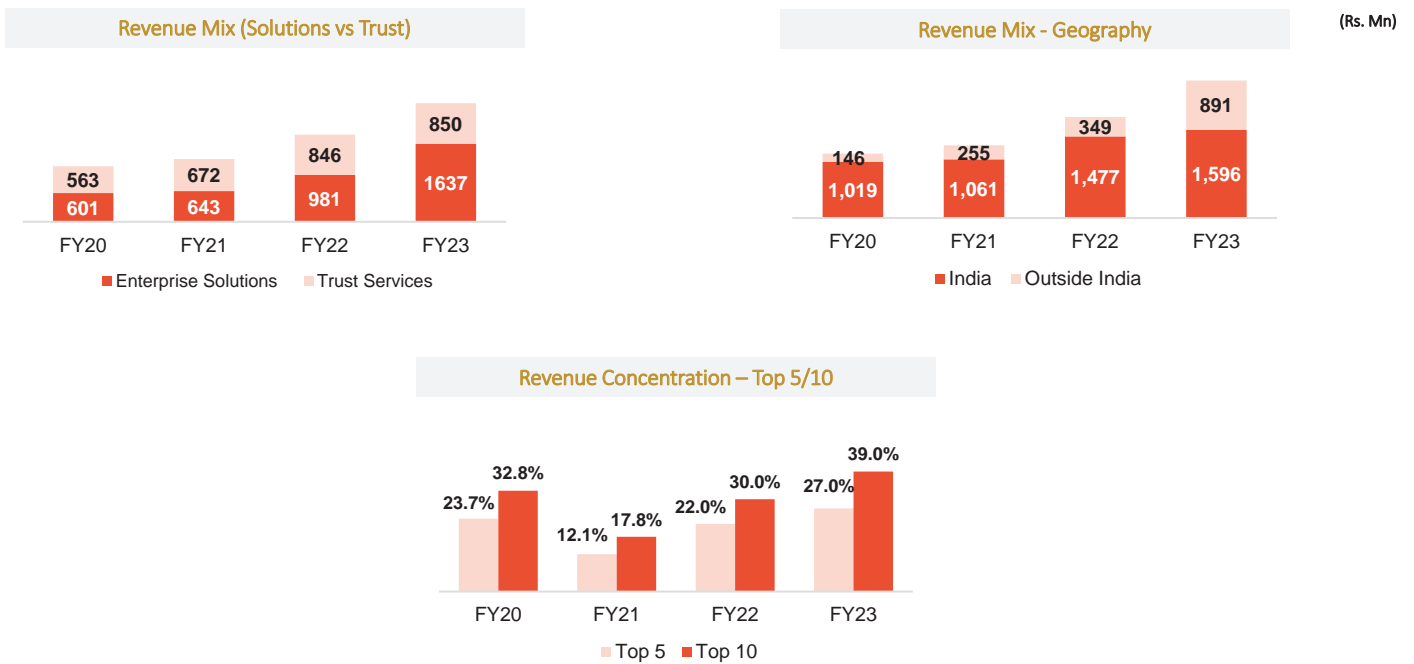
eMudhra's track record of delivering consistent growth driven by growth in enterprise solutions and international markets

(Rs. Mn)



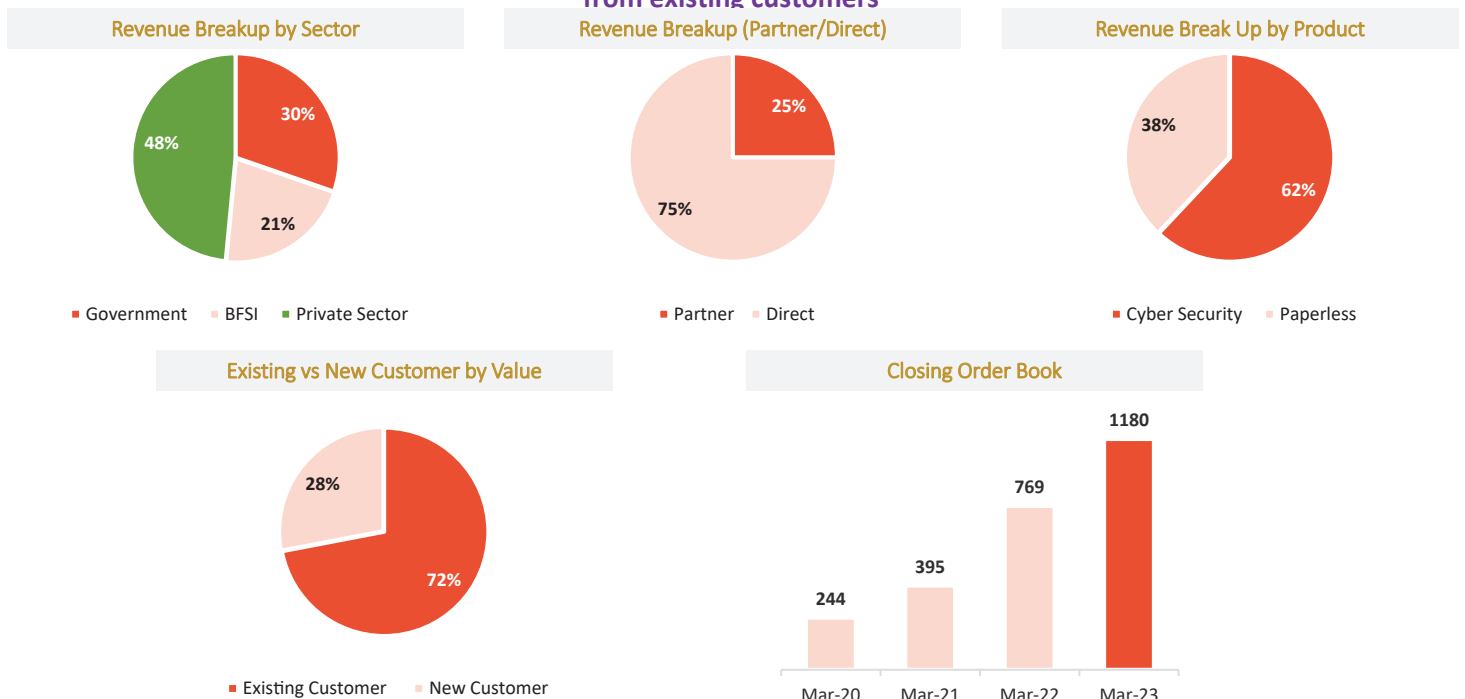
Key Business Indicators

Revenue has been shifting more towards enterprise solutions and overseas markets with recurring revenues of 65% in the current year



Enterprise Solutions – Operational Performance

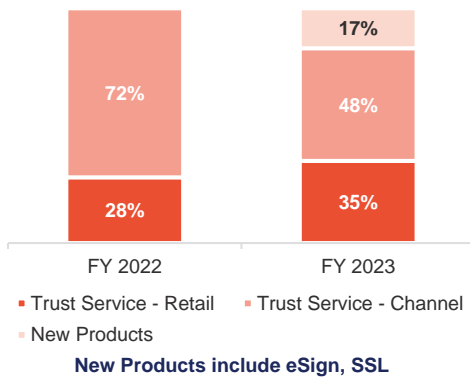
Enterprise Solutions saw strong growth in international markets and significant repeat business from existing customers



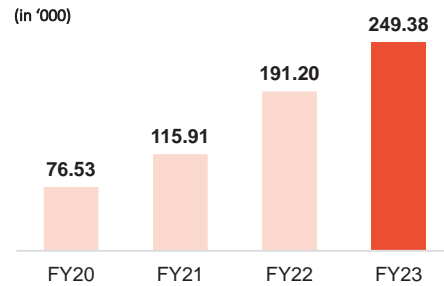
Trust Services – Operational Performance

Strong focus on “brand” positioning, retail customer acquisition, broad basing of partner network and issuance of eSign/SSL certificates to drive recurring revenue growth

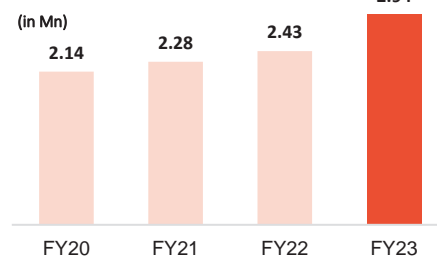
Revenue Breakup by Segment



of Users (Retail)



of DSC issued *

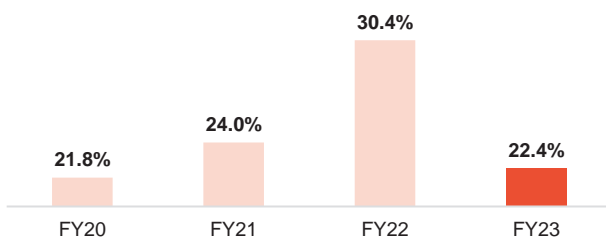


*Based on # of eKYCs done

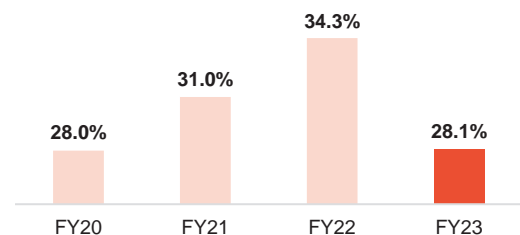
Strong Return Ratios

Demonstrated efficient use of capital with a focus on RoE*

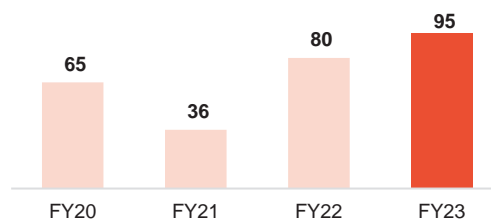
Return on Equity %



Return on Capital Employed %



Trade Receivables - Collection days



*RoE and RoCE figures in FY23 are based on increased capital base as a result of IPO



Annual General Meeting Notice

ANNUAL GENERAL MEETING NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of eMudhra Limited, will be held on June 29, 2023 at 11:00 a.m. IST through Video Conferencing / Other Audio-Visual means without the physical presence of the members at a common venue, to transact the following business. The venue of the meeting shall be deemed to be the registered office of the company.

Ordinary Business

1. To receive, consider and adopt:
 - a. The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To Declare Dividend on Preference Shares and Equity Shares for the financial year 2022-23
3. To appoint a director in place of Mr. Venu Madhava (DIN: 06748204), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business

4. Re-appointment of Dr Nandlal Laxminarayan Sarda (DIN: 00147782) as an Independent Director of the Company

To consider and if thought fit to pass, with or without modification(s), the following resolution(s) as Special Resolution:

“RESOLVED THAT pursuant to Section 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law as may be applicable, Dr Nandlal Laxminarayan Sarda holding DIN: 00147782 (Age 75 years) who was appointed as an Independent Director of the Company with effect from June 19, 2018 at the Annual General Meeting held on July 20, 2018, for a term of five years and

who holds office of the Independent Director upto June 18, 2023 and who has submitted a declaration that he meets the criteria of independence as provided in the Act and the Listing regulations, and is eligible for re-appointment as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years with effect from June 19, 2023 to June 18, 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

RESOLVED FURTHER THAT the certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary wherever required.”

5. Re-appointment of Mr. Venu Madhava (DIN: 06748204) as a Whole-Time Director of the Company

To consider and if thought fit to pass, with or without modification(s), the following resolution(s) as Special Resolution:

“**RESOLVED THAT** pursuant to Section 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law as may be applicable, recommendations of the Board of Directors, and subject to such other consents and permission as may be necessary, approval of the shareholders of the Company be and is hereby accorded for the appointment of Mr. Venu Madhava holding DIN: 06748204 as Whole-time Director for period of five years from April 01, 2023 with remuneration ranging from Rs. 60,00,000/- to 1,20,00,000/ per annum as may be decided by the Board of Directors from time to time and with all other perquisites as may be applicable to other Senior Management Employees of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Mr. Venu Madhava, by way of salary, allowance and perquisites, shall not exceed the maximum limits as prescribed under schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. V Srinivasan, Chairman of the Company and Mr. Venu Madhava, Whole-Time Director of the Company be and are hereby severally

authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary wherever required.”

Date and Place: April 28, 2023, Bangalore
CIN: L72900KA2008PLC060368

By the Order of the Board of Directors of
EMUDHRA LIMITED

Registered Office:

eMudhra Digital Campus,
No. 12-P1-A & 12-P1-B,
Bangalore IT Park Industrial Area,
B K Palaya, North, Jala Hobli,
Bengaluru, Karnataka 562149
Email ID: corporate@emdhra.com
Website: www.emudhra.com
Tel No: 080 4848 4001

Sd/- [Johnson Xavier]
[Company Secretary & Compliance Officer]
[Membership No. A28304]

NOTES

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, No.02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, No. 21/2021 dated December 14, 2021, and No. 11/2022 dated December 28, 2022 and Circular dated January 15, 2021 read with Circular dated May 12, 2020 issued by the Securities and Exchange Board of India (collectively referred to as “Circulars”), has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Circulars, the Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM.
2. The AGM is being held pursuant to the MCA and SEBI circulars through VC/ OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
3. In line with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice has been uploaded on the website of the Company at www.emudhra.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of M/s. Link Intime India Private Limited (agency for providing the Remote e-Voting facility) i.e., <https://linkintime.co.in>.
4. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Act read with Rule 22 of the Rules stating material facts and reasons for the proposed resolution, is annexed hereto and forms part of this Notice.
5. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company situated at eMudhra Digital Campus, No. 12-P1-A & 12-P1-B, Bangalore IT Park Industrial Area, B K Palaya, North, Jala Hobli, Bengaluru, Karnataka 562149 India, which shall be the deemed Venue of the

AGM. Since the AGM will be held through VC, the Route Map is not annexed to this Notice.

6. Since this AGM is being held through VC, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. The relevant details, pursuant to 1.2.5 of the Secretarial Standards on General Meetings (SS- 2) and Regulation 36(3) of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Director seeking appointment/re-appointment at the 15th AGM is provided in Annexure A of this Notice. The Company has received the requisite consents/declarations for the appointment/re-appointment under the Companies Act, 2013 and the rules made thereunder.
8. M/s. Link Intime India Private Limited, Registrar & Transfer Agent of the Company (“RTA”), shall be providing the facility for voting and attending the AGM through VC. Members may note that the VC facility provided by RTA allows participation of upto 1,000 members on a first-come-first-served basis. The members (holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Board Governance Committee and Stakeholders Relationship Committee, auditors, scrutinizers, etc. can attend the AGM without any restriction on account of first-come-first-served principle. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and the window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time. The detailed instructions for remote e-voting, participation in the AGM through VC and for e-voting during the AGM are provided in Annexure B attached to this Notice.

ANNEXURE A

Details of Directors seeking appointment/re-appointment

Information pursuant to 1.2.5 of the Secretarial Standards on General Meetings (SS-2) and regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment.

Particulars	Dr Nandlal Laxminarayan Sarada	Mr. Venu Madhava
Age	75 years	48 years
Qualifications	IIT Bombay	National Law College, Shimoga
Date of First appointment on the Board	June 19, 2018	January 10, 2014
Terms and Conditions of Appointment	As stated in this Notice pursuant to Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	As stated in this Notice pursuant to Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Remuneration last Drawn	Sitting Fee is paid for attending the Board and relevant Committee Meeting and commission on net profit is paid. Total amount paid during 2022-23 Rs. 19,91,007/-	Total amount paid during 2022-23 Rs. 57,42,254/-
Number of meetings of the Board attended during the financial year (FY 2022-23)	10	10
Remuneration proposed to be paid	He shall be paid remuneration by way of sitting fee for attending meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings and Commission on net profit within the limits stipulated under Section 197 of the Companies Act, 2013.	The remuneration of Mr. Venu Madhava for the period of five years would be ranging from 60,00,000/-to 1,20,00,000/- per annum with effect from April 01, 2023 as may be decided by the Board from time to time.
Brief Resume	Dr. Nandlal Laxminarayan Sarada holds a master's degree in technology in electrical engineering from Indian Institute of Technology, Bombay. He has doctor of philosophy degree from Indian Institute of Technology, Bombay. He has previously served as the dean of academic programmes, IIT Bombay in which role he also coordinated with the Society for Innovation and Entrepreneurship (SINE). He is presently serving on the board of Cybertech Systems and Software Limited.	Mr. Venu Madhava holds a bachelor's degree in commerce and a bachelor's degree in law, both from Kuvempu University. He has over 13 years of experience as Manager - Legal at Adecco India.

Expertise in specific functional areas and experience	He has been on the technology committee of several large institutions in India for several years.	Since completing his education, he has been working in legal related areas for several years.
Relationship with Directors, Managers & KMP	Not related to any other Director, Managers and Key Managerial Personnel.	Not related to any other Director, Managers and Key Managerial Personnel.
Shareholding	Nil	68,000 Equity Shares by exercise of ESOPS
Directorships held in other companies (including Listed Companies)	Cybertech Systems and Software Limited	1. eMudhra Technologies Limited 2. eMudhra Consumer Services Limited
Memberships/Chairmanships of committees of other companies	Cybertech Systems and Software Limited: <ul style="list-style-type: none"> • Audit committee – Member • Nomination and remuneration committee – Member • Stakeholders' Relationship committee – Member • Corporate Social Responsibility committee – Member 	Nil
Listed entities from which the person has resigned in the past three years	Ujjivan Small Finance Bank Limited	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	As per the Nomination and Remuneration Policy following are the skills/expertise/ competencies required: <ul style="list-style-type: none"> • Degree holder in relevant disciplines; • Experience of management in a diverse organization; • Excellent interpersonal, communication and representational skills; • Demonstrable leadership skills; • Commitment to high standards of ethics, personal integrity and probity; • Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace; • Having continuous professional development to refresh knowledge and skills. 	As per the Nomination and Remuneration Policy following are the skills/expertise/ competencies required: <ul style="list-style-type: none"> • Degree holder in relevant disciplines; • Experience of management in a diverse organization; • Excellent interpersonal, communication and representational skills; • Demonstrable leadership skills; • Commitment to high standards of ethics, personal integrity and probity; • Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace; • Having continuous professional development to refresh knowledge and skills.
	Dr. Nandlal Laxminarayan Sarada fulfils the abovementioned skills/ expertise / competencies.	Mr. Venu Madhava fulfils the abovementioned skills/ expertise / competencies.

ANNEXURE B

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz. <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name i.e. LINK INTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider name i.e., LINK INTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links to the e-Voting service provider i.e., LINK INTIME. Click on LINK INTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending an OTP to the registered Mobile & Email as recorded in the demat account. After successful authentication, the user will be provided links for the respective ESP i.e., LINK INTIME. Click on LINK INTIME and user will be redirected to “InstaVote” website for casting the vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e., LINK INTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

There are no shareholders in our Company holding shares in physical form.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon
2. E-voting page will appear
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour/ Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link)
4. After selecting the desired option i.e., Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

There are no shareholders in our Company holding shares in physical form.

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

The shareholders of the Company at the Annual General Meeting held on July 20, 2018, appointed Dr Nandlal Laxminarayan Sarda (DIN: 00147782) as an Independent Director of the Company for a term of five years with effect from June 19, 2018 upto June 18, 2023.

He holds a Phd degree in technology and was dean of IIT Mumbai. He was in technology committee of several large institutions in India. His contribution to the Company during his first term of five years has been exceptional especially in technology related areas and aspects. In view of this the Board has recommended that he shall be reappointed as an independent director for the second term of five years commencing from June 19, 2023. Dr. Sarda is attaining the age of 75 on May 02, 2023. In view of this his continuation for second term would require shareholder’s approval by way of special resolution.

In accordance with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, as Dr Nandlal Laxminarayan Sarda has going to attained the age of 75 years and also

satisfies all the related conditions of the regulation, it is intended to seek approval of the shareholders by way of special resolution, for his re-appointment as non-executive, Independent Director in compliance with the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dr Nandlal Laxminarayan Sarda fulfils the core skills/expertise/ capabilities required in the context of the Company's business and sector as mentioned in the Nomination and Remuneration Policy of the Company. The Company has received a notice in writing from Dr Nandlal Laxminarayan Sarda proposing his candidature for appointment as an Independent Director on the Board of the Company.

Dr Nandlal Laxminarayan Sarda has given a declaration to the Board that he meets the criteria of independence as provided in the Act and the Listing Regulations. Also, the Company has received other necessary disclosures and declarations from Dr Nandlal Laxminarayan Sarda including the declaration that he is not debarred from holding the office of director pursuant to any SEBI Order. In the opinion of the Board, Dr Nandlal Laxminarayan Sarda fulfils the conditions specified in the Act read with the Rules made thereunder and the Listing Regulations, for re-appointment as Independent Director and he holds necessary qualification, experience, and expertise to serve as Independent Director on the Board of the Company. Also, in the opinion of the Board, Dr Nandlal Laxminarayan Sarda is independent of the Management.

Pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board have recommended the appointment of Dr Nandlal Laxminarayan Sarda as an Independent Director on the Board of the Company. Draft Letter of appointment of Dr Nandlal Laxminarayan Sarda setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

Additional information in respect of Dr Nandlal Laxminarayan Sarda, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice.

The Board of Directors recommend the resolutions set out at Item no. 4 for approval of the shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives, other than Dr Nandlal Laxminarayan Sarda, are deemed to be concerned or interested financially or otherwise, in the proposed resolution.

Item No. 5

Mr. Venu Madhava holding DIN: 06748204 is associated with the Company as Board

member since January 10, 2014, though his association with Company is more than a decade. His guidance has been valuable to the Company. The Board of Directors of the Company at its meeting held on April 28, 2023, with recommendation of the Nomination and Remuneration Committee and, subject to the approval of members of the Company, has re-appointed Mr. Venu Madhava as Whole-time Director of the Company for a period of five (5) years with effect from April 01, 2023 to March 31, 2028 on the terms and conditions including remuneration in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder. The remuneration of Mr. Venu Madhava for the period of five years would be as may be decided by the Board from time to time within the range of 60,00,000/- to 1,20,00,000/- per annum with effect from April 01, 2023. Mr. Venu Madhava will also be eligible for such other perquisites as may be applicable to other Senior Management Employees of the Company.

Mr. Venu Madhava satisfies all the conditions set out in Para – I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for re-appointment. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

Additional information in respect of Mr. Venu Madhava, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice.

The Board of Directors recommend the resolutions set out at Item no. 5 for approval of the shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives, other than Mr. Venu Madhava, are deemed to be concerned or interested financially or otherwise, in the proposed resolution.

Date and Place: April 28, 2023, Bangalore
CIN: L72900KA2008PLC060368

By the Order of the Board of Directors of
EMUDHRA LIMITED

Registered Office:

eMudhra Digital Campus,
No. 12-P1-A & 12-P1-B,
Bangalore IT Park Industrial Area,
B K Palaya, North, Jala Hobli,
Bengaluru, Karnataka 562149
Email ID: corporate@emdhra.com
Website: www.emudhra.com
Tel No: 080 4848 4001

Sd/- [Johnson Xavier]
[Company Secretary & Compliance Officer]
[Membership No. A28304]



Director's Report

DIRECTOR'S REPORT

To,
The Members,
eMudhra Limited

Your directors take pleasure in presenting the 15th Annual Report on the business and operations of your company ("the company" or "eMudhra") along with the audited financial statements for the year ended March 31, 2023. Unless it is expressly specified, all references in this report pertains to consolidated performance of the Company.

1. Results of our Operations:

Financial Performance

(Extracts from statement of profit and loss)

(All amounts are in INR million, unless otherwise specified)

Particulars	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Total Income	1,696.72	1,537.38	2,540.54	1,837.35
Profit before interest and depreciation/amortization	733.79	504.59	926.01	680.89
Profit before tax	269.77	390.47	733.79	504.58
Profit after tax	199.74	300.37	611.98	411.36
Total of other comprehensive income/(loss), net of tax	(4.00)	7.38	(48.61)	7.98
Total comprehensive income for the year attributable to owners of the company	195.74	307.75	563.38	419.35
Profit attributable to owners of the company	199.74	300.37	616.77	414.04
Non- controlling interests	-	-	(4.79)	(2.68)
Earnings per share (EPS) [face value: INR 5.00 per share]:				
Basic	2.60	4.28	8.35	5.86
Diluted	2.60	4.28	8.01	5.86

Financial Position

(Extracts from statement of assets and liabilities)

(All amounts are in INR million, unless otherwise specified)

Particulars	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Non-current assets	2,232.71	1,568.01	2,116.28	1,682.74
Current assets	1,439.52	656.15	2,483.17	908.66
Total Assets	3,672.23	2,224.16	4,599.45	2,591.40
Non-current liabilities	103.28	342.50	115.28	349.35
Current liabilities	371.52	610.83	560.03	701.03
Retained earnings:				
Opening balance	657.32	359.68	860.02	447.29
Add:				
Profit for the year	199.74	300.36	616.77	414.05
Other consolidation adjustments				1.40
Less:				
Dividends [of which INR2.58 (2022: INR2.72) is preference dividend]	102.00	2.72	94.83	2.72
Transfer to capital redemption reserve	86.00	-	86.00	-
Closing balance	669.06	657.31	1,295.96	860.02
Equity share capital	390.36	350.90	374.87	350.90
Other reserves and surplus	2,134.63	255.24	2,241.75	308.50
Other comprehensive income	3.38	7.38	3.38	8.64
Non-controlling interest	-	-	8.18	12.96
Total Equity	3,197.43	1,270.83	3,924.14	1,541.03
Total equity and liabilities	3,672.23	2,224.16	4,599.45	2,591.40

2. Dividend

During the year, your directors declared an interim dividend of 3% on Redeemable preference shares of INR 86 million for the period April 01, 2022, to December 15, 2022 amounting to Rs. 18.30 lakhs (date of redemption December 15, 2022). They propose to recommend the same as final preference dividend. They also propose to recommend final equity dividend at 25% on the paid-up equity share capital.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at <https://emudhra.com/Docs/DIVIDEND-DISTRIBUTION-POLICY.pdf>.

Though the standalone net profit has declined, as consolidated net profit has considerably increased, your directors have decided to maintain the equity dividend at 25% on the paid-up equity share capital though it may be somewhat in excess of the percentage given in the dividend distribution policy.

3. Retained Earnings

The closing balance of the retained earnings of the Company for FY 2023, after all appropriations and adjustments was INR 1,295.96 million and INR 669.06 million on consolidated and standalone basis

respectively. The company has not transferred any amount to any specific reserves during the fiscal other than capital redemption reserves.

4. Company's Structure

The company has 8 subsidiaries as on March 31, 2023, out of which 2 are Indian subsidiaries and the rest are foreign subsidiaries (list of subsidiaries are provided in point no. 53 with description of activities performed by each). While all of the subsidiaries except PT eMudhra Technologies Indonesia are 100% subsidiaries, in PT eMudhra Technologies Indonesia, the Company owns 60% and the remaining 40% is held by outsiders who are local residents in Indonesia and/or who know the local business in Indonesia. We have also consolidated the employees stock option trust as per SEBI listing guidelines.

In terms of section 136 of the Companies Act, 2013 the company has not attached the financial statements of the subsidiary companies. The financial information about the foreign and Indian subsidiary companies have been duly audited by the respective qualified auditors wherever required. For consolidation under Ind AS these are audited by Company's statutory auditors. The consolidated financial statements presented by the company, which form part of this annual report are also based on the financial statements of its subsidiary companies. Out of which the financial statements of material subsidiaries are available in our website in the link www.emudhra.com

5. Management Discussion and Analysis

Management Discussion and Analysis as required under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is provided separately in the Annual Report.

6. Transfer of Unpaid Dividend to Investor Education and Protection Fund

The company has paid all the dividends declared by the company to the beneficiaries within 30 days and there are few unpaid dividends as on the balance sheet date and the list of unpaid dividends is uploaded on the website of the company. Since, the prescribed period is not over in respect of these unpaid dividend, no amount has been transferred to Investor Education and Protection Fund.

7. Review of Business operations including its subsidiaries

The consolidated financial statement of the company represents audited financials of eMudhra Limited with its 100% subsidiaries, eMudhra Consumer Services Limited, India, eMudhra Technologies Limited, India, eMudhra (MU) Ltd, Mauritius, eMudhra DMCC, UAE, eMudhra PTE LTD, Singapore, eMudhra INC, USA, eMudhra B.V, The Netherlands and 60% subsidiary - PT eMudhra Technologies Indonesia, Indonesia. During the year under review there has been a considerable improvement in our operations and positioning.

Our Solutions:

Our enterprise solution business saw a considerable growth of about 25.9% in India and 141.4% globally during the year 2022-23. During the year we further strengthened our "one stop shop" positioning on cyber security and paperless transformation. **Zero Trust** or in other words **never trust always verify** has become the name of the game in view of the global increase in cyber frauds and crimes. The company has become one stop shop towards this Zero Trust by offering Trust Services (emSign) as one of the layers and solution for secure online access (emAS), public key infrastructure (emCA), paperless workflow (emSigner) and certificate life cycle management (emDiscovery). Our products and solutions have international reach and very few competitors globally. Even those competition are on one specific segment and none of the competitors have one stop shop positioning as eMudhra. This puts us in a unique positioning in the global markets.

Coming to **emAS**, the product has become a complete identity and access management suite with multifactor authentication, single sign on, mobile enabled, covering data at rest and data in transit and is being used by several major banks.

Our PKI product **emCA** has been considerably strengthened to take care of Root PKI, enterprise PKI and managed PKI with ability to issue user certificates, device certificates and trusted SSL/TLS and other certificates. emCA is a one stop shop PKI solution encompassing certificate issuances, certificate management and other crypto operations such as signing encryption and decryption. It is platform agnostic with multi environment and database support. It supports various protocols such as ACME, SCEP, CMP and EST. And it has the capability to issue EMV and TLV type of certificates apart from x509 V3 to address certificate requirements in IoT and card payment industries. This product is being used by certifying authorities, defense, banking and telecom establishments globally.

Our paperless workflow product **emSigner** caters to digital signature workflow management, global digital signature, stamping support, server-side signing, remote signing and client-side signing. This product has also been verticalized for banking industry, pharma industry and few other industries so that the specific nuances of the industry are taken care of in the product. emSigner offers comprehensive product capability, features and depth in eliminating paper using eSignatures across range of scenarios cutting across various sectors and customer segments. It is not just a signing platform but can act as a source system to allow origination of any signed document into an enterprise. It has comprehensive audit trails, predefined connectors and integration with host of third-party trust service providers. For Indian market it is specifically integrated with eSign and eStamping framework. It is being offered in on-prem, private cloud and public cloud model. It is being listed in other market places. emSigner is used as a paperless transformation tool in major banks, financial and other enterprises in India, UAE and other countries including the USA.

Our certificate lifecycle management product **emDiscovery** caters to discovery and lifecycle management, key/certificate management, auto provisioning of certificates and DevSecOps/container-based security. This product is being solutioned to offer a comprehensive discovery plus certificates plus PKI capability so that the entire certificate life cycle with automatic provisioning can be taken care of. This is a new product and has been selected by one of the large banks.

International Positioning:

During the year we have established a foothold in most major markets in Middle East and Africa. Fortunately, we have been able to solidify our brand and involvement in the mid-large to large-cap sector in the region. We have now a good reference in North America where we have been able to replace a major North American product. We are being treated as a vendor of choice by a major system integrator across Europe and imminently North America for PKI and emSigner. We have rolled out most variants of Managed PKI use cases across geographies to serve as a reference and knowledge base for further re-selling along similar models. In South America, one of the country's central banks has become our customer which is leading to many other conversations in the region. On Trust Services we have aligned with a Trust Service Provider in Chile and one in Peru to set up issuing CA based on our emSign root CA and issue certificates locally. In Indonesia we have won our first large deal from a large public sector corporate for our emSigner with eStamping and mobile application. This has paved the way for many other conversations in the region. With all these, our international revenue increased by 141.4% during 2022-23.

Certifications, Accreditations and Membership in International Bodies:

We have obtained a variety of accreditations, security and compliance certifications which we maintain on an ongoing basis. For example, WebTrust Accreditation to provide services as a public certifying authority globally and have listed our digital signature certificate roots with renowned browsers. We have received certifications of compliance with the standards prescribed under CMMI Level 5 – Software Development

Lifecycle Maturity, ISO 27001:2013, ISO 27018:2014, ISO9000-2015, ISO20000-1:2018, SOC2 Type 2 – Cloud Information Security, ISO 22031:2019 and certification for EAL 4+ Common Criteria by the Cyber Security Agency of Singapore.

Revenue Growth

Enterprise Solution- India

The enterprise business division of India region has shown a strong growth across Government, Enterprise and BFSI segment by achieving 25.9% growth on a consolidated basis. During the year 2022-23, we have won large orders in Government sector with some of them over and above INR 100.00 million. Banking and Enterprise segment also saw significant penetration with new and existing customer renewals for all our products.

Enterprise Solution- Rest of the world

During 2022-23, the enterprise business division of rest of the world region has grown by 141.4% as compared to year 2021-22. The growth was driven by deeper penetration for our solutions in the Middle East and Africa region and the USA. The company also scored good wins in the Europe and Asia Pacific region. With several marquee reference customers in global markets, the company is in a good position to capture the growth opportunity available for its solutions.

Trust Services

On a consolidated basis, the revenue from Trust Services was more or less flat as compared to the last year 2021-22. While the sales through channel partner network in India declined during the year due to pricing pressure, the decline was compensated by increase in retail sales, eSign sales and SSL sales.

8. General:

The revenue from operations of the company on standalone basis for the year ended 31st March 2023 was INR 1,640.22 million showing an overall increase of 7.2%, as compared to previous year revenue of INR 1,530.21 million.

The EBITDA on standalone basis has declined by 22.1% from INR 548.09 million to INR 426.90 million during the reporting period. EBITDA for the financial year is 25.2% of total income as compared to 35.7% in the last financial year.

The profit before tax and appropriations, PBT, for the year under review is INR 269.78 million as compared to INR 390.46 million during the previous year showing a decrease of 30.9%. The PBT margin for the year under review is 15.9% as compared to 25.4% in the previous financial year.

The Profit after tax and before appropriations, PAT, in the financial Statement for the year is INR 199.74 million compared to a profit of INR 300.36 million during the previous financial year showing a decrease of 33.5%. The PAT margin for the year under review is 11.8% as compared to 19.5% in the previous financial year.

The basic and diluted earnings per share on a standalone basis decreased from Rs.4.28 per equity share with a face value of Rs.5 per share to Rs.2.60 per equity share, showing a decrease of 39.4%.

Intellectual property of emSigner and emSign are owned by two of the Indian subsidiaries and certain other intellectual properties are also owned by some of the foreign subsidiaries. In view of this, the revenue from

operation on standalone basis are not showing the full solution revenue. Further, overall brand building and certain related expenditures are incurred in India affecting the profitability on standalone basis.

The consolidated revenue from operations of the company for the reporting period was INR 2,487.57 million as against INR 1,826.37 million in FY 2022 showing growth of 36.2%.

The consolidated EBITDA for the year under review is INR 926.01 million as compared to INR 680.89 million during the previous year showing a growth of 36.0%. The EBITDA margin for the year stood at 36.4% as against 37.1% in the previous financial year

The Profit before tax and before appropriations in the consolidated financial Statement for the year is INR733.79 million as compared to a profit of INR 504.59 million during the previous financial year showing a growth of 45.4%. The PBT margin for the year under review is 28.9% as against 27.5% in the previous year.

The Profit after tax and before appropriations, PAT in the consolidated financial Statement for the year is INR 611.98 million as against INR 411.37 million during the previous financial year showing a growth of 48.8%. The PAT margin for the year under review stood at 24.1% as against 22.4% in the previous year.

The basic and diluted earnings per share on a consolidated basis increased to INR 8.35 and INR 8.01 respectively per equity share with a face value of Rs.5 per share from Rs. 5.86 per equity share in the last financial year.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediate previous financial year) in key sector-specific financial ratios. The key financial ratios (as identified by the Company) on standalone basis for the year ended March 31, 2023 is given below:

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	Variance %	Reason for major variance
Current Ratio	Current Assets	Current Liabilities	3.87	1.22	218	During the year, the company made public issue/private placement of INR 2,000 million. The resultant increase in cash and cash equivalents and reduction in current liabilities has

Debt equity Ratio*	Total Debt	Shareholders' Equity	0.00 %	22.76 %	(100)	<p>resulted in higher ratio.</p> <p>In view of above said public issue/private placement, during the year, company have repaid the entire external debt, hence the decrease.</p>
Debt Service Coverage (times)	Earning for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of PP&E	Debt Service = Interest and principal repayments including lease payments.	1.07	6.81	(84)	<p>Though the debt has been paid out of public issue/private placement, assuming the entire debt is repaid out of cash accruals, it is working out to 1.07.</p>
Return on Equity Ratio	Net Income	Average Shareholder Equity	8.94 %	26.99 %	(67)	<p>During the year, the company has made public issue and private placement amounting to INR 2,000 million and thereby the equity base has increased compared to the previous year, which resulted in decrease in the ratio.</p>
Inventory Turnover (times)	COGS	Average Inventory	21.19	28.44	(25)	<p>Our concentration is to sell our products rather than trading the materials/servi</p>

Trade Receivables turnover ratio	Avg Accounts Receivable	Revenue from operations	19.89 %	14.50 %	37	ces and hence the decrease. This is due to business growth in the ordinary course.
Trade Payables turnover ratio	Hardware creditors payable	Purchases of hardware	28.68 %	38.10 %	(25)	The ratio has improved due to quicker payment to hardware creditors.
Net capital turnover (times)	Revenue from operations	Working Capital	4.05	1.37	195	This is due to efficient management of working capital.
Net profit ratio	Net Profit	Revenue from operations	12.18 %	19.63 %	(38)	These is due to increased brand building, marketing and employee cost.
Return on Capital employed	EBIT (Earnings before interest and tax)	Capital Employed (Total Assets - Current Liabilities)	9.20 %	31.80 %	(71)	During the year, the company has made public issue and private placement amounting to INR 2,000 million and thereby the equity base has increased compared to previous year, which resulted in decrease in the ratio.
Return on investment	Interest (Finance Income) and gain from mutual funds.	Investments (includes mutual funds and fixed deposits.	6%	6%	-	NA

9. Events occurring after Balance Sheet date

There are no significant events after the balance sheet date which is likely to affect financial position/results of the Company in a significant way.

10. Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report

There are no material changes and commitments affecting the financial position of the company other than the matters disclosed under “events occurring after the balance sheet date”

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

The provisions of Section 134(m) of the Companies Act, 2013 relating to conservation of energy and technology absorption do not apply to our company.

The disclosure of foreign exchange earnings and outgo for eMudhra Limited, in terms of provisions of Section 134 (3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are given hereunder:

Foreign Exchange	2023	21-2022
Earnings	47.76	64.01
Outgo	9.58	4.93

12. Corporate Social Responsibility (CSR) initiatives

CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure A of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The vision of our CSR initiatives is for eMudhra to be a socially and environmentally responsive organization committed to improve quality of life within and outside. We at eMudhra focus on imparting education for employment by enhancing the vocation skills, especially women skilling and empowerment, skilling and empowerment of health workers, skilling of rural artisans and socio-economic development through training and student empowerment programs. The Annual Report on our CSR activities is appended as Annexure A to the Board’s report.

This Policy is available on the Company’s website at www.emudhra.com

13. Internal Financial Control Systems and their Adequacy

eMudhra has an **effective Internal Financial Control System** where policies and internal controls adopted, assist in achieving management's objective of efficient conduct of business - which includes:

- Adherence to policies,
- Safeguarding of assets,
- Prevention and detection of fraud and error,
- Accuracy and completeness of the accounting records, and
- Timely preparation of reliable financial information

The internal financial control system also comprises of the below procedures:

- Authorization matrix for approval of expense and revenue Pricing
- Internal Check and Control - Finance approval for issuance of P.O, Vendor Invoice approval, Online payment approval, etc.
- Upgraded Accounting Package
- Cost centre wise data recording
- Weekly reconciliation of bank accounts
- Monthly closure of books of accounts
- Yearly physical verification of assets
- Ensuring statutory payments and returns are filed within respective due dates
- Policies and procedures for DSC issuance as per approved CPS by CCA
- ISO 9001 (QMS), ISO 27001 (ISMS) and ISO 20000-1 (IT Services), ISO27018 (Protection of personal information in cloud), GDPR and CMMI L5
- Several daily, weekly and monthly reports for analysis

Reporting:

- Daily sales and operating MIS
- Weekly reporting of fund position
- Monthly MIS report
- Cost centre reporting - branch/vertical wise
- Other reports on need basis
- Daily collection report
- Fortnightly receivables report
- Several reports on DSC, Retail business and lead management for enterprise division

Monitoring:

- Online Access of all operating bank accounts for continuous monitoring
- Monthly financial review
- Quarterly internal audit
- Quarterly review of accounts by the statutory auditors
- Yearly audit by statutory auditors
- Monitoring of all statutory compliances
- CCA internal audit and yearly CCA external audit
- emSign internal audit and yearly external audit by M/s BDO Malaysia
- ISO and other quality certification surveillance audits

These financial control systems are considered adequate for the size of the company and nature of its business

14.Particulars of loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the audited standalone financial statements and the same is disclosed in note no. 6 and note no. 14 of the consolidated audited financial statements.

The company has an outstanding investment of INR 524.02 million [2022:224.99 million] in equity shares of various subsidiary companies and also has a loan outstanding of INR 10.81 million [2022:30.17 million] from eMudhra employees Stock Options Trust.

15. Board of Directors and Key Managerial Personnel

Composition of the Board of Directors (“Board”) is in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2023, the Board of Directors of your Company comprised of six Directors, viz., two Executive Directors and four Independent Directors including one woman Director. In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Venu Madhava will retire by rotation at the ensuing AGM and being eligible, offer himself for re-election. The Board has recommended his re-election.

As on March 31, 2023, the Company had designated the following as Key Managerial Personnel:

Sl. No.	Name	Designation
1.	Venkatraman Srinivasan	Executive Chairman
2.	Venu Madhava	Whole-Time Director
3.	Saji K Louiz	Chief Financial Officer
4.	Johnson Xavier	Company Secretary & Compliance Officer
5.	Kaushik Srinivasan*	Senior vice president & head - Product and delivery
6.	Arvind Srinivasan*	Senior vice president & Head - International Business
7.	Ashwin Jansale**	Senior vice president & head - channel sales
8.	Biju Varghese	Senior vice president & sales head - India and APAC
9.	Janarthanan S	Senior vice president & head - customer success
10.	Vijay Kumar	Senior vice president & chief technology officer
11.	Kiran A M	Vice president & head - customer operations

* As on March 31, 2023, employed in eMudhra DMCC, Dubai. They are related to Mr. V Srinivasan, Executive Chairman and are employed in the normal course of business on an arm’s length basis.

** Retired from the company with effect from April 15, 2023

16. Committees of the Board

The details of the powers, functions, composition and meetings of the Committees of the Board held during the year are given in the Report on Corporate Governance section forming part of the Annual Report.

17. Board Meetings

The Board of Directors of the Company met ten times during the year under review. The details of these Board Meetings are provided in the Report on Corporate Governance section forming part of the Annual Report. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

18. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of

the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) on January 5, 2017. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company were evaluated, taking into account the views of executive directors and non-executive directors.

Performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. was also carried out. At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors were also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

19. Policy on Directors' Appointment and Remuneration and Other Details

The company appoints directors based on need. They are selected based on merit and their appointment, remuneration and other eligibility parameters are vetted by the Nomination and Remuneration Committee. The nomination and remuneration committee currently consists of Dr N. L. Sarda, chairman, Mr Manoj Kunkalienkar and Ms. Chandra Iyer.

The Company's policy on appointment of directors is available on the Company's website at www.emudhra.com. The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the Company's website at www.emudhra.com.

20. Corporate Governance

Your Company has taken adequate steps to adhere to all the stipulations laid down in the Listing Regulations. A report on Corporate Governance is disclosed separately in the Annual Report.

21. Internal complaints committee

The Company has constituted an Internal Complaints Committee (IC) to consider and resolve all sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of women at workplace (Prevention Prohibition and Redressal) Act, 2013. There were no cases reported during the financial year 2022-23

22. Declaration by independent directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors of the company have submitted their declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company. During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

23. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in prescribed format is available at the Company's website www.emudhra.com.

24. Secretarial Standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Companies Secretaries of India.

25. Particulars of Employees

The information under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2022-23:

Name	Ratio of Remuneration of each Director to median remuneration of Employees	% Increase in remuneration in the financial year
Non-executive Directors:		
Manoj Kunkalienkar	3.90	4.8%
N L Sarda	4.22	13.4%
Chandra Iyer*	3.74	370.90%
Chandrasekar Padmanabhan*	3.85	626.4%
Executive Directors:		
V. Srinivasan, Executive Chairman and Director**	11.13	-
Venu Madhava, Whole Time Director	12.17	22.6%

Appointed as non-executive directors during FY 2022 (Chandra Iyer on August 13,2021 and Chandrasekar Padmanabhan on November 03,2011)

** Has not paid any remuneration or commission from eMudhra Limited during the FY2023. However, he is entitled to rent free accommodation at Bangalore by eMudhra Limited. Further he has drawn a yearly remuneration of AED 240,000 (INR 5.25 million) from eMudhra DMCC.

- II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23:

Name	Remuneration for FY 2022-23 (INR in Million)	% Increase in Remuneration in FY 2022-23
Executive Directors:		
V. Srinivasan Executive Chairman and Director	5.25	-
Venu Madhava Whole Time Director	5.74	22.6%
Chief Financial Officer:		
Saji K Louiz	5.91	45.2%
Company Secretary:		
Johnson Xavier	3.15	66.5%

- The percentage increase in the median remuneration of the employees of the Company for the financial year 2022-23 was 21.5%
- The number of permanent employees on the rolls of Company:
There were 707 (Seven Hundred and Seven) permanent employees on the rolls of eMudhra Limited as on March 31, 2023. The total number of employees on eMudhra and group companies are 763 (Seven Hundred and Sixty Three)
- It is Affirmed that the remuneration is as per the nomination and remuneration policy of the Company, which is published in www.emudhra.com

26. Directors' responsibility statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors had 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 profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- the directors had prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022- 23.

27. Subsidiaries, joint ventures and associate companies

During this year, your company has made additional investment of INR 295.48 million by way of subscription to 3,620,000 equity shares of eMudhra INC, USA, a subsidiary company, at a face value of USD 1 per share.

The financial statements together with related information and other reports of the material subsidiaries are available on the website at www.emudhra.com

Your Company's policy on material subsidiary is also available on the website at www.emudhra.com

In accordance with Section 129 (3) of the Act, a separate statement containing salient features of the financial statement of the subsidiaries of the Company in Form AOC-1 is given in Annexure C.

Sl.no	SUBSIDIARY	Company profile
1	eMudhra Technologies Limited	<ul style="list-style-type: none"> The company is a WebTrust accredited global certifying authority and is also engaged in providing solutions and associated services around PKI technologies.
2	eMudhra Consumer Services Limited	<ul style="list-style-type: none"> The company is engaged in providing various software products, IT and IT enabled products, etc. The company's product, emSigner, paperless office solution is attaining major traction across the globe.
3	eMudhra MU Limited	<ul style="list-style-type: none"> The company is a certifying authority in Mauritius and is engaged in providing digital signature and other allied services in and around PKI technologies.
4	eMudhra DMCC	<ul style="list-style-type: none"> The company is a marketing company for eMudhra products and their own products and allied services in Middle East Africa [MEA] region. During the year it has also built its own product.
5	eMudhra INC	<ul style="list-style-type: none"> The company is a marketing company for eMudhra products and their own products and allied services in Americas region and is also developing technology services business in Americas region.
6	eMudhra PTE Ltd	<ul style="list-style-type: none"> The company is a marketing company for eMudhra products and allied services in Asia -Pacific [APAC] region.
7	eMudhra B. V	<ul style="list-style-type: none"> The company is a marketing company for eMudhra products and allied services in Europe region
8	PT eMudhra Technologies Indonesia	<ul style="list-style-type: none"> The company is a marketing company for eMudhra products and allied services in Indonesia.
9	eMudhra Employees Stock Option Trust	<ul style="list-style-type: none"> This trust is to manage the ESOP of employees

28. Related Party Transactions

The Board of directors have approved related party transactions, all of them are in the normal course of business and on an arm's length basis. The summary of related party transactions is also provided in Note no.53 of the audited financial statements.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to the Company.

29. Deposits from Public

The Company has neither accepted nor renewed any deposits during the year under review.

30. Auditors

1. Statutory Auditor

M/s Suri and Co, (ICAI registration number 0042835) were appointed by the shareholders at the Fourteenth AGM (AGM 2022), as Statutory Auditors of the Company for the first term of five consecutive years to hold office until the conclusion of the Nineteenth AGM (AGM 2027). The requirement for the annual ratification of auditors' appointment has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07, 2018 and that they are free from any disqualification specified in Section 141 of the Companies Act, 2013 and the rules made thereunder.

Statutory Auditor's report:

The statutory auditor's report to the members for the year ended March 31, 2023 does not contain any qualification, reservation, adverse remark or disclaimer. Further auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. S P Nagarajan, Company Secretary in practice, to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit carried out for the year 2022-23 is annexed herewith as '**Annexure -B'**'. The secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer.

Internal Auditor

In the last year we had appointed M/s Manohar Chowdhry and Associates ("MCA") as internal auditors for FY 2022-23. The audit team in MCA who have been involved in our audit has joined CNGSN & Associates LLP, Chartered Accountants and now the said team forms the Bangalore office of CNGSN & Associates LLP. Since the team has been associated with us and are familiar with the business process and environment in which we operate, we have appointed CNGSN & Associates LLP Chartered Accountants as internal auditor for the year ending March 31, 2024.

31. Details in respect of frauds reported by auditor under section 143(12) of the Companies Act, 2013

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

32. Disclosure relating to maintenance of cost records

The Central Government has not prescribed the maintenance of cost records under Section 148 of the Companies Act, 2013 for any of the services rendered by the Company.

33. Audit Committee

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

34. Disclosure Requirements

As per SEBI Listing Regulations, the Corporate Governance Report with the Secretarial Auditors' Certificate thereon, and the integrated Management Discussion and Analysis, the Business Responsibility and Sustainability Report ("BRSR") form part of the Director's Report.

This would enable the Members to have an insight into environmental, social and governance initiatives of the Company. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

35. Risk Management policy

Risk Management and mitigation is taken care of by the Board and Executive Management by appropriate delegation, reporting and authority structure. Risk Management is also ensured by putting various checks and balances across various functions. It is integrated into management, Board and annual reporting mechanism. The company has also constituted a risk management committee of the Board.

As part of Risk Management, the Company has also put in place an Internal Audit Mechanism commensurate with size of business and nature of its operations. Their scope of internal audit includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions are taken to improve efficiency in operations. Internal audit reports are also discussed in the Audit Committee and Board meetings. The purpose of this policy is:

1. To ensure protection of shareholder value through the establishment of an integrated Risk Management framework for identifying, assessing, mitigating, monitoring, evaluating and reporting of all risks.
2. To provide clear and strong basis for informed decision making at all levels of the organization.
3. To continually strive towards strengthening the "Risk Management & Compliance System" through Continuous learning and improvement.

Risk management policy framework has been covered in detail in MD&A.

36. Credit ratings

The company has engaged the credit rating agency ICRA limited. During the year, based on a review of the latest developments, the Rating Committee of ICRA, after due consideration, has reaffirmed long-term rating at [ICRA] BBB+ (pronounced ICRA Triple B plus) to the captioned Bank Facilities ("Rating") and short-term rating at [ICRA]A2 (pronounced ICRA A two). The Outlook on the long-term Rating is revised to Positive from Stable. These ratings are valid till September 28, 2023.

37. Disclosure as required under rule 5 (2) and 5 (3) of the companies (appointment and remuneration of managerial personnel) rules, 2014.

- a) During the financial year, the Company has not employed any person with the aggregate remuneration for Rs. 1,02,00,000 / per annum if employed throughout the year or Rs. 8,50,000 per month if employed for part of the year.
- b) During the financial year, the company has not employed anyone, who was in receipt of remuneration (Refer note 61 in the standalone audited financials) in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

38. Disclosure of composition of audit committee and providing vigil mechanism

During the year, the Audit Committee of the Board of Directors of the Company comprised of 3 (Three) Members namely Mr. Chandrasekar Padmanabhan, Chairman, Mr. V Srinivasan and Dr. N L Sarda.

The above composition of the Audit Committee consists of 2 (two) independent Directors, Dr. N L Sarda and Mr. Chandrasekar Padmanabhan, who form the majority.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year. The Audit Committee duly met Four times on June 11, 2022, July 23, 2022, October 19, 2022 and January 25, 2023, during the financial year under review and all the members were present in the said meeting.

The Company has established a vigil mechanism to oversee, the genuine concerns, if any expressed by the employees. The Company has also provided adequate safeguards against victimization of employees who express their concerns. The Company has also provided direct access to the chairman on reporting issues concerning the interests of co-employees and the Company.

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. This Policy is available on the Company's website at www.emudhra.com.

39. Transfer to reserves

During the year, the company has transferred INR 86.00 million to the capital redemption reserve.

40. Share capital

a) Equity share capital

During the year, your company allotted fresh share of 6,289,062 equity shares of INR 5.00 per share as fresh issue of shares as part of IPO of the Company. In addition to this, your company has also made preferential allotment of 1,603,617 equity shares. With the said allotment, the paid-up equity share capital has increased to INR 390.36 million as on March 31, 2023 consisting of 78,072,371 equity shares of INR 5.00 per share

Your Company has not issued shares with differential voting rights, bonus and sweat equity shares during the year under review.

b) Redemption of preference shares capital

During the year, the company has redeemed 86,00,000 preference shares at the rate of Rs.10 [face value] per share amounting to INR 86.00 million on December 15, 2022 which was the due date for redemption as per the terms of issue of these shares. These shares were held by:

Name	No. of shares
Venkatraman Srinivasan	6,653,438
Lakshmi Kaushik	973,281
Aishwarya Arvind	973,281
Total:	8,600,000

c) Employee stock option plan

During the year under review, your company has issued grant of 138,500 under eMudhra employees stock options plan. Your company has facilitated the transfer of 2,959,250 equity shares of INR 5.00 per share by eMudhra employees stock options trust to the employees who exercised their options under the said plan.

Pursuant to the requirements of the SEBI (Share Based Employee Benefits) Regulations, 2014, a certificate has been issued by the Secretarial Auditors of the Company confirming that the Plan has been implemented in accordance with the said Regulations and in accordance with the resolution passed by the Company in the General Meeting.

The unissued closing balance at the year-end is 513,426 stock options of equity shares out of the 60,57,801 stock options on equity shares.

41. Business Responsibility and Sustainability Report

As a responsible corporate in India and abroad, our values at eMudhra mandate setting up sustainable processes to conduct environment friendly operations, mitigate climate change by cutting down on paper consumption and take all necessary actions and initiatives for better employee engagement, diversity, inclusion and belonging in the organization.

As organizations across the globe leverage products and services offered by eMudhra to build a business environment that is digitally secure, automated and data driven, we offer end-to- end digital trust to improve corporate resilience across industries and regions.

As we all know that climate change and other environmental concerns have become the central agenda of governments and global bodies, it is our vision at eMudhra to offer PAPERLESS solutions globally through the use of our trust services and eSignature workflow solution and reduce paper usage significantly. This will help organizations reduce carbon footprint and emissions on a global scale with better ESG compliance and social responsibility.

Our product suite revolves around securing the digital transformation initiatives with a foundational PKI layer, coupled with state-of-the art authentication engine and Digital signing solution to make business operations secure, agile, scalable and future ready. With a proven track record of enabling secure digital transformation for a number of organizations worldwide, eMudhra is well positioned to help governments and organizations ditch paper for good and adopt digital methods to carry out day-to-day operations at scale with a focus on ensuring compliance and transparency.

As ESG becomes a force that will affect all businesses and investments globally, it is paramount to digitally transform business operations and limit its infringement upon environment and climate to the bare minimum. eMudhra is a leading provider of digital platforms and solutions that not just help organizations mitigate dependence on paper and manual processes, but help create a unified ecosystem for digital transformation to scale ESG goals with tailored digital solutions.

Business Responsibility and sustainability report in the prescribed format is annexed to this report.

Acknowledgements

The board places on record its appreciation for the continued co-operation and support extended to the company by its customers, vendors, investors and business partners. The company continues to make all efforts in understanding their unique needs and deliver maximum stakeholder Satisfaction.

We place on record our appreciation of the contribution made by the employees at all levels, whose hard work, co-operation and support helped us face all challenges and deliver results.

We acknowledge the support of our vendors, the regulators, the esteemed league of bankers, financial institutions, rating agencies, government agencies, auditors, legal and secretarial advisors, consultants, business associates, investment bankers, lawyers, registrars, public relationship agency and other stakeholders for their continued support.

**For and on behalf of the board of directors
Of eMudhra Limited**

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN: 06748204

Date: April 28, 2023
Place: Bangalore

ANNEXURE "A" TO DIRECTOR'S REPORT

1. Brief outline on CSR Policy of the Company.

The vision of CSR is to be socially and environmentally responsive organization committed to improve quality of life within and outside. We at eMudhra focus on imparting education for employment by enhancing the vocation skills especially women skilling and empowerment, skilling and empowerment of health workers, skilling of rural artisans and socio-economic development through training and student empowerment programs.

During the year the Company contributed INR 3.8 million towards CSR initiatives to the following institutions:

1. IIT Bombay
2. Avtar Human Capital Trust (Avtar Puthri)
3. Caravan Classroom Foundation
4. Udgam Charitable Trust

Further, the Company proposes to contribute about Rs. 1.2 million to Prime Minister's relief fund.

1. Under IIT Scheme the following spoken tutorials were created in 11 languages:

1. Importance of vitamin A
2. Importance of selenium
3. Selenium rich vegetarian recipes.
4. Sulphur rich vegetarian recipes
5. Iron rich nonvegetarian recipes

These tutorials are used in skilled development of health care workers across India.

2. Under Avtar Puthri Scheme two girls' high school in Pondicherry State has been selected for skill development / women empowerment and appropriate training has been given to the students.

3. CARAVAN CLASSROOM is one-of-its-kind alternative school to transform the current education system. It is imperative to take basic education to the next level – This is where Caravan Classroom makes a difference to society. Caravan Classroom is an alternative education system programmed for all age groups. There is no bar to any gender, race, sex or age. Anyone and everyone can be a part of it. The key feature of Caravan Classroom is its module of syllabus which plugs the gaps in our current education system. Caravan Classroom also caters to upliftment of rural artisans.

4. UDGAM Charitable Trust works on diverse social issues including education, women empowerment equality, healthcare and HIV/ AIDS, water & sanitation, social justice and human rights. Since its inception, UDGAM has been focusing on the elimination of extreme poverty and opportunity gaps between rural and urban areas of India. It works to develop entrepreneurship and income generation activities for rural youth. At the heart of all its endeavours, UDGAM looks to create effective partnerships for socio- economic development.

5. Apart from the above, we continued to conduct various IT related skill development courses in our campus for the neighbouring colleges in Bangalore.

In the current financial year, the company will be contributing 2% of its average profits for the last 3 years towards CSR activities.

2. Composition of CSR Committee*:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year
1	Chandra Iyer	Chairperson	1
2	Nandlal Sarda*	Independent Director, Member	1
3	V Srinivasan	Executive Chairman, Member	1
4	Chandrasekar Padmanabhan	Independent Director, Member	0

* Reconstitution of Corporate Social Responsibility Committee was done in Board Meeting held on June 11, 2022. Nandlal Sarda is replaced by Chandrasekar Padmanabhan.

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://www.emudhra.com/governance.jsp>

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 (attach the report).

Not applicable

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

Not applicable

6. Average net profit of the company as per section 135(5).

INR 248.56 million [Refer note 40 to the audited financials for details]

7. (a) Two percent of average net profit of the company as per section 135(5) – INR 4.97 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - ₹0

(c) Amount required to be set off for the financial year, if any - ₹0

(d) Total CSR obligation for the financial year (7a+7b-7c) – INR 4.97 million

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In INR million)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3.8	Nil	NA	Nil	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: Not applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item 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 Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item 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 INR million)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promotion of education and social health of society in large	Promotion of social health of society in large	Yes	Puducherry, Tamil Nadu		1.00	No	Avtar Putri	CSR00002198PA
2.	Promotion of education and social health of society in large	Promotion of social health of society in large	Yes	Mumbai, Maharashtra		1.50	No	IIT Mumbai	CSR00007536
3	Promotion of education and social health of society in large	Promotion of education and employment	Yes	Ahmadabad, Gujarat		0.5	No	UDGAM Charitable trust	CSR00021238
4	Promotion of education and social health of society in large	Promotion of education and employment	Yes	Vadodara, Gujarat		0.8	No	Caravan class room foundation	CSR00046943
	Total					3.8			

(d) Amount spent in Administrative Overheads – Not applicable

(e) Amount spent on Impact Assessment, if applicable – Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – INR 3.8 million

(g) Excess amount for set off, if any – Nil

Sl. No.	Particular	(in INR million)
(i)	Two percent of average net profit of the company as per section 135(5)	4.97
(ii)	Total amount spent for the Financial Year	3.8
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Rs. 1.17 million is yet to be spent for the financial year 2022-23 which is proposed to be transferred to Prime Minister's relief fund. For 2021-22 and 2020-21 there is no unspent amount.

Sl. No.	Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.							
2.							
3.							
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (In Rs)	Cumulative amount spent at the end of reporting Financial Year. (In Rs.)	Status of the project - Completed /Ongoing
1								
2								
3								
	Total							

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 – Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) –

Rs. 1.17 million is yet to be spent for the financial year 2022-23 which is proposed to be transferred to Prime Minister's relief fund. For 2021-22 and 2020-21 there is no unspent amount.

Sd:/- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:/- Venu Madhava
Whole Time Director
DIN:06748204

Date: April 28, 2023
Place: Bangalore

S.P. NAGARAJAN M.Com., A.C.S., L.L.B.
Company Secretary in Whole time Practice

S-818, Eighth Floor,
South Block - Manipal Centre,
47, Dickenson Road,
Bangalore - 560 042
Telefax: 080- 41136320, 41141544
Mobile: 98453 84585
Email: cs@nagarajsp818.com
www.spncs818.com

ANNEXURE B

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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

To,
The Members,
EMUDHRA LIMITED
Plot No 12-P1-A & 12-P1-B,
Hi-Tech Defence and Aerospace Park (IT sector),
Jala Hobli, BK Palya Bangalore-562149

CIN: L72900KA2008PLC060368
Authorized Capital: Rs. 86,50,00,000/-

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **eMudhra Limited** ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2023 ('Year Under Review') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023. The Company has complied with the provisions of the following laws, rules and regulations, wherever applicable:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Overseas Direct Investment;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder with regard to dematerialization/re-materialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company in compliance with amended clause 76(1) of the SEBI (Depositories and Participants) Regulations, 2018 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder with regard to maintenance of minimum public shareholding and compliance under clause 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 were not applicable during the year under review;
 - e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the year under review;
 - g. 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;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were not applicable during the year under review;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 were not applicable during the year under review;

- vi. The other laws, as informed and certified by the management of the Company which are to the extent applicable to the Company based on its sector/industry, are:
- a. The Information Technology Act, 2000 and the rules made thereunder
 - b. The Registration Act, 1908
 - c. The Indian Stamp Act, 1899
 - d. The Limitation Act, 1963
 - e. Indian Contract Act, 1872
 - f. Negotiable Instrument Act, 1881
 - g. Sale of Goods Act, 1930
 - h. The Aadhaar Act, 2016
 - i. Right to Information Act, 2005
 - j. The Trade Marks Act, 1999
 - k. The Patents Act, 1970
 - l. Indian Copyright Act, 1957
 - m. Income Tax Act, 1961
 - n. The Central Goods and Service Tax Act, 2017
 - o. The Insurance Act, 1938
 - p. Labour Laws including The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Employees' State Insurance (Central) Rules, 1950, ESI Act, Payment of Bonus Act, Payment of Gratuity Act, Contract Labour Act, Employees Compensation Act, Apprentices Act, Equal Remuneration Act, 1976, Maternity Benefit Act, 1961, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.
 - q. The State Acts, rules, guidelines and regulations to the extent applicable to the Company

2. I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Section 118(10) of the Companies Act, 2013.

In my opinion and to the best of my information and according to the explanation given to me, I report that the Company has complied with all applicable Secretarial Standards issued by ICSI with respect to General and Board meetings in accordance with Section 173(3) of the Act.

- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same are subject to review and audit by the Statutory Auditors of the Company.

3. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company:

I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder and with the Memorandum and Articles of Association of the Company with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein wherever applicable;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board meetings and Committee meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation, if any;
- f) The Fourteenth Annual General Meeting held on 05th August 2022;
- g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) Approvals of the Members, the Board of Directors, the Committees of Directors, Government authorities, wherever required;
- i) Constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Executive Directors, Whole-time Director and Key Managerial Personnel (Chief Financial Officer and Company Secretary) wherever applicable;
- j) Payment of remuneration to Executive Directors/Key Managerial Personnel;
- k) Appointment and remuneration of Auditors;
- l) Transfer and transmission of the Company's shares if any, issue and allotment of shares, buyback of shares wherever applicable;
- m) Declaration and payment of dividends;
- n) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- o) Investment of the Company's funds including inter-corporate loans and investments and loans to others wherever applicable;
- p) The Company has not availed any loans and accordingly not required to file any forms for creation, modification and satisfaction of charge;
- q) Form of Balance Sheet as prescribed under Part I, form of Statement of Profit and Loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- r) Directors' Report;
- s) Contracts, common seal, registered office and publication of name of the Company; and
- t) Generally, all other applicable provisions of the Act and the Rules made under.

4. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance in accordance with Section 173(3) of the Act 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. In case of Board Meetings convened at shorter notice the Company has duly complied with the provisions of the Act and rules made thereunder read with the provisions of Secretarial Standard-1 (SS-1) on "Meetings of the Board of Directors".

All decisions at Board Meetings and Committee Meetings are carried out by requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

5. 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.**6. I further report that:**

- (a) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- (b) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment and independence;
- (c) The Company has obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made thereunder, to the extent applicable; and
- (d) There was no prosecution initiated by any statutory authorities and no fines or penalties were imposed during the year under review under the Act and rules framed thereunder against/on the Company, its Directors and Officers.

7. I further report that during the year under review:

(i) The members of the Company at the Extra-Ordinary General Meeting held on 02nd May 2022 accorded their approval to offer and issue up to 16, 03,618 Equity Shares at price of Rs. 243.20, consisting of par value of Rs. 5/- and premium of Rs. 238.20/-, aggregating upto Rs. 38,99,99,897.60/- on preferential basis through private placement.

(ii) The Equity Shares of the Company were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited w.e.f. 01st June 2022, pursuant to Initial Public Offer through Fresh issue of equity shares.

(iii) The members of the Company at the Annual General Meeting held on 05th August 2022 accorded their approval for amendments to 'Employee Stock Option Scheme-2016' for ensuring compliance with the requirements of SEBI (SBEB & SE) Regulations 2021.

(iv) The 86,00,000 fully paid Zero Coupon Non-Convertible Redeemable Preference shares of Rs. 10 each carrying cumulative dividend at the rate of 3% amounting to Rs. 86,000,000 held by Mr. V. Srinivasan, Ms. Mythili Srinivasan, Mr. Kaushik Srinivasan and Mr. Arvind Srinivasan were redeemed out of profits of the Company.

8. On examination of the relevant documents and records in pursuance thereof, on test-check basis I further report that I have relied on the information and representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws, and Regulations to the extent applicable to the Company.

Place: Bangalore	Signature: Sd:-	
	Name of the Company Secretary: S.P.NAGARAJAN	
Date: 28/04/2023	ACS Number	:10028
	CP Number	:4738
	UDIN	:A010028E000222680
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400		

Note: This report is to be read with my letter of even date which is annexed as 'Annexure -1' and forms an integral part of this report.

As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 was conducted by using appropriate Information Technology tools to access, examine relevant documents and physical verification of records for completion of the audit.

S.P. NAGARAJAN M.Com., A.C.S., L.L.B.
Company Secretary in Whole time Practice

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South Block - Manipal Centre,
47, Dickenson Road,
Bangalore - 560 042
Telefax: 080- 41136320, 41141544
Mobile: 98453 84585
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www.spncs818.com

Annexure - 1

To,
The Members,
EMUDHRA LIMITED
Plot No 12-P1-A & 12-P1-B,
Hi-Tech Defence and Aerospace Park (IT sector),
Jala Hobli, BK Palya Bangalore-562149

CIN: L72900KA2008PLC060368
Authorized Capital: Rs. 86,50,00,000/-

My Secretarial Audit Report for Financial Year ended on 31 March 2023 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. 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 Account of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures 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.

Sd:/- S.P. NAGARAJAN

ACS:10028
CP: 4738
Place: Bangalore
Date: 28/04/2023

ANNEXURE C

Form AOC-1

(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/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR million)

Sl. No.	Particulars	Details (All amounts are in million)							
		eMudhra Technologies Limited	eMudhra Consumer Services Limited	eMudhra (MU) Ltd	eMudhra DMCC	eMudhra Inc	eMudhra PTE Ltd	eMudhra B V	PT eMudhra Technologies, Indonesia
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023
	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Reporting Currency- India Rupee	Reporting Currency- India Rupee	Reporting Currency- Mauritius Rupee (MUR) Exchange rate- INR 1.80 per MUR	Reporting Currency- Arab Emirates Dirhams] (AED) Exchange rate- INR 22.36 per AED	Reporting Currency- US Dollar (USD) Exchange rate- INR 82.11 per USD	Reporting Currency- Singapore Dollar (SGD) Exchange rate- INR 61.76 per SGD	Reporting Currency- Euro(EUR) Exchange rate- INR 89.28 per EUR	Reporting Currency - Indonesian rupiah (IDR) Exchange rate- INR 0.005 per IDR
1.	Share capital	29.51	50.00	51.58	1.00	3.83	0.25	0.10	10000
2.	Reserves & surplus	(0.75)	98.88	7.74	23.73	0.98	0.62	0.05	-3845.26
3.	Total assets	33.30	205.67	67.39	33.77	6.27	2.05	0.75	8617.12
4.	Total Liabilities	4.55	56.79	15.58	9.04	1.47	1.18	0.60	2462.46
5.	Investments	-	-	52.90	0.93	-	-	-	-
6.	Turnover	27.78	161.28	5.41	22.53	4.33	0.95	0.23	3214.62
7.	Profit before taxation	9.03	80.07	0.41	10.73	1.39	0.57	0.07	-2191.98
8.	Provision for taxation	3.11	19.93	-	-	0.26	0.10	0.02	-
9.	Profit after taxation	5.92	60.14	0.41	10.73	1.13	0.48	0.05	-2191.98
10.	Proposed Dividend	-	-	-	-	-	-	-	-
11.	% of shareholding/directly & through wholly owned subsidiary	100%	100%	100%	100%	100%	100%	100%	60%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Sd:- V Srinivasan
Executive Chairman
DIN: 00640646**

**Sd:- Venu Madhava
Whole Time Director
DIN: 06748204**

**Date: 28-04-2023
Place: Bangalore**



Corporate Governance Report

CORPORATE GOVERNANCE REPORT

I. Brief Statement on Company's Philosophy on Code of Corporate Governance

Company's philosophy on Corporate Governance is to create and conduct sustainable growth in business with highest standards of integrity, transparency and accountability to maximize stakeholders' value while duly complying with all applicable laws and regulations. Company firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders.

II. Board of Directors

The Board of Directors of the Company as on March 31, 2023, comprised of six (6) Directors with optimum combination of Executive and Non-Executive Directors i.e., two Executive Directors and four Non-Executive Independent Directors including one-woman Director and each of them are professionals in their respective areas of specialization and have held eminent positions. The Board Members are not related to each other, and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under SEBI(LODR) Regulations, 2015 and Companies Act, 2013.

a. Composition of Board of Directors

The composition and category of Directors as on March 31, 2023:

Sr. No.	Name of the Director	Category	Number of other Directorships held in other public companies	Number of Committee membership held in other public companies (limited to only Audit and Stakeholders' Relationship Committees)		No. and % of Equity Shares held in the Company (%)
				As Chairperson	As Member	
1	Venkatraman Srinivasan	Executive Chairman	2	Nil	Nil	2,71,22,543 (34.74%)
2	Nandlal Sarda	Non-Executive Independent Director	1	Nil	2	Nil
3	Manoj Kunkalienkar	Non-Executive Independent Director	Nil	Nil	Nil	Nil
4	Chandra Iyer	Non-Executive Independent Director	2	1	1	Nil
5	Chandrasekar Padmanabhan	Non-Executive Independent Director	Nil	Nil	Nil	Nil
6	Venu Madhava	Whole-Time Director	2	Nil	Nil	68,000 (0.09%)

Directorship in other listed entities as on March 31, 2023:

Sr. No.	Name of the Director	Directorship in other listed entities	Category of Directorship
1	Venkatraman Srinivasan	Nil	NA
2	Nandlal Sarda	1	Non-Executive - Independent Director
3	Manoj Kunkalienkar	Nil	NA
4	Chandra Iyer	Nil	NA
5	Chandrasekar Padmanabhan	Nil	NA
6	Venu Madhava	Nil	NA

During the financial year 2022-23, Ten (10) meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The Board Meetings are pre-scheduled, and adequate notice is given for the Board Meetings.

These Board Meetings were held on April 13, 2022; April 30, 2022; May 05, 2022; May 10, 2022; May 25, 2022; May 27, 2022; June 11, 2022; July 23, 2022; October 19, 2022 and January 25, 2023. The necessary quorum was present for all the meetings.

b. Core Skills/Expertise/Competencies of the Board of Directors

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The following are the core skills, expertise and competencies for effective functioning of the Board which are currently available with all the Directors of the Company:

1. Interpersonal skills and personal qualities/values;
2. Information Technology business & Industry knowledge;
3. Legal, regulatory and financial knowhow;
4. Strategic and analytical mindset; and
5. Leadership, Management & Governance.

c. Attendance of Directors at the Board meetings and Annual General Meeting (AGM) held during the financial year 2022-23

Name of the Director	Board Meetings entitled to attend	Board Meetings attended	Whether present at AGM held on August 05, 2022
Venkatraman Srinivasan	10	10	Yes
Nandlal Sarda	10	10	Yes
Manoj Kunkalienkar	10	9	Yes
Chandra Iyer	10	10	Yes
Chandrasekar Padmanabhan	10	10	Yes
Venu Madhava	10	10	Yes

d. Independent Directors

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the companies Act, 2013 and SEBI(LODR) Regulations, 2015 and that they are independent of the management.

During the financial year 2022-23, one (1) meeting of the Independent Directors was held on June 11, 2022, inter alia to review the following and the meeting was attended by all the Independent Directors:

1. Review performance of non-independent directors and the Board of Directors as whole;
2. Review performance of the Chairperson of the Company;
3. Assess the quality, quantity and timelines of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

No Independent Director has resigned during the financial year 2022-23.

e. Executive Chairman/CFO Certification

As required under Regulation 17 (8) of SEBI (LODR) Regulations, Executive Chairman/CFO have certified to the Board that the Financial Statements for the financial year ended March 31, 2023 do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder. Copy of the Certificate is attached to this report.

f. Code of conduct for Directors and Senior Management

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company. The Code is available on the Company's website at <https://emudhra.com/investors.jsp#policies>.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the Executive Chairman/CFO to this effect is enclosed as part of **Annexure I** to this Report.

III. Audit Committee

a. Terms of Reference

The Audit Committee has inter alia the following mandate:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

3. Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
4. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Qualifications/modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
10. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
11. Scrutiny of inter-corporate loans and investments;
12. Undertaking or supervising valuation of undertakings or assets of the company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up thereon;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
21. Reviewing the functioning of the whistle blower mechanism;
22. Monitoring the end use of funds raised through public offers and related matter;
23. Approval of the appointment of the Chief Financial Officer of the Company (“CFO”) (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
24. Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;
25. To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
26. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
27. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
28. Reviewing the utilization of loans and/or advances from/investment by Company in the subsidiaries exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments as may be applicable;
29. To consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders and;
30. Carrying out any other functions as may be required/mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.”

b. Number of Meetings: During the financial year 2022-23, four (4) meetings were held i.e., on June 11, 2022, July 23, 2022, October 19, 2022 and January 25, 2023.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Manoj Kunkalienkar*	Non-Executive Independent Director	Chairman	1	1
Nandlal Sarda	Non-Executive Independent Director	Member	4	4
V Srinivasan	Executive Chairman	Member	4	4
Chandrasekar Padmanabhan	Non-Executive Independent Director	Chairman	3	3

*Audit Committee was reconstituted on June 11, 2022. Mr. Manoj Kunkalienkar was replaced by Mr. Chandrasekar Padmanabhan as Chairman of the Committee.

IV. Nomination, Remuneration and Board Governance Committee

a. Terms of Reference

The Nomination, Remuneration and Board Governance Committee has inter alia the following mandate:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- i. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. 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.
2. Formulation of criteria for evaluation of performance of independent directors and the Board;
 3. Devising a policy on Board diversity;
 4. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
 5. Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;
 6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 7. Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);
 8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 9. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

11. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“ESOP Scheme”) including the following:
 - i. Determining the eligibility of employees to participate under the ESOP Scheme;
 - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
 - iii. Date of grant;
 - iv. Determining the exercise price of the option under the ESOP Scheme;
 - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
 - x. The grant, vest and exercise of option in case of employees who are on long leave;
 - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
 - xii. The procedure for cashless exercise of options;
 - xiii. Forfeiture/cancellation of options granted;
 - xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - The number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - For this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
12. Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“ESOP Scheme”) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

13. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;
14. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;
15. For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. Ensure that the person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: i) use the services of an external agencies, if required; ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and iii) consider the time commitments of the candidates; and
16. Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations or other applicable laws or by any other regulatory authority.”

b. Number of Meetings: During the financial year 2022-23, Two (2) meetings were held i.e., on June 11, 2022, October 19, 2022.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Nandlal Sarda	Independent Director	Chairperson	2	2
Manoj Kunkalienkar	Independent Director	Member	2	2
Chandra Iyer	Independent Director	Member	2	2

V. Stakeholders Relationship Committee

a. Terms of Reference

The Stakeholders Relationship Committee has inter alia the following mandate:

1. Redressal of all security holders’ and investors’ grievances such as complaints related to transfer of non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures including non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
2. Reviewing of measures taken for effective exercise of voting rights by shareholders.

3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.
4. Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
5. Reviewing the 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;
6. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

b. Number of Meetings: During the financial year 2022-23, One (1) meeting was held i.e., on June 11, 2022.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Manoj Kunkalienkar	Independent Director	Chairperson	1	1
V Srinivasan	Executive Chairman	Member	1	1
Chandra Iyer	Independent Director	Member	1	1

d. Name and Designation of Compliance Officer: Mr. Johnson Xavier, Company Secretary & Compliance Officer.

VI. Corporate Social Responsibility Committee

a. Terms of Reference

The Corporate Social Responsibility Committee has inter alia the following mandate:

1. To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
2. To Identify corporate social responsibility policy partners and corporate social responsibility policy programs;
3. To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
4. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

5. To review and monitor the implementation of corporate social responsibility programs and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs; and
6. To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

b. Number of Meetings: During the financial year 2022-23, One (1) meeting was held i.e., on June 11, 2022.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Chandra Iyer	Independent Director	Chairperson	1	1
V Srinivasan	Executive Chairman	Member	1	1
N L Sarda	Independent Director	Member	1	1
Chandrasekar Padmanabhan	Independent Director	Member	0	0

*CSR Committee was reconstituted on June 11, 2022. Dr. N L Sarda was replaced by Mr. Chandrasekar Padmanabhan as member of the Committee.

VII. Risk Management Committee

a. Terms of Reference

The Risk Management Committee has inter alia the following mandate:

1. To assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks
2. Formulating, monitoring and overseeing the risk management plan and policy of the Company
3. Review the Cyber Security Functions of the Company on regular intervals
4. Approve/recommend to the Board for its approval/review of the policies, risk assessment models, strategies and associated frameworks for the management of risk
5. To perform such other duties and functions as the Board may require or as may be prescribed by applicable law, from time to time

b. Number of Meetings: During the financial year 2022-2023, Two (2) meetings were held i.e., on June 11, 2022 and January 25, 2023.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
V Srinivasan	Executive Chairman	Chairperson	2	2
Chandra Iyer	Independent Director	Member	1	1
Chandrasekar Padmanabhan	Independent Director	Member	1	1
Saji K Louiz	Chief Financial Officer	Member	2	2

*Risk Management Committee was reconstituted on June 11, 2022. Ms. Chandra Iyer was replaced by Mr. Chandrasekar Padmanabhan as member of the Committee.

VIII. Technology Committee

a. Terms of Reference

Though not mandatory, a Technology Committee has been set up to analyze the overall role of technology in executing the business strategy of the Company and also for the management and administration of the specific technical matters of the Company. Since the Company is engaged in technology solutions business, a need was felt to have such a committee to go into details on technology and related aspects.

b. Number of Meetings: During the financial year 2022-2023, two meetings were held i.e., on July 23, 2022 and February 13, 2023.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
N L Sarda	Independent Director	Chairperson	2	2
Manoj Kunkalienkar	Independent Director	Member	2	2
V Srinivasan	Executive Chairman	Member	2	2
Kaushik Srinivasan	Sr. VP – Product Delivery	Member	2	2
Vijay Kumar	Sr. VP – Technology	Member	2	2

IX. Management Committee

a. Terms of Reference

The Management Committee has inter alia the following mandate:

To exercise all powers for the management and administration of the company in all matters of the Company except those matters which require specific approval of Board of Directors or any Committee thereof or Members of the Company as per the applicable provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956).

Without limiting the generality of the foregoing powers, following powers are specifically granted to the Management Committee:

1. Decisions in respect of all day to day business related matters including:
 - a. Purchase
 - b. Sales
 - c. Capital Expenditure
 - d. Employee recruitment, confirmation and cessation
2. Opening of Bank Accounts
 - a. Savings Accounts
 - b. Current Accounts
 - c. Fixed Deposit Accounts
 - d. Any other accounts
3. Closing of Bank Accounts
4. Delegation of Authority to various employees and outsiders

b. Number of Meetings: During the financial year 2022-2023, Five (5) meetings were held i.e., on June 17, 2022, August 11, 2022, November 07, 2022, December 19, 2022, and March 15, 2023.

c. Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
V Srinivasan	Executive Chairman	Chairperson	5	5
Venu Madhava	Whole-Time Director	Member	5	5
Saji K Louiz	Chief Financial Officer	Member	5	5

X. General Body Meetings

The Annual General Meetings of the Company were held in the registered office of the Company. Details of last three AGMs held are as below:

Financial Year	Date	Time (IST)
2019-2020	July 22, 2020	11:00 a.m.
2020-2021	July 22, 2021	11:00 a.m.
2021-2022	August 05, 2022	11:00 a.m.

The Extra-Ordinary General Meetings of the Company were held in the registered office of the Company. Details of the meetings held during the financial year 2022-2023 are as below:

Meeting	Date	Time (IST)
EGM	May 02, 2022	11:00 a.m.

XI. Remuneration to Directors

(a) Criteria of making payments to Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members at the rate of Rs. 1,00,000/- (Rupees One Lakh Only)* per Board meeting, Rs. 50,000/- (Rupees Fifty Thousand Only)* per Committee Meeting and commission based on their performance provided, however that the aggregate remuneration including commission other than sitting fee, so paid to all such Directors in a financial year shall not exceed 1% of the net profits of the Company.

*The sitting fee was revised with effect from July 23, 2022 from the earlier fee of Rs. 50,000/- for Board Meetings and Rs. 25,000/- for Committee Meetings.

(b) Criteria of making payments to Executive Directors

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment which are in line with the statutory requirements and Company's policies. The revision in remuneration, if any is recommended by the Nomination Remuneration and Board Governance Committee to the Board for its consideration by taking into account their individual performance and as well performance of the Company in a given year. Perquisites, performance linked incentives and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all employees, which also details criteria for such payments. As per the current terms of their appointment, none of the Executive Directors are entitled to commission on the net profits of the Company.

(c) Details of Remuneration paid to directors for the financial year 2022-23

Name of the Director	Salary & Perquisites (In Rs ` million)	Sitting Fees & Commission (In Rs ` million)	Shares Issued under ESOPs	Details of Service Contracts, Notice Period & Severance fees
Venkatraman Srinivasan	5.74	-	-	*
Nandla Sarda	-	1.99	-	-
Manoj Kunkalienkar	-	1.84	-	-
Chandra Iyer	-	1.76	-	-
Chandrasekar Padmanabhan	-	1.81	-	-
Venu Madhava	5.74	-	-	**

* Appointed as Executive Chairman for period of 5 years with effect from November 03, 2021. Not drawing any remuneration from the Company but continue to draw remuneration from eMudhra DMCC, subsidiary company within range of AED 20,000 to AED 40,000 per month.

** Re-appointed as Whole-Time Director for period of 3 years with effect from April 01, 2020 for the remuneration within the range Rs. 45,00,000 to 75,00,000 per annum.

XII. Means of Communication

a. Website

The Company maintains an active website at <https://emudhra.com/investors.jsp> wherein all the information relevant for the Shareholders are displayed.

b. Annual Report

Annual Report contains audited standalone and consolidated financial statements together with Board's Report.

Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company Website at <https://emudhra.com/investors.jsp>.

XIII. Other Disclosures

Vigil Mechanism/Whistle-Blower Policy

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the SEBI (LODR) Regulations, the details of which have been provided in the Board's Report. The company affirms that no personnel has been denied access to the Audit Committee.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements in the Board's Report

The Company has complied with all the applicable mandatory requirements of SEBI (LODR) Regulations.

Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions

Both the policies can be accessed at <https://emudhra.com/investors.jsp#policies>.

Certificate from Practicing Company Secretary on Non-Disqualification of Directors

The Company has obtained a certificate from a 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 companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the certificate is attached as **Annexure II**.

Recommendation of Committees

During the financial year ended March 31, 2023, the Board of Directors of the Company had accepted recommendation of all the committees of the Board, which were mandatorily required.

Auditors' Remuneration

The details of total fees for all services paid by the Company during FY 2022-23, to the Statutory Auditors are as follows:

Particulars	Amount (in million)
Payment to Statutory Audit fees (including out of pocket expenses)	0.90
Certification fees	0.54
Total	1.44

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

The Company has in place a gender neutral Anti-Sexual Harassment Policy at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the applicable rules, the details of which have been provided in the Board's Report.

Details of sexual harassment complaints received:

- i. No. of complaints received during financial year 2022-23: Nil
- ii. No. of complaints disposed of during financial year 2022-23: NA
- iii. No. of complaints pending as on end of the financial year 2022-23: NA

XIV. Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any

The Company is fully compliant with SEBI (LODR) Regulations and there are no such non-compliances to report.

Unmodified opinion(s) in Audit Report

The Company is in the regime of unmodified opinions on financial statements and that the Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the financial year ended March 31, 2023.

Reporting of Internal Auditor

The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings.

XV. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company does not have any unclaimed shares and hence the disclosure pursuant to SEBI (LODR) Regulations are not applicable.

XVI. Compliance

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regards to Corporate Governance.

The Company has obtained a certificate from a Practicing Company Secretary on compliance of conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations. Copy of the Certificate is attached to the Board's Report.

ANNEXURE TO CG REPORT

EXECUTIVE CHAIRMAN/CFO CERTIFICATION

April 28, 2023
The Board of Directors
eMudhra Limited
Bangalore

We, V Srinivasan, Executive Chairman and Saji K Louiz, Chief Financial Officer of eMudhra Limited to the best of our knowledge and belief, certify that:

(a) We have reviewed the financial statements and the cash flow statement for the quarter and financial year ended March 31, 2023 and confirm that:

- i. These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
- ii. These financial 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 is, to the best of our knowledge and belief, no transaction entered into by the Company during the quarter and financial year ended March 31, 2023, which is fraudulent, illegal or violative 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 we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit committee that for the quarter and financial year ended March 31, 2023, there were:

- i. No significant changes in Internal Control over financial reporting;
- ii. No significant changes in accounting policies and that the same have been disclosed in the notes to the financial statement; and
- iii. No instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

We further declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct in respect of the financial year ended March 31, 2023.

Sd/- V Srinivasan
Executive Chairman

Sd/- Saji K Louiz
Chief Financial Officer

S.P. NAGARAJAN M.Com., A.C.S., L.L.B.
Company Secretary in Whole time Practice

S-818, Eighth Floor,
South Block - Manipal Centre,
47, Dickenson Road,
Bangalore - 560 042
Telefax: 080- 41136320, 41141544
Mobile: 98453 84585
Email: cs@nagarajsp818.com
www.spncs818.com

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
EMUDHRA LIMITED
Plot No 12-P1-A & 12-P1-B,
Hi-Tech Defence and Aerospace Park (IT sector),
Jala Hobli, BK Palya Bangalore-562149

I have examined the compliance of the conditions of Corporate Governance by eMudhra Limited ('the Company') for the financial year ended on 31 March 2023 as stipulated under the provisions of Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V) and amendments thereof.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance.

I have examined the books of account and other relevant records maintained by the Company for the purpose of providing limited assurance on the compliance with Corporate Governance requirements by the Company. My examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), issued by The Institute of Company Secretaries of India (ICSI) and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on the information, explanations given to me and according to the examination of the relevant records, the representations and all material disclosures made by the Directors and the Management, the Company has complied with the provisions of Corporate Governance as stipulated under the provisions of Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) and Regulations, 2015 (17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V) during the year ended 31 March 2023. It is further stated that no investor grievance is pending for the said financial year as per the records of the Company.

S.P. NAGARAJAN
Company Secretary

Contd...

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

Place: Bangalore	Signature: Sd:- Name of the Company Secretary: S.P.NAGARAJAN
Date: 28th April 2023	ACS Number :10028 CP Number :4738 UDIN :A010028E000222691
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400	

Note: As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Compliance Certificate on Corporate Governance was conducted by using appropriate Information Technology tools by virtual data sharing to access and examine relevant documents and physical verification of records for completion of the audit.

S.P. NAGARAJAN M.Com., A.C.S., L.L.B.
Company Secretary in Whole time Practice

S-818, Eighth Floor,
South Block - Manipal Centre,
47, Dickenson Road,
Bangalore - 560 042
Telefax: 080- 41136320, 41141544
Mobile: 98453 84585
Email: cs@nagarajsp818.com
www.spncs818.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) of Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

To,
The Members,
EMUDHRA LIMITED
Plot No 12-P1-A & 12-P1-B,
Hi-Tech Defence and Aerospace Park (IT sector),
Jala Hobli, BK Palya Bangalore-562149

CIN: L72900KA2008PLC060368
Authorised Capital: Rs. 86,50,00,000/-

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **EMUDHRA LIMITED** (hereinafter referred to as 'the Company'), a Company incorporated under the Companies Act, 1956 vide Corporate Identity Number (CIN) L72900KA2008PLC060368 and having its Registered Office at Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya Bangalore-562149, produced before me for issuance of 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 MCA portal - www.mca.gov.in) and on the basis of the written representation/declaration received from the directors to be taken on record by the Board of Directors and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Ministry of Corporate Affairs or any such other Statutory Authority.

S.P. NAGARAJAN
Company Secretary

Contd...

SR. NO.	DIN	NAME	DESIGNATION	INITIAL DATE OF APPOINTMENT	CURRENT DATE OF APPOINTMENT
1.	00640646	VENKATRAMAN SRINIVASAN	Executive Chairman	16/06/2008	03/11/2021
2.	00147782	NANDLAL LAXMINARAYAN SARDA	Independent Director	19/06/2018	19/06/2018
3.	00019200	MANOJ PUNDALIK KUNKALIENKAR	Independent Director	23/03/2015	01/04/2020
4.	08111743	CHANDRA LAKSHMINARAYAN IYER	Independent Director	13/08/2021	13/08/2021
5.	00503673	CHANDRASEKAR PADMANABHAN	Independent Director	03/11/2021	03/11/2021
6.	06748204	venu MADHAVA	Wholetime Director	10/01/2014	01/04/2020

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 the eligibility of for the appointment/continuity of every Director on the Board based on my 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: Bangalore	Signature: Sd:-
	Name of the Company Secretary: S.P. NAGARAJAN
Date: 28th April 2023	ACS Number :10028
	CP Number :4738
	UDIN :A010028E000222671
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400	

Note: As per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Certificate of Non-Disqualification of Directors in term of Regulation 34(3) of Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 was conducted by using appropriate Information Technology tools by virtual data sharing, examine relevant documents and physical verification of records for completion of the audit.



Management Discussion & Analysis

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

I. Overview

We are engaged in the business of providing Secured Digital Transformation with huge focus on embedding cyber security as an important design principle. Zero trust is the new security paradigm of “never trust, always verify” and cryptographic identities form an important bedrock of future proofing security and moving towards ZERO TRUST.

We are a “one stop shop” player in secure digital transformation and provide a wide spectrum of services and solutions from offering identity, authentication and signing solutions to issuance of certificates to devices, websites and human. We are the only Indian company accredited by WebTrust and is trusted by all the renowned browsers in the world. We are also a member of Asia PKI consortium, European Cloud Signature Consortium and Certifying Authority/Browser Forum.

During the year our company has renewed/got several quality certifications and has been recognized by various global technology advisory firms such as Gartner, IDC etc.

II. Our Portfolio of Services

Product	Variants	Offering
emSigner	On-premise/Cloud workflow	This product enables secure digital transformation in any industry and replaces paper which helps to save the environment.
	Signer Gateway	
	Server Side – API based and Folder based	
	eStamping – Online and Offline	
emCA	On-premise	This enables issuance of certificates to individuals, organizations, devices and their lifecycle management.
	Managed Services	
emAS	Multifactor authentication [MFA] like DSC, OTP, biometric, etc.	Authentication solution enabling multi factor authentication, single sign on and access management.
	Identity and access management [IAM]	
	emSafe	
Trust services	Individual/organisation certificates [digital signatures]	This covers the basic needs of individuals/organizations for various compliances and caters to signing requirements.
	eSign V2/V3	
	Device certificates in Internet of things [IoT]	
	Remote signing	
Allied products	Website certificates [SSL]	
	Federal Information Processing Standards [FIPS] certified crypto token, hardware security modules	

III. Business Outlook

Business Outlook

General Review of business environment

The business environment continues to be not so positive due to various factors such as stock market volatility, high interest rates, certain bank failures, tightness in money market and funding winter for the startup ecosystem, Russia Ukraine war, isolation of Chinese economy over several months due to COVID 19 and other factors.

Economic outlook

The world economic outlook dated January 2023, projects that global growth will fall to 2.9% in 2023 but rise to 3.1% in 2024. The 2023 forecast is 0.2% higher than predicted in the October 2022 world economic outlook but below the historical average of 3.8%. Rising interest rate and the war in Ukraine continue to weigh on economic activity. China's recent reopening has paved the way for faster than expected recovery. Global inflation is expected to fall to 6.6% in 2022 and 4.3% in 2023 which is still above the pre-pandemic levels.

Global Financial Conditions

As per the global financial stability report of International Monetary Fund (IMF) in October 2022, financial risk have increased amid the highest inflation in decades and the ongoing spillovers from Russia war in Ukraine to European and global energy markets. Amid poor market liquidity, there is a risk that a sudden, disorderly tightening in financial conditions may interact with pre-existing vulnerabilities. In emerging markets, rising rates, weak fundamentals and large outflows have pushed up borrowing costs, particularly for frontier economies with heightened risk of additional defaults. In China, the property downturn on developers, pose heightened risks to the financial sector.

Source: <https://www.imf.org/en/publications/gfsr>

Software and computing technology are transforming businesses in every industry around the world, in which PKI technology plays a vital role in by offering secure digital transformation. The Macroeconomic headwinds are not slowing digital transformation and hence spending on digital transformation and cyber security is expected to remain strong, even as many countries are projected to have near-flat gross domestic product (GDP) growth and high inflation in 2023. Prioritization will be critical as CIOs look to optimize spend while using digital technology to transform their organization's value proposition, revenue and client interactions. The software segment will see double-digit growth this year as enterprises prioritize spending to capture competitive advantages through increased productivity, automation and other software-driven transformation initiatives. Conversely, the devices segment is expected to decline in 2023, as consumers would defer device purchases due to declining purchasing power and a lack of incentive to buy. While due to digital transformation exercise undertaken by many customers around the world, the Company's trust service and paperless workflow solution are expected to have huge demand, the cyber security threats are likely to increase the demand for the company' identity and authentication management and public key infrastructure.

IV. Our Strategy

As indicated in detail in the prospectus for the Company's IPO in May 2022, the Company is adopting a five-pronged strategy as under for global growth:

1. **Maintain leadership in Indian Trust Services market and capitalize on industry opportunities.**
2. **Leveraging existing data centre infrastructure and set up new data centres in India and overseas locations.**
3. **Enhance solution offerings to tap growing needs of digital transformation.**
4. **Grow presence in overseas markets.**
5. **Expand share of revenues among existing customers and broaden our partner network and customer base.**

In line with our above strategy, the Company has implemented various technology tools for partners and end customers to consume our trust services and with aggressive retail focus has maintained leadership in the Indian trust service market. The Company has also implemented data center project in Bangalore and disaster recovery center in Chennai. These centers are expected to cater to the growing needs of the customers for the next five years. The Company will be implementing its overseas data center in 2023. In line with the objective of enhancing solution offerings, the Company has created certificate discovery product and is working on completing remote signing and IoT products. These are expected to be completed in the next six months. The year 2022-23 was a very successful year for the Company's international foray and Company's revenue from international market increased by 141% during FY 2022-23. The Company is expected to further strengthen the international markets in the coming years. The share of the existing customers in the total business of the Company is on the rise and existing customer revenue grew to 138% in FY 2022-23 as compared to FY 2021-22.

V. R&D and Product Development

The Company has been continuously doing R&D and over the last several years has come up with various solutions towards digital transformation and cyber security. During the year, the company has made significant effort towards discovery (certificate life cycle management) solution, and it has already won a very large bank as a customer for its discovery solution. Remote signing solution has also been partially commissioned and Company's remote signing is consumed by several customers for thousands of signatures per day. The Company's IoT solution has progressed well and is expected to be completed in the next six months. Cyber security and digital transformation are ever evolving areas and newer and newer technologies are always a threat as well as an opportunity for the Company. There are new technology areas such as quantum computing, blockchain, Web 3.0, homomorphic encryptions etc are emerging and offer good potential for the Company's growth. The Company's R&D team of over 250 people are continuously working towards these technologies so that the Company can offer a comprehensive solution to its customers. By its R&D, the company has created a one stop shop by combining its trust service layer and the enterprise solution layer so that both the layers complement each other.

VI. Results of our Operations

Financial Results

Please refer to our Standalone and Consolidated financial statements in this Annual Report for detailed schedules and notes.

The function-wise classification of the Consolidated and Standalone Statement of Profit and Loss is as follows:

Consolidated Statement of Profit and Loss

INR in million	March 31,2023	% to revenue	March 31,2022	% to revenue
I Revenue from operations	2,487.57	100.0%	1,826.37	100.0%
II Other income	52.99	2.1%	10.98	0.6%
III Total Income (I+II)	2,540.56		1,837.35	
IV Expenses				
Operating expenses	300.55	12.1%	119.93	6.6%
Purchase of stock-in -trade	287.62	11.6%	311.32	17.0%
Changes in inventories of stock in trade	11.04	0.4%	(14.26)	-0.8%
Employee benefits expense	643.61	25.9%	468.15	25.6%
Finance costs	33.85	1.4%	45.60	2.5%
Depreciation and amortization expense	158.45	6.4%	130.70	7.2%
Other expenses	371.65	14.9%	271.32	14.9%
Total expenses (IV)	1,806.78	72.6%	1,332.76	73.0%
V Profit/(Loss) before exceptional items and tax (I-IV)	733.79	29.5%	504.59	27.6%
VI Exceptional items	-		-	
VII Profit/(Loss) before tax (V-VI)	733.79	29.5%	504.59	27.6%
VIII Tax expense:				
Current tax	111.51	4.5%	88.94	4.9%
Adjustment of tax relating to earlier periods	1.10	0.0%	-	0.0%
Deferred tax	9.20	0.4%	4.28	0.2%
Total tax expenses	121.81	4.9%	93.21	5.1%
IX Profit/(Loss) for the year (VII-VIII)	611.97	24.6%	411.37	22.5%

Standalone statement of profit and loss

INR in million	March 31,2023	% to revenue	March 31,2022	% to revenue
I Revenue from operations	1,640.22	100.0%	1,530.21	100%
II Other income	56.50	3.4%	7.17	0.5%
III Total Income (I+II)	1,696.72		1,537.38	
IV Expenses				
Operating expenses	187.75	11.4%	142.59	9.3%
Purchase of stock-in -trade	285.48	17.4%	302.28	19.8%
Changes in inventories of stock in trade	6.91	0.4%	(14.25)	-0.9%
Employee benefits expense	491.64	30.0%	381.12	24.3%
Finance costs	33.77	2.1%	52.56	3.4%
Depreciation and amortization expense	123.36	7.5%	105.07	6.9%
Other expenses	298.04	18.2%	177.54	12.2%
Total expenses (IV)	1,426.94	87.0%	1,146.92	75.0%
V Profit/(Loss) before exceptional items and tax (I-IV)	269.77	16.4%	390.47	25.5%
VI Exceptional items	-		-	
VII Profit/(Loss) before tax (V-VI)	269.77	16.4%	390.47	25.5%
VIII Tax expense:				

Current tax	62.05	3.8%	86.99	5.7%
Deferred tax	7.98	0.5%	3.11	0.2%
Total tax expenses	70.03	4.3%	90.10	5.9%
IX Profit/(Loss) for the year (VII-VIII)	199.74	12.2%	300.37	19.6%

1. Revenue

The growth in our revenue in fiscal 2023 from 2022 is as below:

INR in million	Consolidated			Standalone		
	FY 2023	FY 2022	Change	FY 2023	FY 2022	Change
Revenue from operation	2,487.57	1,826.37	36.2%	1,640.22	1,529.21	7.3%

The increase in revenues was primarily due to increase in our solutions' revenue in India and global geographies.

The consolidated and standalone revenues from trust services and enterprises solutions for fiscal 2023 and 2022 are as follows:

INR in million	Consolidated			Standalone		
	FY 2023	FY 2022	Change	FY 2023	FY 2022	Change
Trust services (India and Global)	850.04	845.60	0.5%	794.02	843.99	-5.9%
Solutions India	795.42	631.86	25.9%	846.20	686.22	23.3%
Solutions Global	842.11	348.91	141.4%	NA	NA	NA
Total:	2,487.57	1,826.37		1,640.22	1,530.21	

During the year under review, we have added 156 new enterprise customers and added 50 enterprise partners.

During the year, a few new players entered the certifying authority business in India. Due to this the competition for trust services intensified in India. In view of this, in spite of the volume increase, due to price drop by the competitors our trust service business remains almost constant with respect to revenue growth. Due to this, we changed our business model effective January 2023 by eliminating one layer in the channel. Thus, we reached one step close to our end customer which will help us to convert them into our direct business yielding much higher retail revenue from trust services. In India enterprise business and global enterprise business saw significant improvement during 2022-23.

2. Expenditure

Cost of goods sold

The cost of goods sold, comprises of commission expenses, direct personnel cost, cost of software, transfer price of proprietary solutions of the group and cost of stock in trade.

Cost of goods sold on a consolidated basis marginally increased from 22.7% in FY 2022 to 23.6% as a percentage in FY 2023 to the total income of the respective year. The standalone cost also marginally

increased from 28.0% to 28.3% as a percentage to the total income. Third party items bought for service delivery is also included in cost of software.

The software and other direct purchase for the enterprise business have increased as a percentage to revenue from 2.4% in FY2022 to 10.0% in FY2023 on a consolidated basis and also increased from 1.4% to 3.5% on standalone basis. These softwares/specific software services were consumed in the course of enterprise delivery.

The cost of stock in trade has decreased as a percentage to total revenue from 16.2% to 11.8% in the fiscal 2023 on consolidated basis and reduced from 18.7% to 17.2% on standalone basis.

Employee benefit expenses

Our employee benefit expenses consist of salary, wages, bonus, insurance, contribution to provident fund, share based payments and other funds and staff welfare expenses. Our employee cost has marginally reduced as a percentage of total revenue from 25.9% to 25.3% in the fiscal 2023 on consolidated basis and increased from 24.8% to 29.0% on standalone basis.

During the year under review, we have incurred employee transportation cost which is 0.91% and 1.37% on consolidated and standalone basis respectively as a percentage to total income. Further the share based payment expenses have increased to 0.3% and 1.7% of total income and increased from 0.3% to 1.2% on consolidated and standalone basis respectively.

Our number of employees increased to 751 employees as of March 31, 2023 from 659 employees as of March 31, 2022.

Financial costs

Our financial cost consists of interest expenses on term loans, overdraft accounts and interest on lease liabilities. Our financial costs decreased as a percentage of total income from 2.5% to 1.3% in the fiscal 2023 on consolidated basis and reduced 3.4% to 2.0% on standalone basis.

The drop in the cost is due to closure of the term loans and working capital loan limits from the banks.

Other expenses

Other expenses comprise of selling expenses, office maintenance expenses, rental expenses, travel expenses, boarding expenses, communication, technology expense and all other indirect expenses. During the year under review other expenses as a percentage to total income have increased from 14.2% to 14.9% on consolidated basis and increased from 11.5% to 17.6% on standalone basis.

During the year under review, we have held various product or brand awareness events in India as well as overseas locations and have been part of global information technology research coverage. The marketing activities expenses as a percentage to total income is 3.9% and 3.7% on consolidated basis for the year 2022 and 2023 respectively and it is has increased to 5.5% from 2.4% on standalone basis. Further, the travel, boarding and lodging expenses as a percentage to total income increased to 1.48% from 0.56% in the previous financial year on consolidated basis and have increased to 1.69% from 0.40% on standalone basis due to opening of travel after COVID 19.

Other income

Other income primarily includes foreign exchange gains on consolidation, interest income of fixed deposits, profit on sale of assets/investments, write back of provisions no longer required and miscellaneous income.

The other income as a percentage of total income has increased from 0.6% to 2.1% on a consolidated basis and has increased to 3.3% from 0.5% in the fiscal 2023 on standalone basis.

During the year under review, the interest income as a percentage to total income has increased from 0.2% to 1.3% on consolidated basis and increased from 0.2% to 1.9% on standalone basis due to Company's investments and deposits.

Depreciation and amortization expenses

Our depreciation/amortization expense as a percentage of total income has decreased from 7.1% to 6.2% on consolidated basis and has increased from 6.8% to 7.3% in the fiscal 2023 on standalone basis.

Provision for tax

During the year under review the company has provided effective tax rates as below.

INR in million	Consolidated		Standalone	
	FY 2023	FY 2022	FY 2023	FY 2022
Income tax expenses	121.81	93.21	70.03	90.10
Effective tax rate	16.6%	18.5%	26.0%	23.1%

The company has provided Indian income tax at the rate of 22% and 25% along with applicable surcharge and educational cess. During the year except MEA, all other regions are coming under income taxes, which is varying between 17% to 25%.

I. Financial condition

Equity share capital

During the year, the company allotted fresh share of 6,289,062 equity shares of INR 5.00 per share as fresh issue of shares as part of IPO of the Company. In addition to this, the company has also made preferential allotment of 1,603,617 equity shares. With the said allotment, the paid-up equity share capital has increased to INR 390.36 million as on March 31, 2023 consisting of 78,072,371 equity shares of INR 5.00 per share.

Other equity comprises mainly of reserves and surplus and other comprehensive income

The movement in retained earnings was on account of profit earned during the year, share based payment reserve and due to foreign exchange translation reserve.

Further, the company has also redeemed the preference share capital of INR 86.00 million during the FY2023 to the promoters and family members as per the terms of the issue of the preference shares.

Capital work-in-progress/Intangible assets under development

During the year under review, we have INR 366.05 million on consolidated and standalone basis. This predominately pertains to two local data centers as part of our expansion plan.

The intangible assets under development is INR 106.24 million on consolidated and standalone basis. This is towards continuous development of three of our products which was envisaged at the time initial public offer.

Inventory

The inventory of the company stood at INR 10.34 million for FY 2023 as against INR 21.38 million for FY 2022 on consolidated and standalone basis which are convertible in the normal course of business.

Financial assets

a. Trade receivables

Days sales outstanding has increased to 95 days for FY 2023 from 80 days in the previous year on consolidated basis. The increase in outstanding days were due to extension of credit period to few of the strategic government customers. However, management is not foreseeing any threat to the collection despite increase in high value billing.

b. Cash and cash equivalents

Our cash and cash equivalents comprise of balance with current account, deposit accounts and overnight funds with mutual fund houses. The closing cash and cash equivalents are INR 1194.35 million and INR 663.70 million on consolidated and standalone basis respectively.

c. Loans

We have provided personal loans to a very limited number of employees and loans to employee's stock options trust. The loan balance of the trust is INR 10.81 million on standalone basis as on March 31,2023.

Deferred tax assets / liabilities

Net deferred tax liabilities comprising deferred tax liabilities less deferred tax assets. It has increased during the fiscal 2023 primarily on account of temporary difference on depreciation/amortization expenses of the company while comparing with income tax depreciation/amortization. The net increase is INR 7.98 million and INR 9.20 million on consolidated and standalone basis in fiscal 2023.

II. Liquidity

Our principal source of liquidity are cash and cash equivalents and cash flow that we generate from operations. Our consolidated total cash and cash equivalents including overnight funds stood at INR 1,194.35 million as at March 31,2023. This grew by 801.1% as compared to the previous year cash and cash equivalents on account of public issue and private placement of shares for an amount of INR 2000 million.

Our current ratio in the fiscal stood at 3.87 times (average basis), which measures our ability to pay short-term obligation or those dues within one year. This way, we can satisfy current debts as well as other payables.

III. Related party transactions

These have been given in detail in note 63 to the consolidated financial statements of the company.

IV. Events occurring after Balance Sheet date

There are no significant events after the balance sheet date which is likely to affect financial position/results of the Company.

V. Key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios for standalone and consolidated has been provided in the Directors' Report.

VI. Profit for the year

Net profit for the year has increased from INR 411.37 million to INR 611.98 million on a consolidated basis and reduced from INR 300.36 million to INR 199.74 million on a standalone basis. The reduction in standalone net profit is due to increased brand building, marketing and employee cost.

VII. Liquidity and Capital Resources

Our primary sources of liquidity have historically been cash generated from operations and short-term borrowings from banks. We expect that cash generated from operations will be our primary sources of liquidity. We believe that after taking into account cash generated from our business operations, we will have sufficient working capital for both our present and anticipated future requirements for capital expenditures and other cash requirements for 12 months following the end of Fiscal 2023.

The following table sets out a condensed summary of our cash flows for the periods indicated:

INR in million	Consolidated		Standalone	
	FY 2023	FY 2022	FY 2023	FY 2022
Net cash flows from operating activities	335.68	216.05	174.79	360.05
Net cash flows used in investing activities	(1,067.24)	(377.03)	(1,272.10)	(374.98)
Net cash flows from/(used) in financing activities	1,274.88	159.82	1,200.80	1.89
Foreign exchange differences on translation of foreign operations	43.92	6.58	-	-
Cash and cash equivalents at the beginning of the year	82.55	77.13	36.58	49.67
Cash and cash equivalents at the end of the year	669.79	82.55	140.07	36.58
Liquid investment & fixed deposit with maturity period of over 12 months	523.47	50.00	522.56	50.00
Total Cash and cash equivalents	1,193.26	132.55	662.62	86.58

Operating activities

Our net cash flow operating activities before taxes stood at 66.3% of the profit before tax on consolidated basis for the FY 2023 as against 51.8% for FY 2022. Net cash flow from operating activities before taxes on standalone basis stood at 115.5% for FY 2023 as against 106.4% for the FY 2022.

Investing activities

Net cash flow used in investing activities is INR 1,067.24 million on consolidated basis and INR 1,272.10 million on standalone basis for the FY 2023. Investment in the current year includes investment into two

Indian data center (INR 343.2 million), product development (INR 105.8 million), data center building (including electricals) (INR 49.3 million), building interior cost for extra floor (INR 38.4 million), office software (call center and ERP) (11.3 million) and other miscellaneous additions (INR 73 million). Other outflow is on account of investment in the overnight funds amounting to INR 209.5 million. In standalone financials, in addition to the above, we have made an additional investment of INR 299.0 million as investment into eMudhra INC, USA, our subsidiary company.

Financing activities

During the year under review, net cash from financing activities was INR 1,274.88 million on consolidated basis and INR 1,200.80 million on standalone basis for the FY 2023. This is mainly due to public issue and private placement of shares of the company, which itself amounts to INR 1,887 million after reducing the issue expenses. Further company has repaid its term loan amounting to INR 454.33 million. In addition to this, company had also redeemed preference share capital of INR 86.00 million. The payout on account of dividend was INR 94.83 million on consolidated basis.

VII. Enterprise risk Management

Listed below are some of the key risks, anticipated impact on the company and mitigation strategies:

Key Risk	Impact on the company	Mitigation
Business risk	<p>eMudhra operates in two business segments: Trust Services comprising of:</p> <ul style="list-style-type: none"> Issuing digital signature certificates for individuals, organizations under license from Government of India. The operations are audited yearly and license is renewed every 5 years Individual, Organization under emSign Root (accredited under WebTrust) and empaneled/licensed by various Governments (UAE, Kenya, Mauritius etc.) SSL/TLS certificates under emSign Root (governed by CA Browser Forum) WebTrust Audits are conducted every year <p>Enterprise Solutions comprising of:</p> <ul style="list-style-type: none"> emSigner – eSignature Workflow Platform emAS – Authentication and Access Management emCA – PKI solution <p>The revenue split between Trust Services and Enterprise Solutions is 34.2% : 65.8% for the year ended March 31,2023.</p> <p>The revenue split between India and International is 66.1% : 33.9% for the year ended March 31,2023.</p> <ul style="list-style-type: none"> The trust services business is a licensed business and is predominantly generated from India. This exposes 34.2% of our yearly revenue of fiscal 2023 to risks inherent with operating a licensed activity in a single geography. Enterprise Solutions are not operated under or subject to licensing requirements and to this extent 	<ul style="list-style-type: none"> As our revenue from global markets including trust service and SSL business grows, concentration risk associated with revenues from a single geography or regulator, or type of certificate will reduce. Newer areas of certificate issuance for IoT devices while classified under Trust Services are not subject to regulation. Over time, we anticipate enterprise solutions to grow faster and this will change the revenue mix in favor of Enterprise Solutions.

Key Risk	Impact on the company	Mitigation																				
	are directly correlated to the demand for cybersecurity and digital transformation solutions.																					
Competition risk	<p>We are faced with competition from global payers as listed below:</p> <table border="1" data-bbox="421 555 1040 2063"> <thead> <tr> <th data-bbox="421 555 730 593">Type of Service</th> <th data-bbox="730 555 1040 593">Global Player</th> </tr> </thead> <tbody> <tr> <td data-bbox="421 593 730 663">Digital Trust Services</td> <td data-bbox="730 593 1040 663"></td> </tr> <tr> <td data-bbox="421 663 730 772">SSL/TLS Certificates</td> <td data-bbox="730 663 1040 772">DigiCert (USA), Entrust (USA), Sectigo (USA)</td> </tr> <tr> <td data-bbox="421 772 730 952">Digital Signature Certificates</td> <td data-bbox="730 772 1040 952">DigiCert (USA), eMudhra (India), Entrust (USA), GlobalSign (Belgium)</td> </tr> <tr> <td data-bbox="421 952 730 1095">IoT Device Certificates</td> <td data-bbox="730 952 1040 1095">DigiCert (USA), Entrust (USA), GlobalSign (Belgium)</td> </tr> <tr> <td data-bbox="421 1095 730 1205">Digital Security Solutions</td> <td data-bbox="730 1095 1040 1205"></td> </tr> <tr> <td data-bbox="421 1205 730 1527">Identity and Access Management</td> <td data-bbox="730 1205 1040 1527">Microsoft (USA), IBM (USA), Ping Identity (USA), Okta (USA), Sailpoint (USA), Ilantus technologies (USA), Saviynt (USA), Thales (France), Broadcom (USA)</td> </tr> <tr> <td data-bbox="421 1527 730 1816">Public Key Infrastructure</td> <td data-bbox="730 1527 1040 1816">Hardware: Thales (France), HID Global (USA), Keyfactor (USA) Software: Entrust (USA), Nexus Group (Sweden)</td> </tr> <tr> <td data-bbox="421 1816 730 1960">Certificate Discovery</td> <td data-bbox="730 1816 1040 1960">DigiCert (USA), Sectigo (USA), AppViewX (USA), Venafi (USA)</td> </tr> <tr> <td data-bbox="421 1960 730 2063">Cloud Infrastructure</td> <td data-bbox="730 1960 1040 2063">Google (USA), AWS (USA)</td> </tr> </tbody> </table>	Type of Service	Global Player	Digital Trust Services		SSL/TLS Certificates	DigiCert (USA), Entrust (USA), Sectigo (USA)	Digital Signature Certificates	DigiCert (USA), eMudhra (India), Entrust (USA), GlobalSign (Belgium)	IoT Device Certificates	DigiCert (USA), Entrust (USA), GlobalSign (Belgium)	Digital Security Solutions		Identity and Access Management	Microsoft (USA), IBM (USA), Ping Identity (USA), Okta (USA), Sailpoint (USA), Ilantus technologies (USA), Saviynt (USA), Thales (France), Broadcom (USA)	Public Key Infrastructure	Hardware: Thales (France), HID Global (USA), Keyfactor (USA) Software: Entrust (USA), Nexus Group (Sweden)	Certificate Discovery	DigiCert (USA), Sectigo (USA), AppViewX (USA), Venafi (USA)	Cloud Infrastructure	Google (USA), AWS (USA)	<ul style="list-style-type: none"> • In terms of global competition, we are the Only Indian player to have the range of capabilities in our space. • In Trust Services in India, we continue to maintain market leadership. • Our product suite and trust services position us as a One Stop Shop giving us a unique positioning. • Our products have several marquee reference customers and feature in many global market research reports. • Our technology is fully in-house and proprietary allowing us to be flexible and nimble both from a delivery and pricing standpoint. • Our delivery centers are in Bangalore at lower cost as compared to global players who have a substantially higher cost of delivery.
Type of Service	Global Player																					
Digital Trust Services																						
SSL/TLS Certificates	DigiCert (USA), Entrust (USA), Sectigo (USA)																					
Digital Signature Certificates	DigiCert (USA), eMudhra (India), Entrust (USA), GlobalSign (Belgium)																					
IoT Device Certificates	DigiCert (USA), Entrust (USA), GlobalSign (Belgium)																					
Digital Security Solutions																						
Identity and Access Management	Microsoft (USA), IBM (USA), Ping Identity (USA), Okta (USA), Sailpoint (USA), Ilantus technologies (USA), Saviynt (USA), Thales (France), Broadcom (USA)																					
Public Key Infrastructure	Hardware: Thales (France), HID Global (USA), Keyfactor (USA) Software: Entrust (USA), Nexus Group (Sweden)																					
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Key Risk	Impact on the company		Mitigation																																																																																																									
	Paperless Transformation Solutions																																																																																																											
	Paperless Transformation/ Workflow Solutions	Adobe (USA), OneSpan (USA), DocuSign (USA), Alpha Trust (USA), WISEKey (Switzerland)																																																																																																										
	In the digital signature certificate/CA market, we are faced with the following competition in Indian markets:																																																																																																											
	<table border="1"> <thead> <tr> <th data-bbox="419 703 608 842">Licensed CAs</th> <th data-bbox="608 703 711 842">Class 1-3 DSCs</th> <th data-bbox="711 703 810 842">eSign</th> <th data-bbox="810 703 995 842">SSL and Code Signing Certificates</th> <th data-bbox="995 703 1150 842">Time Stamping</th> </tr> </thead> <tbody> <tr><td>eMudhra</td><td>Yes</td><td>Yes</td><td>Yes**</td><td>Yes</td></tr> <tr><td>Safecrypt</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td></tr> <tr><td>IDRBT</td><td>Yes^</td><td>No</td><td>Yes^</td><td>Yes^</td></tr> <tr><td>(n)Code Solutions</td><td>Yes</td><td>Yes</td><td>Yes*</td><td>Yes</td></tr> <tr><td>CDAC</td><td>No</td><td>Yes</td><td>No</td><td>No</td></tr> <tr><td>Capricorn</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td></tr> <tr><td>NSDL e-Gov</td><td>No</td><td>Yes</td><td>No</td><td>No</td></tr> <tr><td>V Sign (Verasys)</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td></tr> <tr><td>Indian Air Force</td><td>Yes^</td><td>Yes^</td><td>No</td><td>Yes^</td></tr> <tr><td>CSC</td><td>No</td><td>Yes</td><td>No</td><td>No</td></tr> <tr><td>RISL (RajComp)</td><td>Yes</td><td>Yes</td><td>Yes*</td><td>Yes</td></tr> <tr><td>Indian Army</td><td>Yes^</td><td>Yes^</td><td>Yes^</td><td>Yes^</td></tr> <tr><td>ID Sign</td><td>Yes</td><td>Yes</td><td>No</td><td>Yes</td></tr> <tr><td>CDSL Ventures</td><td>No</td><td>Yes</td><td>No</td><td>No</td></tr> <tr><td>Pantasign</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> <tr><td>Xtra Trust</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> <tr><td>ProDigiSign</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> <tr><td>Sign X</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> <tr><td>Care 4 sign</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> <tr><td>IGCAR</td><td>Yes</td><td></td><td>No</td><td>No</td></tr> </tbody> </table>		Licensed CAs	Class 1-3 DSCs	eSign	SSL and Code Signing Certificates	Time Stamping	eMudhra	Yes	Yes	Yes**	Yes	Safecrypt	Yes	Yes	No	Yes	IDRBT	Yes^	No	Yes^	Yes^	(n)Code Solutions	Yes	Yes	Yes*	Yes	CDAC	No	Yes	No	No	Capricorn	Yes	Yes	No	Yes	NSDL e-Gov	No	Yes	No	No	V Sign (Verasys)	Yes	Yes	No	No	Indian Air Force	Yes^	Yes^	No	Yes^	CSC	No	Yes	No	No	RISL (RajComp)	Yes	Yes	Yes*	Yes	Indian Army	Yes^	Yes^	Yes^	Yes^	ID Sign	Yes	Yes	No	Yes	CDSL Ventures	No	Yes	No	No	Pantasign	Yes		No	No	Xtra Trust	Yes		No	No	ProDigiSign	Yes		No	No	Sign X	Yes		No	No	Care 4 sign	Yes		No	No	IGCAR	Yes		No	No	
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Technology Risk	<ul style="list-style-type: none"> eMudhra is heavily dependent on technology for the delivery of services to its customers. 		<ul style="list-style-type: none"> Our technology teams are constantly upgrading the 																																																																																																									

Key Risk	Impact on the company	Mitigation
	<ul style="list-style-type: none"> • eMudhra develops proprietary IP for the delivery of trust services and enterprise solutions and manages: <ul style="list-style-type: none"> • Application Development Lifecycle • Product Customization, Maintenance and Upgrades • Product Security • The technology delivery also can be broadly categorized into: <ul style="list-style-type: none"> • Delivery of services through eMudhra’s data centers – This includes trust service applications, eSign service and portals for partner, customer management. • Delivery of services through Cloud hosting providers – This includes eSignature workflow offerings. • Applications hosted on customer data centers – This includes emSigner, emAS and emCA. • This presents us with the following risks: <ul style="list-style-type: none"> • Technology Obsolescence • Talent Risk • Risk of using open-source software • Physical infrastructure management (in the context of applications hosted and offered by us through a Software as Subscription) • Product, Infra security and Cyber Risks 	<p>products with release roadmaps planned well in advance.</p> <ul style="list-style-type: none"> • Use of open-source software is studied with respect to the usage rights and only those software which are usable without redistribution of our source code is used. All other software is distributed only through commercial redistributable licenses. • Our infrastructure is setup for High Availability and Redundancy and continuously being upgraded in line with recommendations from Board Technology Committee, • All products and infrastructure undergo regular internal and external VAPT assessments. • Key members of the technology team are retained through a combination of salary, incentives and ESOPs. For the other members, we have a strong lateral/fresher hiring system combined with adequate training for them to get upto speed quickly.
Legal/Regulatory Risk	eMudhra’s Trust Service and Enterprise Solutions business is reliant on Licenses being obtained from regulators for the issuance of digital signature certificates for individuals/organizations. Ongoing Webtrust accreditation, compliance with CA/Browser Forum requirements and acceptance of our Root Certificate by the Browsers for the continued issuance of SSL certificates.	<ul style="list-style-type: none"> • Digital Signature acceptance is driven by UNCITRAL Model Law on eSignatures 2000, which has been incorporated into most countries

Key Risk	Impact on the company	Mitigation
	<ul style="list-style-type: none"> • Verification, storage and processing of identity data of individuals/organizations and therefore compliance with relevant privacy regulations • Acceptance of digital signature certificates by relying parties such as Governments, Banks etc. for authentication, signing and other use cases • Signing of contracts with customers with potentially stringent clauses including liability and indemnity <p>In the above context, eMudhra faces the following legal/regulatory risks:</p> <ul style="list-style-type: none"> • Inability to comply with changes in guidelines, audit requirements or maintain its license in India or other geographies. • Being subject to request for evidence, litigation in case of digital signature mis-use. • Insufficient regulatory push, adverse changes to Electronic Transactions Act or lack of relying party adoption. • Local data storage requirements for operation of trust services in geographies such as European Union, Indonesia etc. • Inability to comply on an ongoing basis with privacy guidelines such as GDPR. • eMudhra is bound by contractual obligations for timely delivery, support, fulfillment of SLA obligations, IP infringement protection, confidentiality and other clauses. Material breach of these clauses typically triggers service credits, liability and indemnity cover that we provide to our customers. 	<p>Electronic Transactions Act or Information Technology Act. Thus, the acceptance of technology has been there for > 20 years.</p> <ul style="list-style-type: none"> • eMudhra maintains strong document archival/retrieval system coupled with audit trails to be able to respond to information requests in an expedited manner. eMudhra has had clean audits for the last 14 years of operations. • eMudhra continuously maintains various ISO certifications for Information Security, privacy certifications for GDPR and HIPAA. • Being an early mover in the space, eMudhra regularly conducts/participates in global bodies that drive digital signature adoption. eMudhra works with global regulators to build awareness and use cases for technology adoption. • Generally, in our agreements, we limit our liabilities to actual damages only and an indemnity cap of previous 12 months fee received from the client. The only exclusions include IP infringement, confidentiality, gross negligence and willful misconduct.

Key Risk	Impact on the company	Mitigation
Operations Risk	<p>eMudhra’s operations are broadly split into the following areas:</p> <ul style="list-style-type: none"> • Identity Verification or Validation Operations • Customer Support • IT Operations <p>In the above context, eMudhra faces the following risks:</p> <ul style="list-style-type: none"> • In terms of identity verification, eMudhra is responsible for following appropriate guidelines for identity verification for issuance of digital signature certificates. Incorrect interpretation of guidelines or inaccurate vetting could result in potential audit violations. • In terms of customer support, eMudhra deals with a large set of retail customers and partners for trust services business and supporting them requires a dedicated team of experts. Continuous poor experience in delivering support could result in brand and reputation risk and risk of renewal. • eMudhra also deals with several large and mid-size Enterprise customers who demand timely delivery and support for products supplied. Poor support experience could result in reputation risk. • eMudhra runs internal IT Operations teams for managing user infrastructure, source code systems, secure network connections etc. Improper management could result in service disruptions that affects our ability to deliver services effectively to our clients. 	<ul style="list-style-type: none"> • Identity verification personnel form part of a Trusted Personnel List who undergo onboarding training, skill assessment and periodic reassessment to ensure they are fully aware of guidelines. • In terms of customer support, eMudhra has a strong training program to ensure customer support agents for both trust service/enterprise solutions are adequately trained and are able to support customers effectively. This is further enhanced to quality and audit initiatives to assess and recalibrate support effectiveness and resolution. • eMudhra maintains redundancy/backups for critical internal systems ensuring minimal service disruption for internal IT systems.
Financial and Compliance Risk	<p>The following financial risks could typically affect eMudhra’s ability to maintain profitability and cash flows:</p> <ul style="list-style-type: none"> • Receivables Risk, eMudhra provides credit period to its partners and customers for sale of its products. These are unsecured credit and typically based on history of association of customer with eMudhra. • eMudhra also deals with certain sectors in certain countries across emerging markets which may be considered risky from a payment recoverability standpoint. • Any non-recoverability of amounts could result in provisioning in P/L and consequent reduction in profitability and cash flows. • Foreign Exchange risk, eMudhra derives 33.9% of its FY 23 revenues from international operations where realization happens in USD, EUR, AED and other currencies. Adverse 	<ul style="list-style-type: none"> • eMudhra follows a robust mechanism for collection of receivables and extends credit only to trustworthy parties or parties with whom eMudhra has a history of association. • eMudhra regularly transfer prices foreign exchange collections and brings the money to India to minimize the impact of currency movements from time of receipt.

Key Risk	Impact on the company	Mitigation
	<p>movements in currencies as compared to INR could result lower realization in INR where substantial costs are incurred.</p> <p>The following financial risks could typically affect eMudhra’s ability to maintain profitability and cash flows:</p> <ul style="list-style-type: none"> • Compliance Risk, as a public company, eMudhra is subject to various laws and guidelines such as SEBI guidelines, Income Tax Act, Companies Act, FEMA guidelines etc. which involve several monthly, quarterly and annual compliance and reporting. Lack of timely compliance could involve penalties, tax notices etc. 	<ul style="list-style-type: none"> • eMudhra has a strong compliance team with oversight through secretarial audit, internal audit, external audit and committees of the Board for supervisory duty.
Human Resource Risk	<p>Being a technology focussed company, eMudhra is dependent heavily on its people for:</p> <ul style="list-style-type: none"> • Building innovative products • Delivering these products as services or solutions to its customers • Supporting them • Like other IT companies, eMudhra faces the risk of continuously being able to attract and retain talent and cost pressures as a result of high compensation hikes. 	<ul style="list-style-type: none"> • eMudhra’s key employees at management level, 2nd and 3rd level from Chairman are incentivized through a combination of healthy salary, bonus and ESOP and a conducive working environment creating a high level of stickiness. • As a player operating in a niche but growing space, eMudhra provides a strong career path for those associated with the company. • eMudhra maintains a robust fresher hiring and training program helping us mitigate effects of employees leaving the company. • eMudhra also continues to invest in automation of various processes through tools reducing the dependence on manpower for certain processes to a significant extent.

VIII. Internal Financial Control Systems and their Adequacy

eMudhra Limited has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organization’s process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The company has successfully laid down the framework and ensured its effectiveness. Our internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. eMudhra has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down. eMudhra uses centralized Tally ERP to record data for accounting, consolidation and management information purposes.

eMudhra’s management assessed the effectiveness of the company’s internal control over financial reporting (as defined in Regulation 17 of SEBI LODR Regulations 2015) as of March 31, 2023. M/s Suri and Co, the statutory auditors of eMudhra have audited the financial statements included in this annual report and have issued an attestation report on the company’s internal control over financial reporting (as defined in section 143 of the Companies Act 2013).

We have appointed M/s Manohar Chowdhry and Associates to carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and approved by the audit committee. In line with this, the conduct of internal audit is oriented towards the review of internal controls and risks in the company’s operations such as software delivery, accounting and finance, procurement, employee engagement, travel and insurance.

eMudhra also undergoes periodic audit by specialized third party consultants and professionals for business specific compliances such as quality management, service management, information security, etc. The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets the statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

Based on its evaluation (as defined in section 177 of the Companies Act 2013 and Regulation 18 of SEBI LODR Regulations 2015), the audit committee has concluded that, as of March 31, 2023, the company’s internal financial controls were adequate and operating effectively.

IX. Conclusion

eMudhra continuously evaluates risks applicable to its business on an ongoing basis and takes corrective measures to mitigate the effect of such risks. At a high level, the key focus of the company from a derisking standpoint would be on:

- Product Innovation
- Geographical Diversification
- Segment Diversification
- Strong Financial/Operational MIS with highlight on exceptions on a real time basis
- Compliance Management
- Talent acquisition and retention through Strong HR/Recruitment program



Business Responsibility & Sustainability Reporting

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L72900KA2008PLC060368
2.	Name of the Listed Entity	eMudhra Limited
3.	Year of Incorporation	2008
4.	Registered Office Address	No. 12-P1-A & 12-P1-B, Bangalore It Park Industrial Area, B K Palaya, Jala Hobli, Bengaluru – 562149
5.	Corporate Address	No. 12-P1-A & 12-P1-B, Bangalore It Park Industrial Area, B K Palaya, Jala Hobli, Bengaluru - 562149
6.	E-mail	corporate@emudhra.com
7.	Telephone	080 4848 4001
8.	Website	www.emudhra.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	NSE/BSE
11.	Paid-up Capital	39,03,61,855
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Johnson Xavier Company Secretary & Compliance Officer 080 4848 4001 Johnson.x@emudhra.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this report are on a standalone basis and pertain only to eMudhra Limited

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Information and communication	Computer Programming, Consultancy and related activities	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Computer Programming, Consultancy and related activities	6201	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	0	9	9
International	0	6	6

17. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States)	Pan – India
International (No. of Countries)	More than 20 Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

2.5%

c. A brief on types of customers:

eMudhra Limited positions itself as a thought leader who partners with clients to deliver digital transformation, leveraging disruptive technologies. Led by this vision, the Company focuses on vertical/industry segments, which shows a high propensity to innovate and transform. Based on market analysis, the Company expands into more verticals such as BFSI, Healthcare etc. The Company also has specific strategies for different Geos and Domains. Hence, the Market and Customers are also segmented by Geography, and the expansion in new geographies like Americas is based on this. The Company also believes in forging long-term partnerships with clients & hence additional criteria such as client turnover and IT budget are used as leading indicators of potential to scale and deliver value in multiple areas.

➤ Verticals:

- BFSI (Banking, Financial Services & Insurance)
- Healthcare & Pharma
- Education
- Government & Public Sector
- Manufacturing
- Others

- Geographies:
 - Americas
 - Europe
 - India
 - Middle East & Africa
 - Far East & Indonesia

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<u>EMPLOYEES</u>						
1.	Permanent (D)	751	522	70%	229	31%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	751	522	70%	229	31%
<u>WORKERS</u>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<u>DIFFERENTLY ABLED EMPLOYEES</u>						
1.	Permanent (D)	3	3	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	3	3	100%	0	0
<u>DIFFERENTLY ABLED WORKERS</u>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0

6.	Total differently abled workers (F + G)	0	0	0	0	0
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Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	1	1	100%
Key Management Personnel	0	0	0%

Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-2023 (Turnover rate in current FY)			FY 2021-2022 (Turnover rate in previous FY)			FY 2020-2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	28%	49%	34%	36%	48%	39%	43%	47%	44%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

19. (a) Names of Holding/Subsidiary/Associate Companies/Joint Ventures

Sr. No.	Name of the Holding/ Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of Shares held by Listed Entity	Does the Entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	eMudhra Technologies Limited	Subsidiary	100%	No
2.	eMudhra Consumer Services Limited	Subsidiary	100%	No
3.	eMudhra DMCC	Subsidiary	100%	No
4.	eMudhra Inc	Subsidiary	100%	No
5.	eMudhra Pte Ltd	Subsidiary	100%	No

6.	eMudhra MU Ltd	Subsidiary	100%	No
7.	eMudhra BV	Subsidiary	100%	No
8.	PT eMudhra Technologies Indonesia	Subsidiary	60%	No

VI. CSR Details

20. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
(ii) Turnover (in Rs.) - 1,640,220,377
(iii) Net worth (in Rs.) - 3,197,429,818

VII. Transparency and Disclosures Compliances

21. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year Not applicable as the company got listed on June 01, 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NA	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	NA	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	91	0	-	Nil	Nil	-
Employees and workers	NA	Nil	Nil	-	Nil	Nil	-
Customers	Yes	11	0	-	5	0	-
Value Chain Partners	NA	Nil	Nil	-	Nil	Nil	-
Other (please specify)	NA	Nil	Nil	-	Nil	Nil	-

22. Overview of the entity's material responsible business conduct issues:
Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Corporate Governance	Risk	Strong corporate governance is very essential for responsible business conduct and sustainability of the company and ensuring equitable distribution to all stakeholders.	Robust corporate governance mechanism as per Companies Act, 2013 and SEBI Regulations has been put in place. Further, appropriate measures for risk management including constitution of Risk Committee at the Board level have been put in place.	Positive
2.	Privacy and Data Security	Opportunity/ Risk	Risk: Privacy and Data Security is becoming a major risk due to increasing globalization and digitization were the number of digital users has grown exponentially and they use several systems located around the world. Opportunity: Since the company is engaged in cyber security and digital transformation, the above risk provides a huge opportunity to the company to sell its solutions and services.	The Company has put in place robust system and methodologies with respect to information technology/ cyber security risk which set forth limits, mitigation strategies and internal controls. The Company has a Personal Data Protection Standard which aims to create a responsible culture of data protection within eMudhra and increase employee awareness of data protection, acceptable data handling practices and applicable requirements in relation to Personal Data. The Company also adheres to standards prescribed by Controller of Certifying Authorities, India and Web Trust Standards Globally.	Positive
3.	Human Resource	Opportunity/ Risk	Opportunity: Human resources	We have a meritocratic, transparent and equal	Positive

4.	Social Responsibility	Opportunity	<p>is one of the key strategic imperative for the Company and we consistently invest in the growth & development and alignment of employees to the Company growth strategy.</p> <p>Risk: Market demand for skilled talent is high and hence continuously investing in skilling newer employees to make them business ready and at the same time automating and streamlining processes is of vital importance.</p>	<p>opportunity culture. We provide growth & development opportunities to high performing employees ahead of time. We have invested in hiring key and critical talent to accelerate digital and fair product & process offerings to our customers. We deeply invest in initiatives to promote learning & development, performance support, career growth, engagement, diversity and inclusion at the workplace. We have an open-door policy to address employee concerns.</p>	Positive
			<p>Business must be aligned to its social responsibility to the community in which it operates. Towards this and towards deforesting, our company has developed emSigner solution which is a complete paperless solution. Thus, we have aligned ourselves to the larger interest of the global community.</p>	<p>The Company strives to be a good corporate citizen with special emphasis on environmental responsibility and driving inclusivity.</p>	

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	www.emudhra.com/investors								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	NA. We have no outsourcing partners. Our partners are only sales channel partners.								
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 ISO/IEC 27018:2014 ISO 27001:2013 ISO 20000-1:2018 EU – GDPR CMMI DEV/5								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The quality management and adherence to standards is a continuous process and we have created a Governance Risk & Compliance (GRC) team to continuously ensure this.								

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	At each Board Meeting, the performance of specific commitments, goals and targets are reviewed.
Governance, Leadership, and Oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)	
Message from V Srinivasan, Executive Chairman reference page 1 of the Annual Report.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

No

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

- Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors/Key Managerial Personnel (KMP)	The Directors of the Company and KMPs are briefed on the sustainability initiatives of the Company from time to time. The Directors are also updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislation & economic environment on matters affecting the Company, to enable them to take well informed and timely decisions.		
Employees other than the Board of Directors or KMPs	The Company periodically updates and familiarizes employees on the following: 1. eMudhra’s Code of Ethics which covers aspects such as Corporate Governance & Good Corporate Citizenship 2. Whistleblower Policy of the Company 3. Sustainability Policies of the Company		

- Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):
Nil
- Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or nonmonetary action has been appealed.
Not Applicable
- Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.
The Company’s Code of Ethics covers aspects relating to anti-corruption or anti-bribery. In terms of the said Code, the Company believes in conducting its business in a transparent manner. The eMudhra’s Code of Ethics can be accessed on the Company’s corporate website at www.emudhra.com/investors under ‘Company Policies’ section.

5. Number of Directors/KMPs/employees/worker Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement.

	FY 2022-23
Directors	NIL
KMPs	NIL
Employees	NIL

6. Details of complaints regarding conflict of interest:

	FY 2022-23	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	Nil	Nil
Number of complaints received in relation to issues of conflict of interest of KMPs	Nil	Nil

7. Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programs conducted for value chain partners on any of the principles during the financial year.

The company does not have any outsourcing partners. It only has sales agencies, hence not applicable.

Total number of awareness programmes held	Topics/Principles covered under the training	% of value chain partners covered (by the value of business done with such partners) under the awareness programmes
NA	NA	NA

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes, the Code of Conduct for Directors and Senior Management covers the definition of 'conflict of interest'. The Code explains the requirement of not involving in any subject matter which could cause a conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

The Company is in the Information Technology business.

	FY 2022-23	FY 2021-22	Details of improvement in Environmental and Social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company develops all its solutions by itself and there is no sourcing of IP related to solutions. Hence, not applicable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.

Being an IT company, there is limited scope for using recycled material as processed inputs. Nonetheless, the Company is constantly seeking out opportunities to recycle waste.

The Company follows the below-mentioned processes to dispose waste safely:

- a) Disposing off the plastic waste with Bruhat Bengaluru Mahanagara Palike (BBMP) & non usage of plastic garbage covers and plastic products in the cafeteria
 - b) IT team sends E-Waste to Karnataka State Pollution Control Board (KSPCB) licensed vendors
 - c) Disposal of hazardous waste like DG filters to KSPCB licensed vendors
 - d) Disposal of other paper wastes to BBMP
 - e) Food waste & dry waste is recycled into manure & used for in-house garden
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Not applicable

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Not applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities*	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	522	522	100%	522	100%	0	0%	522	100%	0	0
Female	229	229	100%	229	100%	229	100%	0	0	0	0
Total	751	751	100%	751	100%	229	100%	522	100%	0	0

*We have provided for women wellness room and creche facility.

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
OTHER THAN PERMANENT EMPLOYEES											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total											

b. Details of measures for the well-being of workers

NA

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of employees covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of employees covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
Others – please specify	N/A	N/A	N/A	N/A	N/A	N/A

3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the office premises is very much accessible to differently abled employees as per the requirements of the Act.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, the entity has equal opportunity policy as per the rights of persons with Disabilities Act. The policy is available at www.emudhra.com

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

6. Is there a mechanism available to receive and redress grievances for the Permanent and Non-permanent employees' categories of employees? If yes, give details of the mechanism in brief.

Yes. Grievances from employees are directed to the Head – HR and Legal and further action is taken to have it addressed and resolved with the help of the Internal Committee (ICC).

Internal Committee, as mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been set up to redress complaints received regarding sexual harassment at workplace and specializes in Prevention of Sexual Harassment (“POSH”).

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

N/A

8. Details of training given to employees and workers

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health & Safety Measures		On Skill Upgradation		Total (A)	On Health & Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
EMPLOYEES										
Male	522	522	100%	522	100%	420	420	100%	420	100%
Female	229	229	100%	229	100%	163	163	100%	163	100%
Total	751	751	100%	751	100%	583	583	100%	583	100%

9. Details of performance and career development reviews of employees and workers

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Male	522	522	100%	420	420	100%
Female	229	229	100%	163	163	100%
Total	751	751	100%	583	583	100%

10. Health and Safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes. Health and safety measures are in place as required for the industry in which the company is operating.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The company operates in IT and ITES sector, no such work related hazards are associated with the activity. However, we are taking precautions related to the IT and ITES industries.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

NA

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

As the Company is operating in the city of Bangalore, the employees have easy access on non-occupational medical healthcare services. For emergencies during office time, we have separate wellness room for men and women and appropriate first aid facilities. Further, the company has medical coverage for its employees.

11. Details of safety-related incidents

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one Mn-person hours worked)	Employees	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
No. of fatalities (safety incident)	Employees	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The employees are trained during fire drill sessions conducted by third party professionals, who specialize in these activities. All the employees took part in this activity and mock drill has been conducted. In these sessions employees are educated about safety measures and few employees have provided demos.

The employees are also provided with wellness centers to take care of any non-serious health situations and provided with first aid kits etc.,

The office building is constructed by taking into account all the safety measures like fire alarms, smoke detectors etc., This will help in identifying and avoiding any untoward incidents.

13. Number of complaints on the following made by employees:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolutions at the end of year	Remarks	Filed during the year	Pending resolutions at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health and Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	Fire department and pollution control board have assessed our premises and have given no objection certificate
Working Conditions	As we are in IT industry, it is not applicable

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

NA

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of? (A) Employees (Y/N) (B) Workers (Y/N).

A. An in-built life cover insurance has been provided to employees under Gratuity policy which is called as Life cover Sum Assured (LCSA).

B. NA

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues applicable to the transactions within the ambit of the Company are deducted and deposited in accordance with the concerned regulations. This activity is also verified as part of the internal and statutory audit. The Company does not have any value chain partners in its solutions related procurement activities.

- Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NIL	NIL	NIL	NIL

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No – Retirement age is 58 yrs. We do not have any after retirement program. We have not terminated any employee during the year.

	% of value chain partners (by the value of business done with such partners) that were assessed
Health and Safety Practices	Not applicable
Working Conditions	Not applicable

- Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

		video conferences; audio conference calls; Performance Evaluation Programme; one-on-one counselling; Wellness programs; Employee Engagement programs		employee satisfaction and productivity
Shareholder/Investors	No	Press releases and press conferences; email advisories; in-person meetings; investor conferences; Disclosures; Financial statements in Ind AS, earnings call, exchange notifications; press conferences Investors page on the eMudhra website Annual General Meeting; Annual Report	As needed Quarterly Continuous Annually	Ensuring corporate governance, transparency and disclosure at the highest level
Channel Partners, Product Partners, System Integration Partners	No	Meetings, calls, visits, events, and business reviews	As needed	Active engagement with partners for business improvement
Vendors	No	Meetings, calls, visits, and business reviews	As needed	Active engagement with vendors to improve procurement
Government & Regulatory Body	No	Policy Advocacy, Interaction on official matters consultative papers and meetings convened by them	As needed	To improve interaction with regulators for the benefit of society at large

Credit Rating Agency	No	Providing information for rating purposes	Annually	For the purpose of the rating
Non-Government Organization	No	For CSR purposes	As needed	For the purpose of ensuring that CSR contribution made by the company is used effectively

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Key stakeholders are identified through an exercise undertaken in consultation with the Company's management. The prioritized list includes everyone from customers, employees, shareholders, investors, government and regulatory bodies, NGOs, alliance partners, and other vendors. A stakeholder interaction exercise with both internal and external stakeholders is undertaken as explained earlier.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. ESG requirements in RFP from customers demand information and commitment on carbon neutrality, science-based targets, diversity, inclusion, equity, etc. Such requirements have been considered and have internalized the ESG requirements with the existing ESG framework in consultation with Executive management.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.

Not Applicable

PRINCIPLE 5: Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies):

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/Workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	751	751	100%	583	583	100%
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	751	751	100%	583	583	100%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
Employees										
Permanent										
Male	522	0	0	522	100%	420	0	0	420	100%
Female	229	0	0	229	100%	163	0	0	163	100%
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) – Whole Time Director	1	55,00,000	NA	NA
Key Managerial Personnel	8	55,00,604	NA	NA
Employees other than BoD and KMP	513	4,82,004	229	4,02,504
Workers	NA	NA	NA	NA

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes. The HR head of the Company is responsible for addressing human rights impacts.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The HR head of the Company is responsible for addressing human rights impacts. Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment which specializes in the Prevention of Sexual Harassment (“POSH”) and other human rights violations.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Induction and awareness programs are conducted for all new hires on discrimination and harassment.

The policy is available for all the employees in HRIS Portal

Employees can raise their complaints and concerns to icc@emudhra.com

8. Do human rights requirements form part of your business agreements and contracts?
(Yes/No)

No

9. Assessments for the year:

As we are in the IT industry, these are not applicable.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Company Follows all the applicable laws
Forced/involuntary labour	No assessment done
Sexual harassment	No Complaints received
Discrimination at workplace	No such discrimination reported
Wages	Company Follows all the applicable laws related to employment & wages

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

The Company has not received any grievances or complaints regarding Human Rights Violation in FY 2022-23.

Any grievance raised will be responded/addressed in 2 days.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company has a Code of Ethics in place to ensure that all Human Rights protocols are respected and followed.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises are well equipped for differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	NA
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Wages	NA
Others – please specify	NA

The Company does not have any value chain partner for sourcing in respect of IT products. It has only sales agents/partners.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1757 Giga Joules	1312 Giga Joules
Total fuel consumption (B)	432 Giga Joules	298 Giga Joules
Energy consumption through other sources (C) – Solar Power	147 Giga Joules	NA
Total energy consumption (A+B+C)	2336 Giga Joules	1610 Giga Joules
Energy intensity per rupee of turnover (Total energy consumption in giga joule/turnover in crores)	9.45	8.97

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
No

3. Provide details of the following disclosures related to water, in the following format:

The Company's use of water is strictly limited to human consumption. As we are not a manufacturing organization, the prescribed table does not apply to the Company. We are hence not required to fill out the table in the prescribed format.

In the office, efforts have been made to ensure that water is used sparingly. We have also installed sewage treatment plant for treating and recirculating the sewage water.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company does not discharge untreated effluent; any surplus is treated and released according to KSPCB regulations. Water from a borewell and treated sewage water is used for flushing and gardening. In addition, testing is conducted on a monthly basis in accordance with the KSPCB's regulations.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	21	20
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	158	141
Total Scope 1 and Scope 2 emissions per crore of turnover		0.72	0.74

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

We have solar power generation of 100 KW capacity to reduce energy consumption through grid, thereby reducing scope 2 Green House Gas emission.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	We do not produce or dispose of any kind of biomedical, construction debris or radioactive waste. Hence it is not applicable.	
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Total (A+B+C+D+E+F+G+H)		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste – Not applicable		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste – Not applicable		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the organization.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes, eMudhra is compliant with all the applicable environmental laws and regulations based on its nature of business.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	1757 Giga Joules	1312 Giga Joules
Total fuel consumption (B)	432 Giga Joules	298 Giga Joules
Energy consumption through other sources (C) – Solar Power	147 Giga Joules	NA
Total energy consumed from renewable sources (A+B+C)	2336 Giga Joules	1610 Giga Joules
From non-renewable sources		
Total electricity consumption (D)	NA	NA
Total fuel consumption (E)	NA	NA
Energy consumption through other sources (F)	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kiloliters)		
(i) Surface water	Nil	Nil

(ii) Groundwater	228.85	247.28
(iii) Seawater	Nil	Nil
(iv) third-parties	51.5	50.5
(v) Others – Produced water (Drinking water)	10.20	10.13
Total water discharged (in kiloliters)	290.55	307.92
Total volume of water consumption	104.41	103.50
Water intensity per Lacs rupees of turnover (litres of Water consumed / turnover)	0.017	0.020

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):
Not Applicable
4. Please provide details of total Scope 3 emissions & its intensity, in the following format:
Not Applicable
5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
Not Applicable
6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:
Not Applicable
7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.
We have a business continuity and disaster management plan by having a main data center, disaster recovery (DR) center in different seismic zone and offsite data centers. We have enabled all the employees with the ability to work from home and work from any place. Our data centers are built in accordance with the guidelines issued by Ministry of IT (CCA)/Web Trust. Thus, 100% business continuity and disaster management plan is ensured. The plan includes continued availability of manpower, servers, storage, networking, firewalls, online synchronous and asynchronous mirroring etc. We have also built high availability storage and servers and networking.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
Not Applicable
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
Not Applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. a. Number of affiliations with trade and industry chambers/associations

Refer to response below to question no. 1 (b).

b. List the top 10 trade and industry chambers/associations you are a member of/are affiliated to, on the basis of no. of members.

eMudhra is member of:

1. Confederation of Indian Industry (CII)
2. India PKI Forum, New Delhi
3. Asia PKI Consortium, Hong Kong
4. European Cloud Signature Consortium, Brussels
5. Fido Alliance, USA
6. CA/Browser Forum

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

None

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company has not undertaken any SIAs in the current financial year.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Not Applicable

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2022-23	FY2021-22
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Not Applicable

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

No

(b) From which marginalized/vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable

6. Details of beneficiaries of CSR Projects

Sr. No.	CSR Project	No. of Persons Benefited from CSR Project	% of Beneficiaries from Vulnerable and Marginalized Groups
1	Promotion of education and social health of society in large by IIT Bombay	These projects are for the benefit of society at large and not for specific number of persons	100%
2	Promotion of Education and social health of society in large by Avtar Puthri	These projects are for the benefit of society at large and not for specific number of persons	100%
3	Promotion of Education and social health of society in large by Caravan Classroom Foundation	These projects are for the benefit of society at large and not for specific number of persons	100%
4	Promotion of Education and social health of society in large by Udgam Charitable Trust	These projects are for the benefit of society at large and not for specific number of persons.	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We are committed to surpassing client expectations consistently. We have robust mechanisms to track and respond to customer complaints and feedback in the delivery of our services.

2. Turnover of products/services as a percentage of turnover from all products/services that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal.

Not applicable

3. Number of consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices

We do not have any consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices.

4. Details of instances of product recalls on account of safety issues

Not applicable

5. Does the entity have a framework/policy on cybersecurity and risks related to data privacy? (Yes / No) If yes, provide web-link of the policy.

Yes. eMudhra has a holistic and comprehensive cybersecurity framework. <https://emudhra.com/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cybersecurity and data privacy of customers, re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not applicable

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the Company can be accessed

Information relating to all the products and services provided by the Company is available on the Company's website www.emudhra.com.

2. Steps taken to inform and educate consumers, especially vulnerable and marginalized consumers, about safe and responsible usage of products and services.

Not applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

4. Does the Company display product information on the product over and above what is mandated as per local laws?

Not applicable as our products are not sold physically.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of the entity or the entity as a whole? (Yes / No)

No. As major part of our business is B2B business, consumer survey is not meaningful. We have relationship management in place to handle our B2B customers.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

0



**Independent Auditor's Report
on Consolidated Financial Statements**

INDEPENDENT AUDITOR'S REPORT

To The Members of eMudhra Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **eMudhra Limited** (the "Company") and its subsidiaries and eMudhra Employees Stock Option trust (the Company and its subsidiaries and the trust together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, 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, and 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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.

Key Audit Matters	Auditor's Response
<p>Revenue recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>Application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>The Group's revenue from contracts mainly includes sales of software licenses, digital certificates and sales of related accessories for those software licenses.</p>	<p>Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantive testing of the transactions.</p> <ul style="list-style-type: none"> a) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards. b) Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with the performance obligation identified by the Group. c) Verified the basis of allocation of transaction price to the identified performance obligation if not specifically mentioned in the contract. d) Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the Group in determining the satisfaction of performance obligation over the time or at a point in time. e) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services.

	<p>f) Verified the judgements used by the Group in determining the stages of completion of the contracts where the satisfaction of entire performance obligation is partially completed.</p> <p>g) Verified the process towards identification of contracts where the right to consideration is unconditional and is due only after passage of time.</p>
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Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report but does not include the Consolidated Financial Statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with governance for the Consolidated Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and the consolidated cash flows of the Group in accordance with 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 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 respective 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 respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have 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 Responsibility 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary

companies which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law 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 the Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid Consolidated 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 written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditor’s reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirement of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act, 2013.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements as at 31st March 2023 - Refer Note 45 of the consolidated financial statements.
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the consolidated financial statements. The Group did not have any derivative contracts.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - iv. (a) The respective Managements of the Company and its subsidiary companies which are incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiary companies which are incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in the consolidated financial statements;
 - a) The final dividend proposed in the previous year, declared and paid by the Company during the current financial year is in accordance with Section 123 of the Act, as applicable.
 - b) The Board of Directors of the Company have proposed final dividend during the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with the Section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company and its subsidiary companies which are incorporated in India, with effect from 01st April 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 0042835

Place: Bengaluru
Date: 28.04.2023

Sd:/- V Natarajan
Partner
Membership No. 223118
UDIN: 23223118BGYEOK7268

Annexure A to the Independent Auditors' report

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

Report on the Internal Financial Controls with reference to Consolidated financial statements 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, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of eMudhra Limited (hereinafter referred to as the "Company") and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies which are 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 (the "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 the respective company's policies, 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 Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the company and its subsidiary companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 004283S

Place: Bengaluru
Date: 28.04.2023

Sd:/- V Natarajan
Partner
Membership No. 223118
UDIN: 23223118BGYEOK7268



Consolidated Financial Statements

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated Cash Flow Statement for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
A. Operating Activities		
Profit before tax	733.79	504.58
Adjustments for:		
Depreciation and amortisation expense	158.45	130.70
Interest on lease liabilities	20.00	16.41
Interest income from bank deposits and others	(33.05)	(3.11)
Provision for doubtful debts	9.24	4.74
Interest income on security deposit	(0.64)	
Net gain on assets measured at fair value through profit/loss	(1.47)	-
Share based payment	31.64	5.24
Provision written back	-	(4.07)
Profit on sale of investments	(0.49)	-
Sundry creditors written back	(2.69)	-
Profit on sale of property, plant and equipment	(0.06)	-
Movement in minority interest	(4.79)	(76.95)
Operating profit before working capital changes	909.93	577.55
Working capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(254.07)	(128.44)
Decrease/(Increase) in inventories	11.04	(14.24)
Decrease/(Increase) in trade receivable	(239.26)	(297.87)
Decrease/(Increase) in loans	14.65	(0.03)
Increase/(Decrease) in non-current and current other financial liabilities	24.50	45.32
Increase/(Decrease) in non-current and current provision	(4.32)	(35.18)
Increase/(Decrease) in non-current and current liabilities	12.80	1.41
Increase/(Decrease) in trade payables	37.00	112.80
Increase/(Decrease) in lease liability	(25.95)	-
Cash generated from operations	486.32	261.33
Income taxes paid (net)	(150.68)	(45.27)
Net Cash flow from/(used in) operating activities (A)	335.64	216.05
B. Cash flow from Investing activities:		
Purchase of Property, plant and equipment and Intangible assets	(620.70)	(467.13)
Sale proceeds from property, plant and equipment	0.10	-
Investments in mutual funds	(282.49)	138.49
Redemption of mutual funds	75.00	
Interest received	33.05	1.61
Increase/(Decrease) from term deposits & other bank balances	(272.20)	(50.00)
Net cash used in investing activities (B)	(1,067.24)	(377.03)
C. Cash flow from Financing activities:		
Proceeds/repayment from short term borrowings (net)	(189.72)	259.02
Proceeds/repayment from long term borrowings (net)	(197.69)	(23.21)
Payment of lease liabilities	(23.97)	(20.71)
Proceeds(payment) of public issue expenditures	(112.91)	(51.93)
Proceeds from issuance of equity shares (Private placement)	390.00	(0.63)
Proceeds from issuance of equity shares (Initial Public Offering)	1,610.00	-
Redemption of preference share capital	(86.00)	-
Payment of equity & preference dividend	(94.83)	(2.72)
Interest paid on lease liabilities	(20.00)	
Net cash from/(used in) financing activities(C)	1,274.88	159.82
Foreign exchange differences on translation of foreign operations (D)	43.96	6.58
Net increase/(decrease) in cash and cash equivalents(E=A+B+C+D)	587.25	5.42
Cash and cash equivalents at the beginning of the financial year (F)	82.55	77.13
Cash and cash equivalents at the end of the year (E+F)	669.80	82.55

Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).

eMudhra Limited

CIN:L72900KA2008PLC060368

Consolidated Cash Flow Statement for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
Components of cash and cash equivalents as at end of the year		
	For the year ended March 31,2023	For the year ended March 31,2022
Balance with banks:		
- On current account	645.55	82.29
Deposit accounts	24.00	
- Cash on hand	0.25	0.26
Total cash and cash equivalents as per Balance Sheet	669.80	82.55
Cash and cash equivalents as per Statement of Cash Flow	669.80	82.55

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co.,

Chartered Accountants

Firm Registration Number: 0042835

For and on behalf of the Board of Directors
of eMudhra Limited

Sd:- Natarajan V

Partner

Membership No: 223118

Sd:- V Srinivasan

Executive Chairman

DIN: 00640646

Sd:- Venu Madhava

Whole Time Director

DIN: 06748204

Sd:- Saji K Louiz

Chief Financial Officer

Sd:- Johnson Xavier

Company Secretary and
Compliance Officer

Place: Bengaluru

Date: April 28,2023

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated Balance Sheet as at 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	As at March 31,2023	As at March 31,2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3a	914.93	658.50
(b) Right-of-use assets	4	84.78	104.65
(c) Capital work-in-progress	3b	366.05	249.35
(d) Goodwill		39.19	29.28
(e) Other Intangible assets	5a	581.52	382.25
(f) Intangible assets under development	5b	106.24	179.81
(g) Financial assets			
(i) Other financial assets	6	18.67	5.23
(h) Other non-current assets	7	4.90	73.68
Total Non-current assets		2,116.28	1,682.74
Current assets			
(a) Inventories	8	10.34	21.38
(b) Financial assets			
(i) Investments	9	209.46	-
(ii) Trade receivables	10	672.24	442.23
(iii) Cash and cash equivalents	11	669.80	82.55
(iv) Bank balances other than (iii) above	12	314.00	50.00
(v) Loans	13	0.49	30.64
(vi) Other financial assets	14	18.80	28.80
(c) Other current assets	15	588.04	253.06
Total current assets		2,483.17	908.66
Total Assets		4,599.45	2,591.40
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	374.87	350.90
(b) Other equity	17	3,541.09	1,177.16
Total equity attributable to the owners of the company		3,915.96	1,528.06
Non-controlling interests		8.18	12.96
Total equity		3,924.14	1,541.02
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	197.69
(ia) Lease liabilities	19	61.97	103.27
(ii) Other financial liabilities	20	-	-
(b) Provisions	21	27.61	27.49
(c) Deferred tax liabilities (Net)	22	25.65	17.92
(d) Other non-current liabilities	23	0.05	2.98
Total Non-current liabilities		115.28	349.35
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	156.50	346.22
(ia) Lease liabilities	25	34.75	24.13
(ii) Trade payables:	26		
a. Total outstanding dues of micro enterprises and small enterprises and		54.13	2.63
b. Total outstanding dues of creditors other than Micro and Small enterprises		128.01	141.09
(iii) Other financial liabilities	27	57.55	28.92
(b) Other current liabilities	28	62.30	46.56
(c) Provisions	29	39.59	44.02
(d) Current tax liabilities (Net)	30	27.20	67.47
Total current liabilities		560.03	701.03
Total liabilities		675.31	1,050.38
Total Equity and Liabilities		4,599.45	2,591.40

Corporate information and significant accounting policies

1 & 2

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co
Chartered Accountants
Firm Registration Number: 0042835

For and on behalf of the Board of Directors
of eMudhra Limited

Sd:- Natarajan V
Partner
Membership No: 223118

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN: 06748204

Sd:- Saji K Louiz
Chief Financial Officer

Sd:- Johnson Xavier
Company Secretary and
Compliance Officer

Place: Bengaluru
Date: April 28,2023

eMudhra Limited
CIN:L72900KA2008PLC060368
Consolidated Statement of Profit and Loss for the period ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	For the year ended March 31,2023	For the year ended March 31,2022
Income			
I Revenue from operations	31	2,487.57	1,826.37
II Other income	32	52.99	10.98
III Total Income (I+II)		2,540.56	1,837.35
IV Expenses			
Operating expenses	33	300.55	119.77
Purchase of stock-in -trade	34	287.62	311.32
Changes in inventories of stock in trade	35	11.04	(14.25)
Employee benefits expense	36	643.61	477.97
Finance costs	37	33.85	45.60
Depreciation and amortisation expense	38	158.45	130.70
Other expenses	39	371.65	261.66
Total expenses (IV)		1,806.77	1,332.77
V Profit/(Loss) before exceptional items and tax (III-IV)		733.79	504.58
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V-VI)		733.79	504.58
VIII Tax expense			
Current tax		112.61	88.94
Deferred tax		9.20	4.28
Total tax expenses		121.81	93.22
IX Profit/(Loss) for the year (VII-VIII)		611.98	411.36
X Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan (net of tax)		(4.64)	7.98
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations (net of tax)		(43.96)	-
Other comprehensive income/(loss) for the year (net of tax)		(48.61)	7.98
XI Total comprehensive income/(loss) for the year (IX+X)		563.37	419.34
(comprising profit/(loss) and other comprehensive income for the year)			
Profit is attributable to			
Owners of eMudhra Limited		616.77	414.04
Non-controlling interests		(4.79)	(2.68)
Other comprehensive income attributable to			
Owners of eMudhra Limited		(48.61)	7.98
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of eMudhra Limited		568.16	422.02
Non-controlling interests		(4.79)	(2.68)
XII Earnings per share (Nominal value of share INR 5/- each)	40		
Basic		8.35	5.86
Diluted		8.01	5.86

Corporate information and significant accounting policies

1 & 2

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co

Chartered Accountants

Firm Registration Number: 0042835

**For and on behalf of the Board of Directors
of eMudhra Limited**

Sd:- Natarajan V

Partner

Membership No: 223118

Sd:- V Srinivasan

Executive Chairman

DIN: 00640646

Sd:- Venu Madhava

Whole Time Director

DIN: 06748204

Sd:- Saji K Louiz

Chief Financial Officer

Sd:- Johnson Xavier

**Company Secretary and
Compliance Officer**

Place: Bengaluru

Date: April 28,2023

eMudhra Limited
CIN: L2900KA2008PLC00368

Statement of Changes in Equity for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

A. Equity Share Capital	
Particulars	Amount
Balance as at 1st April 2021	350.90
Changes due to prior period errors	-
Restated balance as at 1st April 2021	350.90
Changes in equity share capital during the year	-
- Issue of shares	-
- Buyback of shares	-
Balance as at 31st March 2022	350.90
Particulars	
Particulars	Amount
Balance as at 1st April 2022	350.90
Changes due to prior period errors	-
Restated balance as at 1st April 2022	350.90
Changes in equity share capital during the year	39.46
- Issue of shares	-
- Buyback of shares	(15.49)
Shares held by the employees stock option trust	-
Balance as at 31st March 2023	374.87

B. Other Equity

Particulars	Note No.	Attributable to the equity holders of the group								Total Other Equity	
		Capital Redemption Reserve	Retained Earnings	Securities Premium	Share based payment reserve	Foreign currency translation reserve	Capital reserve on consolidation	Remeasurement of defined benefit plans through Other Comprehensive Income	Preference share capital		Non controlling interest
Balance as at 1st April 2021		200.26	447.30	0.63	-	(12.16)	-	0.66	86.00	92.59	815.28
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2021		200.26	447.30	0.63	-	(12.16)	-	0.66	86.00	92.59	815.28
Add: Transactions during the year	17	(2.83)	-	-	5.24	31.99	-	-	-	(76.95)	(42.55)
Profit/(loss) for the year		-	414.04	-	-	-	-	-	-	(2.68)	411.36
Less: Adjusted from opening balance		-	1.40	-	-	-	-	-	-	-	1.40
Less: Adjusted against buy-back of preference shares		-	-	(0.63)	-	-	-	-	-	-	(0.63)
Other comprehensive income (net of taxes)		-	-	-	-	-	-	7.98	-	-	7.98
Transaction with Owners in their capacity as owner		-	(2.72)	-	-	-	-	-	-	-	(2.72)
Dividend		-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2022		197.43	860.02	0.00	5.24	19.83	-	8.64	86.00	12.96	1,190.12
Balance as at 1st April 2022		197.43	860.02	0.00	5.24	19.83	-	8.64	86.00	12.96	1,190.12
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022		197.43	860.02	0.00	5.24	19.83	-	8.64	86.00	12.96	1,190.12
Add: Transactions during the year		-	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year		-	616.77	-	-	-	-	-	-	(4.79)	611.98
Remeasurement of the net defined benefit		-	-	-	-	-	-	(4.64)	-	-	(4.64)
On issue of equity shares		-	-	1,960.54	-	43.96	-	-	-	-	2,014.41
Transaction costs on issue of shares		-	-	(112.92)	-	-	-	-	-	-	(112.92)
Transfer to capital redemption reserve upon redemption of preference share		-	-	-	-	-	-	-	-	-	-
Transferred on account of exercise of stock options		-	(86.00)	-	-	-	-	-	-	-	-
Redemption of Preference shares		-	-	9.81	(9.81)	-	-	-	(86.00)	-	(86.00)
Employee stock compensation expense		-	-	-	31.64	-	-	-	-	-	31.64

eMudhra Limited

CIN: L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

Note 1 Company Information

eMudhra Limited (“the Parent Company”) provides various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra stands for enabling a digital future with a foundation built on digital identity and trust.

eMudhra is a licensed Certifying Authority under the Information Technology Act, 2000, founded in 2008 from the seed of digital signatures. eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers’ financial and statutory needs. eMudhra’s products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions, solutions for securing data at rest and data in transit, solutions for Internet of Things (IoT), etc.

The Parent Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act Applicable in India. The Parent Company shares are listed on two recognised stock exchange i.e., on National Stock Exchange and Bombay Stock Exchange.

The Consolidated Financial Statements are approved for issue by the Board of Directors on 28th April 2023.

Note 2 Significant Accounting Policies

1. Basis of Preparation

The Consolidated Financial Statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (IND AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

The Consolidated Financial Statements up to and for the year ended March 31, 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

2. Use of Estimates and Judgement

The preparation of the Consolidated Financial Statements in conformity with generally accepted accounting principles in India that requires that the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained and in any future periods affected.

eMudhra Limited**CIN: L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

Management also uses judgement in deciding whether individual item or group of items are material in the Consolidated Financial Statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the Consolidated Financial Statements.

Critical estimates and Judgements:

The areas involving critical estimates or judgements are:

- Note 3a - Depreciation rates of Property Plant and equipment
- Note 4 - Determination of Lease Term
- Note 22 - Recognition of Deferred Tax Asset
- Note 21 and 29 - Gratuity and Compensated Absences
- Note 36 - Share based Payments

3. Basis of Measurement

The Consolidated Financial Statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets
- Employee share-based payments

4. Functional and Presentation Currency

The Consolidated Financial Statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Parent Company.

5. Current/Non-Current Classification

All assets and liabilities are classified into current and non-current as per the normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 201 in respect of parent and subsidiary companies which are incorporated in India.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i) It is expected to be realised in the normal operating cycle;
- ii) It is held primarily for the purpose of being traded;
- iii) It is expected to be realised within 12 months after the reporting date; or

eMudhra Limited**CIN: L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

- iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i) It is expected to be settled in the normal operating cycle;
- ii) It is held primarily for the purpose of being traded;
- iii) It is due to be settled within 12 months after the reporting date; or
- iv) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

6. Revenue Recognition

The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the proportionate completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our Consolidated Financial Statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

eMudhra Limited**CIN: L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

In case of AMC and license subscription model, revenue is recognized on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million.

In case of trust services and software reseller model, the revenue is recognised as and when the performance obligations are transferred for negotiated price (transaction price), and it is highly probable that the Group will be able to collect the transaction price due under the contract/sales orders or otherwise.

Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/based on customary business practices.

Other Income:

- i) Interest income is recognised using the effective interest rate method
- ii) Dividend income is recognised when the right to receive is established
- iii) Rental income arising from operating leases is recognised on a straight-line basis over the lease term unless increase in rentals are in line with the expected inflation or otherwise justified
- iv) Other income not specifically stated above is recognised on accrual basis

7. Property, Plant and Equipment and Capital Work in-Progress

Property, Plant and Equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

eMudhra Limited

CIN: L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

8. Intangible Assets and Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and Direct expenditure incurred for development of intangible assets resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of accounts when the same is ready for use.

Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as “Intangible Assets under Development”. Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

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

9. Depreciation/Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Depreciation is provided as per the useful life prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The Group identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The residual values, useful lives and methods of depreciation/amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation/amortisation on Property, plant & equipment added/disposed off during the year is provided on pro-rata basis with respect to date of acquisition/disposal.

Intangible assets are amortised over the estimated useful lives of 10 years on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

eMudhra Limited**CIN: L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

11. Leases**As a Lessee:**

Contracts with third party, which gives the right to use of an asset, is accounted in line with the provisions of "IND AS 116 – Leases" if the recognition criteria as specified in the accounting standard are met.

Lease payments associated with short terms leases and leases in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowings. Subsequent measurement of right of use assets is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the respective Company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

As a lessor:

Leases are classified as operating lease, or a finance lease based on the recognition criteria specified in IND AS 116.

eMudhra Limited

CIN: L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

a) Finance lease:

At commencement date, amount equivalent to the “net investment in the lease” is presented as a Receivable.

The implicit interest rate is used to measure the value of the “net investment in Lease”. Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and Loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per IND AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The Group recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

12. Borrowing Costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

13. Inventories

The inventories are valued at lower of cost or net realisable value.

The cost of bought out materials is ascertained by using the weighted average cost formula. The cost comprises the purchase cost of the item and cost of bringing such item into factory.

eMudhra Limited
CIN: L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

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.

14. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Balance Sheet date.

Current tax assets and liabilities are offset only if, the Group:

- Has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

15. Foreign Currencies

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

16. Employee Benefits

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-Employment Benefits (Defined Benefit Plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972 and other applicable law outside India, the Group provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss.

Defined Contribution Plan

The Group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance for the parent and subsidiary companies incorporated in India. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year when the contributions are due. The Group's liability is limited to the extent of contributions made to these funds.

Long-term Employee Benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

17. Provisions/Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group 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. When the Group expects some or all a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when

eMudhra Limited**CIN:L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities/Assets

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 Group 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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a Contingent liability but discloses its existence in the Consolidated Financial Statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize a Contingent asset but discloses its existence in the Consolidated Financial Statements where an inflow of economic benefits is probable.

18. Cash Flow Statement

Cash Flow Statement has been prepared in accordance with the indirect method prescribed in IND AS 7 - Statement of Cash Flows.

19. Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the Balance Sheet.

20. Financial Instruments**Initial Measurement**

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

eMudhra Limited**CIN:L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

Subsequent measurement [non-derivative financial instruments]

Financial Assets carried at Amortized Cost

A financial asset is subsequently measured at amortized 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 for payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through other Comprehensive Income [FVTOCI]

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 for payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial Assets at Fair Value through Profit or Loss [FVTPL]

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

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

Trade Receivables

Trade receivables are the amount due from the customers for the services rendered in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Group holds trade receivables for the receipt of contractual cashflows and therefore measures them subsequently at the amortised cost using effective interest rate method.

Trade Payables and other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recorded initially at fair value and subsequently measured at amortised cost using effective interest rate method.

Investment in Subsidiaries and Associates

Investment in Subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all its liabilities. Equity instruments recognized by the Group are recognized at the proceeds received net of direct issue cost.

De-Recognition of Financial Instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

A financial liability (or a part of a financial liability) is derecognized from the Group Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

21. Fair Value Measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption 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 which can be accessed by the Group for the asset or liability

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

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized 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 prices (unadjusted) in active markets for identical assets or liabilities

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

22. Impairment of Financial Assets

Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

eMudhra Limited**CIN:L72900KA2008PLC060368****Notes forming part of the Consolidated Financial Statements**

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

23. Reclassification of Financial Instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively.

24. 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.

25. Dividends

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

26. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

27. Events after the Reporting Period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The Consolidated Financial Statements are adjusted for such events before authorisation for issue.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

28. Prepaid Expenses

Expenses which are spread across multiple financial years have been amortised on straight line basis over the period in which the services are received except in those cases where contract/purchase order is less than INR 1 million.

29. Share based Payments

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payment transactions are set out in note 55. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share based payments reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

30. Segment Reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

3a Property, Plant and Equipment

Particulars	Leasehold land	Buildings	Computer and hardware	Motor vehicles	Furniture & Fixtures	Plant & Machinery	Office and Electrical equipment's	Total
Gross Carrying Amount								
As at April 01, 2021	89.25	549.95	73.50	6.21	-	-	34.07	752.98
Additions/adjustments during the year	-	2.58	12.79	-	-	-	9.26	24.63
Disposals/adjustments during the year	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	0.28	-	-	-	-	0.28
As at March 31, 2022	89.25	552.53	86.57	6.21	-	-	43.33	777.88
Additions/adjustments during the year	-	156.27	11.73	-	44.98	26.67	55.16	294.81
Disposals/adjustments during the year	-	-	(0.06)	-	-	-	(0.22)	(0.28)
Exchange fluctuation	-	-	(0.41)	-	-	-	0.26	(0.15)
As at March 31, 2023	89.25	708.80	97.83	6.21	44.98	26.67	98.53	1,072.27
Accumulated Depreciation								
As at April 01, 2021	4.23	7.08	56.90	4.29	-	-	23.35	95.85
Depreciation for the year	0.85	9.38	7.73	0.40	-	-	4.75	23.12
Disposal/adjustments during the year	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	0.42	-	-	-	-	0.42
As at March 31, 2022	5.09	16.45	65.05	4.69	-	-	28.10	119.39
Depreciation for the year	0.85	11.76	8.73	0.22	4.04	1.69	10.76	38.04
Disposal/adjustments during the year	(0.48)	0.49	(0.06)	-	-	-	(0.18)	(0.23)
Exchange fluctuation	-	-	0.41	-	-	-	(0.27)	0.14
As at March 31, 2023	5.46	28.70	74.13	4.91	4.04	1.69	38.41	157.34
Net carrying amount								
As at April 01, 2021	85.02	542.87	16.60	1.92	-	-	10.72	657.13
As at March 31, 2022	84.17	536.07	21.52	1.52	-	-	15.23	658.50
As at March 31, 2023	83.79	680.10	23.70	1.30	40.94	24.98	60.12	914.93

Notes:

(i) Details of leasehold land

a. Lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 & 24- Part) of B K Palya Village, Jala Hobli, Bengaluru North Taluk, has been allotted to the Parent Company by Karnataka Industrial Areas Development Board (KIADB) for a leasehold period of 99 years. The Parent Company obtained possession on 29.03.2016. This land is mortgaged against term loan of INR 250 from Kotak Mahindra Bank. This term loan was fully repaid and mortgage is released in the current year.

b. Lease hold land measuring 2.5 acres in the ELCOSEZ - Jagirampalayam, Salem has been allotted to the Parent Company by Electronics Corporation of Tamil Nadu Limited for a lease period of 99 years.

(ii) Depreciation/Amortisation

Depreciation is calculated on straight line basis over the estimated useful lives of the asset.

Leased assets are amortised on a straight line basis over their estimated useful lives or their respective lease term whichever is shorter.

(iii) Method of Accounting Depreciation

Depreciation/Amortisation has been calculated as per the Accounting Policy No. 9 and recognised as expense in the Statement of Profit and Loss.

(iv) Estimation of Useful Life of Assets

The estimated useful lives of various categories of Tangible Assets is as follows:

Asset Class	Years
Leasehold land	99
Buildings*	3 - 60
Computer and hardware	3 - 6
Motor vehicles*	8-10
Furniture & Fixtures	10
Plant & Machinery	15
Office and Electrical equipments	5-10

* Based on estimated useful life (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration factors like expected usage of assets, risk of technical and commercial obsolescence etc.

(v) Restriction on Title

With reference to the lease hold land allotted by KIADB, the Parent Company has received rectification deed from KIADB in September 2022, wherein KIADB has accorded approval to transfer the lease hold land to the Parent Company after 2 years of continuous production from the date of commercial production. The Parent Company has implemented the project on 01st April 2022 and accordingly sale deed with KIADB will be executed after the completion of 2 years. The Parent Company is confident of obtaining the legal title from KIADB on completion of the time period as mentioned in the rectification deed and do not foresee any further obligation towards transfer of title.

(vi) Contractual Commitments

Refer Note 44 for outstanding contractual commitments.

(vii) Impairment of Assets - Refer note 43

(viii) Refer Note 7 in respect of unadjusted capital advance paid towards Property, Plant and Equipment.

(ix) Deemed Cost

On transition to IND AS, the Group has elected to continue with the carrying value of all its other intangible assets as at April 1, 2021 measured as per the previous GAAP and use that carrying value as the deemed cost of the other intangible assets.

(x) Amount of depreciation recognised as a part of other asset is Nil.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

3b Capital Work-in-Progress

Particulars	As at	
	March 31,2023	March 31,2022
Buildings	13.84	225.58
Office and Electrical equipment	8.56	1.74
Plant & machinery	-	2.55
Furniture & Fixtures	8.46	-
Computer & Hardware	335.19	-
Others	-	19.48
Total	366.05	249.35

Ageing of Capital work-in-progress as at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	356.96	-	-	9.09	366.05
Projects temporarily suspended	-	-	-	-	-
Total	356.96	-	-	9.09	366.05

Completion schedule - Time and Cost overrun 2022-23

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building	-	9.09	-	-	9.09
Total	-	9.09	-	-	9.09

Ageing of Capital work-in-progress as at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	240.26	-	9.09	-	249.35
Projects temporarily suspended	-	-	-	-	-
Total	240.26	-	9.09	-	249.35

Completion schedule - Time and Cost overrun 2021-22

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building	-	-	9.09	-	9.09
Total	-	-	9.09	-	9.09

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

4 Right-of-Use Assets

Particulars	Plant and Machinery
Gross Carrying Amount	
As at April 01, 2021	138.62
Additions	-
Derecognised	-
As at March 31, 2022	138.62
Additions	19.23
Adjustments	(3.57)
Derecognised	-
As at March 31, 2023	154.28
Accumulated Depreciation	
As at April 01, 2021	4.83
Amortisation for the year	29.14
Derecognised	-
As at March 31, 2022	33.97
Amortisation for the year	35.53
Adjustments	-
Derecognised	-
As at March 31, 2023	69.50
Net carrying amount	
As at April 01, 2021	133.79
As at March 31, 2022	104.65
As at March 31, 2023	84.78

Notes:

Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the Statement of Profit and Loss.

(i) The following amount have been recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation (refer note 38)	35.53	29.14
Interest expense (refer note 37)	20.00	16.41
Expense relating to short term lease (refer note 39)	26.50	43.46

(ii) Extension and termination options

Extension and termination options are included in the property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the holding company and not by the respective lessor.

(iii) Critical judgements in determining the lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	34.75	29.60
One to two years	32.45	65.88
More than two years	29.52	31.92
Total	96.72	127.40

The holding company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(v) Net Debt Reconciliation

Particulars	Lease liability	Cash	Total
Net debt as on April 01, 2021	(154.20)	77.13	(77.07)
Cash flows	43.36	5.42	48.78
Addition on account of recognition of RoU asset	-	-	-
Interest expense	(16.41)	-	(16.41)
Add: Adjustments	(0.14)	-	(0.14)
Net Debt as on March 31, 2022	(127.39)	82.55	(44.84)
Cash flows	43.96	587.25	631.21
Addition on account of recognition of RoU asset	(1.63)	-	(1.63)
Interest expense	(20.00)	-	(20.00)
Less: Adjustments	8.36	-	8.36
Net Debts as on March 31, 2023	(96.70)	669.80	573.10

(vi) References to other leases related notes

For leases accounting policy refer accounting policy no. 11

For leases liability related information refer note 19 and 25

(vii) Leases not yet commenced to which lease is committed

As at March 31, 2023, commitments for leases not yet commenced was INR Nil (2022: INR Nil)

(viii) Contractual maturities of financial liabilities : Refer note no 57

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

5a Other Intangible Assets

Particulars	Computer Software (Including development costs)
Gross carrying amount	
As at April 01, 2021	867.09
Additions	40.13
Disposals	-
Effect of exchange fluctuation	(0.21)
As at March 31, 2022	907.01
Additions	273.82
Disposals	-
Effect of exchange fluctuation	15.60
As at March 31, 2023	1,196.43
Accumulated Amortisation	
As at April 01, 2021	464.81
Amortisation for the year	78.44
Disposals	-
Effect of exchange fluctuation	(18.49)
As at March 31, 2022	524.76
Amortisation for the year	84.88
Disposals	-
Effect of exchange fluctuation	5.27
As at March 31, 2023	614.91
Net carrying amount	
As at April 01, 2021	402.28
As at March 31, 2022	382.25
As at March 31, 2023	581.52

(i) Depreciation / Amortisation

Depreciation is calculated on straight line basis over the estimated useful lives of the asset.

(ii) Method of Accounting Depreciation/Amortisation

Amortisation has been calculated as per the Accounting Policy No. 9 of the Group and recognised as expense in the Statement of Profit and Loss.

(iii) Estimation of Useful life of Assets

The estimated useful lives of the Other Intangible Assets is as follows:

Asset Class	Years
Computer software (including development costs)	10

(iv) Restriction on Title: Nil

(v) Contractual Commitments

Refer Note 44 for outstanding contractual commitments

(vi) Impairment of Assets - Refer note 43

(vii) Refer Note 7 in respect of unadjusted capital advance paid towards Other Intangible assets

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements
(All amounts are in INR million, unless otherwise stated)

5b Intangible Assets under Development

Particulars	As at		As at March 31, 2022
	March 31, 2023	March 31, 2022	
Internally developed	106.24	-	179.81
Less: Provision for impairment	-	-	-
Total	106.24	-	179.81

Intangible Assets under Development - ageing Schedule 2022-23

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 Years	2-3 Years More than 3 years	
Projects in Progress	95.71	10.53	-	106.24
Projects temporarily suspended	-	-	-	-
Total	95.71	10.53	-	106.24

Completion schedule - Time and cost over run 2022-23

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years More than 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

Intangible assets under development ageing schedule 2021-22

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 Years	2-3 Years More than 3 years	
Projects in Progress	172.23	7.58	-	179.81
Projects temporarily suspended	-	-	-	-
Total	172.23	7.58	-	179.81

Completion schedule - Time and cost over run 2021-22

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years More than 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

(i) Contractual commitments

Refer Note 44 for outstanding contractual commitments

(ii) Impairment of assets - Refer note 43

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
6	Other Financial Assets		
	Non-Current		
	Unsecured, considered good		
	Security deposit	5.24	-
	Bank deposits with maturity more than 12 months*	13.43	5.23
	Total	18.67	5.23
	* Includes INR 13.43 (2022: INR 5.23) held as margin money deposit as against Bank Guarantees		
	(i) Refer note 56 for classification of financial instruments		
7	Other Non-Current Assets		
	Capital advances	2.71	17.64
	Balance with government authorities	0.55	0.55
	Other receivables#	-	52.19
	Prepaid expenses	1.64	3.30
	Total	4.90	73.68
	# Amount is below the round off norm adopted by the group		
8	Inventories (Valued at lower of cost or Net realisable value)		
	Stock in trade*	10.34	21.38
	Total	10.34	21.38
	*includes stock in trade of Rs. 0.60 (2022: Nil)		
9	Financial Assets		
	Current investments		
	Unquoted		
	Investment in mutual funds at fair value through Profit and loss		
	ICICI Prudential Overnight Fund Direct Plan Growth [units 92,802.64 @ Rs. 1208.48 per unit]	112.15	-
	HDFC Overnight Fund Direct Plan Growth option [units 29,231.01 @ Rs.3328.44 per unit]	97.29	-
	Investment in equity shares at fair value through Profit and loss		
	ICICI Bank Limited [no. of shares 60 @ Rs.359.13 per share]	0.02	-
	Total	209.46	-
	i. Particulars	2022-23	2021-22
	(a) Aggregate amount of quoted investments and market value thereof	0.02	-
	(b) Aggregate amount of unquoted investments	209.44	-
	(c) Aggregate amount of impairment in value of investments	-	-
10	Trade Receivables		
	Unsecured, considered good		
	- Others	680.78	446.97
	Less: Allowances for expected credit loss	8.54	4.74
	Total	672.24	442.23
	(i) Payment terms		
	a. In majority of contracts, payment is due on delivery of License. However, in some contracts a portion of dues is linked to satisfaction of further performance obligations like completion of installation and commission activity etc.		
	b. Amount retained by customer in respect of completed performance obligation, due to linking of payment with completion of other performance obligations in the contract, is classified as contract asset. Balance amount receivable is classified as Trade receivable.		
	(i) Financial instruments		
	Refer note 56 for classification of financial instruments		
	(ii) Related party disclosure		
	For related party disclosure refer note 53		
	(iii) Refer note 51 for trade receivable ageing schedule		
11	Cash and Cash Equivalents		
	Balance with banks:		
	- In current account	645.55	82.29
	-Deposit accounts	24.00	-
	Cash on hand	0.25	0.26
	Total	669.80	82.55

Cash and cash equivalents include Term Deposits with original maturity period up to three months. Term Deposits with original maturity period beyond Three months upto Twelve months have been included in Bank balances (Refer Note 12) and Term Deposits with original maturity period beyond Twelve months have been included in Other financial assets (Refer Note 6).

(i) Refer note 56 for classification of financial instruments

(ii) There are no repatriation restrictions with regard to cash and cash equivalents

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
12	Bank Balance other than Cash and Cash Equivalents		
	Balances with bank held as margin money deposits as against bank guarantees	5.26	50.00
	In deposit accounts	308.70	-
	Unpaid dividend account	0.04	-
	Total	314.00	50.00
	(i) Refer note 56 for classification of financial instruments		
	(ii) There are no repatriation restrictions with regard to cash and cash equivalents		
13	Loans		
	Unsecured, considered good		
	Loans to related parties	-	30.17
	Others		
	Loans to employees	0.49	0.47
	Total	0.49	30.64
	(i) Financial instruments		
	Refer note 56 for classification of financial instruments		
	(ii) Impairment of financial assets		
	Provision for impairment has been made in line with accounting policy no. 22		
	(iii) Related party disclosure		
	For related party disclosure refer note 53		
14	Other Financial Assets		
	Unsecured, considered good		
	Interest accrued but not due on deposits	7.18	3.05
	Other deposits	1.54	1.20
	Rent deposit	3.31	11.65
	Security deposits	4.53	11.31
	Staff advance	-	0.06
	Tender deposit	2.24	1.53
	Total	18.80	28.80
	(i) Financial instruments		
	Refer Note 56 for classification of financial instruments		
	(ii) Impairment of financial assets		
	Provision for impairment has been made in line with accounting policy no. 22		
	(iii) Related party disclosure		
	For related party disclosure refer note 53		
15	Other Current Assets		
	Unsecured, considered good		
	Advance to suppliers	10.66	4.89
	Others		
	Prepaid expenses	15.44	17.78
	Balance with government authorities	6.66	1.75
	Unbilled revenue	534.27	228.64
	Contract Asset	20.71	-
	Other receivables	0.30	-
	Total	588.04	253.06

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
16	Share Capital		
	Authorised share capital		
	12,30,00,000 (2022: 12,30,00,000) Equity shares of INR 5 each	615.00	615.00
	2,50,00,000 (2022: 2,50,00,000) Preference shares of INR 10 each	250.00	250.00
	Total	865.00	865.00

Equity share capital

(i) Issued, Subscribed and fully paid up share capital

7,49,73,820 (2022: 7,01,79,692) Equity shares of INR 5 each	374.87	350.90
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(ii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Add: Share issued during the year	78,92,679	39.46	-	-
Less: Shares held by eMudhra Employee Stock Option Trust	30,98,551	15.49	-	-
Share outstanding at the end of the year	7,49,73,820	374.87	7,01,79,692	350.90

(iii) Details of shareholders holding more than 5% shares in the group

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
V Srinivasan	2,71,22,543	34.74%	3,04,11,800	43.33%
Taarav Pte Ltd	1,38,42,877	17.73%	1,83,59,123	26.16%
Lakshmi Kaushik	56,97,159	7.30%	62,01,466	8.84%
Arvind Srinivasan	31,54,646	4.04%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	30,98,551	3.97%	60,57,801	8.63%

(iv) Terms, Rights, preferences and restrictions attaching to each class of shares

Particulars	As at March 31, 2023	As at March 31, 2022
a. Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.	-	-
b. The aggregate value of calls unpaid (including Directors and Officers of group)	-	-
c. Shares forfeited	-	-
d. The Parent Company has only one class of equity shares having par value Rs. 5 per share. Each holder of equity share is entitled to one vote per share. Each share holder has a right to receive the dividend declared by the parent company. On winding up of the Parent Company the equity share holders will be entitled to get the realisable value of the remaining assets of the Parent Company, if any, after distribution of preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the share holders.	-	-

(v) During previous five years the Parent Company has not bought back its shares

(vi) During the previous five years the Parent Company has not allotted any shares as fully paid up pursuant to contract without payment being received in cash

(vii) During the previous five years the Parent Company not allotted any shares as fully paid up by way of bonus shares

(viii) Details of share holding of Promoter and Promoter Group

Name of Shareholder	As at 31st March 2023			As at 31st March 2022		
	No. of Equity shares held	% of holding	% Change during the Year	No. of Equity shares held	% of holding	% Change during the Year
V Srinivasan	2,71,22,543	34.74%	-8.59%	3,04,11,800	43.33%	8.73%
Taarav Pte Ltd	1,38,42,877	17.73%	-8.43%	1,83,59,123	26.16%	0.00%
Arvind Srinivasan	31,54,646	4.04%	4.04%	66,36,515	0.09	0.00%
Kaushik Srinivasan	9,25,880	1.19%	1.19%	14,36,518	0.02	0.00%

(ix) Final Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	97.59	-

(x) Private Placement of Parent Company

The Board of Directors of Parent Company vide its meeting dated April 30, 2022 accorded approval to issue 16,03,618 equity shares at price of Rs.243.20 per share (Par value of Rs.5/- per equity share and premium of Rs.238.20 per equity share) on preferential basis through private placement to various investors. Accordingly, the Parent Company has allotted those shares to those investors on 05th May 2022 and the proceeds from this private placement have been utilised for the purpose as approved and filed with the appropriate authorities.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March			
		31,2023	31,2022		
17	Other Equity				
	Capital redemption reserve [refer note 17.1 below]	283.43	197.43		
	Preference share capital [refer note 17.7 below]	-	86.00		
	Securities Premium [refer note 17.2 below]	1,857.43	-		
	Retained earnings [refer note 17.3 below]	1,295.96	860.02		
	Capital reserve on consolidation	9.91	-		
	Foreign currency translation reserve[refer note 17.4 below]	63.79	19.83		
	Total other comprehensive income [refer note 17.5 below]	3.38	8.64		
	Share based payment reserve [refer note 17.6 below]	27.19	5.24		
		3,541.09	1,177.16		
17.1	Capital Redemption Reserve				
	Balance at the beginning of the year	197.43	200.26		
	Add: Transactions during the year	-	-		
	Add: Adjusted against securities premium	-	(2.83)		
	Add: transferred from retained earnings	86.00	-		
	Balance as at the end of the year	283.43	197.43		
17.2	Securities Premium				
	Balance at the beginning of the year	-	0.63		
	Add: Issue of equity shares	1,960.54	-		
	Add: Exercise of stock options by employees	9.81	-		
	Less: Transaction costs on issue of equity shares	(112.92)	-		
	Less: Adjusted against buy- back of preference shares	-	0.63		
	Balance as at the end of the year	1,857.43	-		
17.3	Retained Earnings				
	Balance at the beginning of the year	860.02	447.30		
	Profit/(Loss) for the year	616.77	414.04		
	Less: Transfer to capital redemption reserve	86.00	-		
	Less: Adjusted from opening balance	-	1.40		
	Less: Dividend paid (Including preference dividend of INR 4.41 million)	94.83	2.72		
	Balance as at the end of the year	1,295.96	860.02		
17.4	Foreign Currency Translation Reserve				
	Balance at the beginning of the year	19.83	(12.16)		
	Add: Exchange difference on translation of foreign operation	43.96	31.99		
	Balance as at the end of the year	63.79	19.83		
17.5	Other Comprehensive Income for the Year				
	Balance at the beginning of the year	8.64	0.66		
	Add: Other comprehensive income for the year	(4.64)	7.98		
	Add: Exchange fluctuation	(0.62)	-		
	Balance as at the end of the year	3.38	8.64		
17.6	Share Based Payment Reserve				
	Balance at the beginning of the year	5.24	-		
	Add: Employee stock compensation expense during the year	31.64	5.24		
	Add: Exchange fluctuation	0.12	-		
	Less: Transferred to Securities premium for options exercised	(9.81)	-		
	Balance as at the end of the year	27.19	5.24		
17.7	Preference Share Capital				
	(i) Issued, Subscribed and fully paid up share capital				
	Nil (2022: 8,60,000) equity shares of INR 10 each	-	86.00		
	(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:				
		As at March 31,2023		As at March 31,2022	
	Name of the Shareholder	No. of Shares	Amount	No. of Shares	Amount
	Share outstanding at the beginning of the year	8.60	86.00	8.6	86.00
	Add: Share issued during the year	-	-	-	-
	Less: Redeemed during the year	(8.60)	(86.00)	-	-
	Share outstanding at the end of the year	-	-	8.60	86.00
	(iii) Details of shareholders holding more than 5% in the holding company				
		As at March 31,2023		As at March 31,2022	
	Name of the Shareholder	No. of Shares	% Holding	No. of Shares	% Holding
	V. Srinivasan	-	-	6.65	0.78
	Lakshmi Kaushik	-	-	0.97	0.11
	Aishwarya Arvind	-	-	0.97	0.11

(iv) Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	2.58	-
(b) Final dividend for FY 2022-23	1.83	-

(vi) These Preference shares amounting to INR 86 are issued to the promoter group at a face value of INR 10 each. The shares had a 3% coupon rate until its redemption and grouped under other equity. The preference shares are redeemed on December 15 2022.

Nature and purpose of the reserves

Securities premium

Securities premium is created out of the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

Other Comprehensive income

Other Comprehensive income are those gains/losses which are not yet realised and excluded from the Statement of Profit and Loss. It consists of remeasurement of the net defined benefit liability and foreign currency translation reserve on consolidation of subsidiary companies.

Capital redemption reserve

Capital redemption reserve is created by transfer from retained earnings an amount equal to face value of shares bought back or redeemed. This reserve is utilised in accordance with the Provisions of Companies Act, 2013.

Share based payment reserve

The reserve related to employee share based payment plans granted by the Parent Company to the employees of the group. Further information about share based payment to employees is set out in note 55.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
18	Borrowings		
	Secured		
	Term loan from bank	-	288.03
	Total borrowings	-	288.03
	Less: Current maturities of long term debts	-	90.34
	Total	-	197.69
	(i) Current maturities of term loans are disclosed under current borrowings - Refer note 24		
	(ii) Terms of loan and Nature of security - Refer 18.1		
	(iii) Refer note 56 for classification of financial instruments		
	(iv) Period and amount of continuing default - Nil		
18.1	Term Loan from Bank:		
A	The Parent Company has obtained term loan of INR 150 (Term loan-1) for construction of Digital Signature Campus at Devanahalli KIADB IT Park, Bengaluru from M/s Canara Bank and later this loan facility was taken over by M/s Kotak Mahindra Bank Limited (referred as "lender") during May 2019 with an enhancement of INR 100 (Term loan-2) loan towards the same purpose. During FY 2021, lender has sanctioned additional working capital term loan of INR 55.8 (WCTL) under ECLGS scheme (Emergency Credit Line Guarantee Scheme). These loans are fully secured and the details of the same are as below:		
	1.) Primary Security: First and exclusive charge on all existing and future current assets, movable assets, movable fixed assets, tangible and intangible assets of the Parent Company.		
	2.) Collateral Security: Memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore.		
	Interest:		
	Term Loan: 6 months repo rate with spread of 2.8%		
	Working Capital Term Loan : Fixed rate at 8% p.a		
	During the year, the Parent Company has preclosed the term loan as per the object clause of Initial Public offer.		
19	Lease Liabilities		
	Lease Liability	61.97	103.27
	Total	61.97	103.27
	(i) Financial instruments		
	Refer Note 56 for classification of financial instruments		
20	Other Financial Liabilities		
	Security deposit from customers	-	-
	Total	-	-
21	Provisions		
	Non current		
	Employee benefits		
	Compensated absences [refer note 54]	1.88	1.43
	Gratuity [refer note 54]	25.73	26.06
	Total	27.61	27.49
23	Other Non-Current Liabilities		
	Contract liability		
	Deferred Revenue	0.05	2.98
	Total	0.05	2.98
24	Borrowings		
	Secured		
	Loans repayable on demand - from banks		
	Working capital demand loan	-	125.24
	Current maturities of long term debts	-	90.34
	Unsecured		
	From Other related parties	156.50	11.13
	From director	-	119.51
	Total	156.50	346.22
	(i) Terms of loan and Nature of Security - Refer 24.1		
	(ii) Period and amount of continuing default - Nil		
	(iii) Refer note 56 for classification of financial instruments		
	(iv) Related party disclosure : Refer Note 53 for Related Party Disclosures		
	(v) The loan from director and other related parties are interest free and are repayable on demand		

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

24.1 Working Capital Demand Loan:

A From ICICI Bank

The Parent Company has taken two working capital limits against deposits from M/s ICICI Bank Limited with an overall limit of INR 47.50 during February 2021 and July 2021. These loans are repayable on demand.

Nature of Security: Fully secured against fixed deposit

This facility is 100% secured on fixed deposit made with this bank amounting to INR 50.00

B From Kotak Mahindra Bank Limited

The Parent Company had working capital facility from M/s Canara Bank and which was taken over by M/s Kotak Mahindra Bank Limited with a limit of INR 80.00. The Parent Company has taken an adhoc unsecured loan of INR 20 from M/s Kotak Mahindra Bank in August 2021 which has been fully repaid during September 2021.

Nature of Security:

1. Primary Security: Secured against receivables and inventory.

2. Collateral Security: (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land measuring 3 acres located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore North taluk, Bengaluru Urban Dist.

25 Lease Liabilities

Current Liability of Lease

34.75 24.13

Total

34.75 24.13

26 Trade Payables

Dues to micro enterprises and small enterprises (Refer note 49)

54.13 2.63

Dues to creditors other than micro enterprises and small enterprises

Others

128.01 141.09

Total

182.14 143.72

(i) Financial instruments : Refer Note 56 for classification of financial instruments.

(ii) Related party disclosure : Refer Note 53 for Related Party Disclosures

(iii) Refer note 52 for trade payables ageing schedule

27 Other Financial Liabilities

DSC Portal deposit

2.71 9.01

Interest accrued but not due on term loan

- 1.20

Unpaid dividend

0.04 -

Other advances from customers

0.03 0.30

Employee benefits payable

47.49 3.04

Security deposit from customers

2.53 2.53

Capital creditors

4.75 12.84

Total

57.55 28.92

(i) Refer note 56 on classification of financial instruments

28 Other Current Liabilities

Deferred Revenue

38.79 27.29

Statutory dues

23.51 19.27

62.30 46.56

29 Provisions

Current

Employee benefits

Bonus

34.37 43.24

Compensated absences [refer note 54]

3.13 2.37

Gratuity [refer note 54]

2.09 (1.59)

Total

39.59 44.02

30 Current Tax Liabilities (Net)

Provision for tax, net

27.20 67.47

Total

27.20 67.47

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements
(All amounts are in INR million, unless otherwise stated)

Note No. Particulars	As at March 31, 2023	As at March 31, 2022
22 Deferred Tax Liabilities (Net)		
Deferred tax (asset)/liability, net		
Deferred tax liabilities	38.25	24.74
Deferred tax assets	(12.60)	(6.82)
Total	25.65	17.92

Deferred tax balance

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax in relation to:		
Property, plant and equipment	37.88	24.74
Provision for employee benefits	(6.43)	(5.65)
Right of use assets and lease liability	(3.91)	(1.16)
Financial assets	0.37	-
Others	(2.26)	(0.01)
Total	25.65	17.92

2022-23	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	24.74	13.14	-	37.88
Provision for employee benefits	(5.65)	(0.78)	-	(6.43)
Remeasurement of defined benefit obligation	-	1.47	(1.47)	-
Right of Use and Lease liability	(1.16)	(2.75)	-	(3.91)
Financial assets	-	0.37	-	0.37
Others	(0.01)	(2.25)	-	(2.26)
Total	17.92	9.20	(1.47)	25.65

2021-22	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	19.47	5.27	-	24.74
Provision for employee benefits	(4.66)	(0.99)	-	(5.65)
Right of Use and Lease liability	(1.16)	-	-	(1.16)
Others	(0.01)	-	-	(0.01)
Total	13.64	4.28	-	17.92

(i) Tax Expense

a) Recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of the current year	118.35	88.94
In respect of prior years	(5.74)	-
	112.61	88.94
Deferred tax		
In respect of the current year - DT	9.20	4.28
Total	9.20	4.28
Total tax expense	121.81	93.22

b) Recognised in Other comprehensive Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax		
In respect of the current year - OCI	1.47	-
Total	1.47	-

c) The reconciliation between the provision for income tax of the company and amounts computed by applying the Indian Statutory income tax rates to profit before taxes is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before Tax	733.79	504.58
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	184.68	126.99
Effect of:		
Differential tax rates of branches/Subsidiaries operating in other jurisdiction	(58.88)	(42.14)
Expenses that are not deductible in determining taxable profit	(5.04)	(3.08)
Others	(4.69)	11.45
Reversal of tax provisions of previous year	5.74	-
	(62.87)	(33.77)
Income tax expenses recognized in the Statement of Profit and loss	121.81	93.22

The Parent Company and subsidiaries incorporated in India have utilised the option given u/s 115BAA and accordingly the tax rate applicable is 25.17%.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2023	For the year ended March 31,2022
31	Revenue from Operations		
	Sale of software/solutions services	2,165.85	1,536.08
	Sale of products	321.72	290.29
	Total	2,487.57	1,826.37
	(i) Disaggregation of revenue		
	Revenue earned by the group is disaggregated by its sources based on its key operating segments as disclosed in Note 58		
	(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price		
	Revenue as per the Statement of Profit and Loss		
	Sale of software solutions/services	2,165.85	1,536.08
	Sale of Products	321.72	290.29
	Total (a)	2,487.57	1,826.37
	Add/(less) adjustment to contract price		
	Foreign Exchange variation claim	-	-
	Price revision	-	-
	Discount and rebate offered	-	-
	Others	-	-
	Total adjustment (b)	-	-
	Contract price (a+b)	2,487.57	1,826.37

(iii) Satisfaction of performance obligation

- a. In majority of the contracts performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining the control of the asset. Revenue from licenses where the customer obtains a "right to use" the license are recognised at the time the license is made available to the customer.
- b. In Contracts with multiple performance obligations, revenue is recognised using percentage of completion method on satisfaction of each performance obligation.
- c. Contract with the customer normally do not contain significant financing component and any advance payment received and/or amount retained by customer is with intention of protecting either parties to the contract.
- d. Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/ based on customary business practices.
- e. Warranties provided are mainly in the nature of performance warranty
- f. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.
- g. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether the customer has obtained "Control on asset"
 - i. Transfer of significant risk and rewards
 - ii. Customer has legal right/title to the asset
 - iii. The entity has transferred the physical possession of the asset
 - iv. Customer has accepted the asset
 - v. Entity has the present right to payment for the asset
- h. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- i. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.
- j. The group classifies its right to consideration as either trade receivables or Contract asset. The Company's receivables are rights to consideration that are unconditional.
Unbilled revenue comprising revenue in excess of billing where the right to consideration is unconditional and is due only after passage of time.
- k. No non-cash considerations are received/given during the current/previous year.
- l. Remaining Performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the group expects to recognise these amounts in revenue. Applying the practical expedient as given in IND AS 115, the group has not disclosed remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31,2023	For the year ended March 31,2022
32	Other Income		
	Interest income of fixed deposit	33.05	3.11
	Foreign exchange gain	9.58	1.29
	Interest income on security deposit	0.64	-
	Profit on sale of mutual fund	0.49	
	Other miscellaneous income	7.76	2.30
	Interest income on income tax refund	-	0.21
	Net gain on assets measured at fair value through profit/loss	1.47	-
	Provisions no longer required written back	-	4.07
	Total	52.99	10.98
33	Operating Expenses		
	Commission expenses	32.18	65.09
	License fee expenses	-	-
	Other direct operating expenses	255.08	43.75
	Payment gateway charges	5.19	4.60
	Postage and courier charges	8.10	6.33
	Total	300.55	119.77
34	Purchase of Stock-in-Trade		
	Purchase of crypto token/hardwares	285.21	302.89
	SSL Certificates	2.41	8.43
	Total	287.62	311.32
35	Changes in Inventories of Stock-in-Trade		
	Stock in trade		
	Opening stock:		
	Crypto token/HSM/SSL	21.38	7.13
		21.38	7.13
	Closing stock:		
	Crypto token/HSM/SSL	10.34	21.38
		10.34	21.38
	Total	11.04	(14.25)
36	Employee Benefits Expenses		
	Gratuity (refer Note No. 54)	6.56	6.73
	Salaries, allowances and bonus	530.08	427.88
	Contribution to provident and other funds (refer note 54)	17.93	15.58
	Share based payment (refer note 55)	31.64	5.24
	Compensated absence (refer Note No. 54)	1.80	(0.87)
	Employee insurance expenses	15.46	7.55
	Staff welfare expenses	40.14	15.86
	Total	643.61	477.97

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note		For the year ended	For the year ended
No.	Particulars	March 31,2023	March 31,2022
37	Finance Costs		
	Interest on term loans	3.97	21.79
	Interest on lease liabilities	20.00	16.41
	Interest on income tax	7.77	-
	Interest on overdraft/cash credit facilities	1.59	7.40
	Total interest on financial liabilities carried at amortised cost	33.33	45.60
	Interest on delayed payment of statutory dues	0.52	-
	Total	33.85	45.60
38	Depreciation and Amortisation Expense		
	Amortisation on other intangible assets	84.88	78.44
	Depreciation on Right-of-use assets	35.53	29.14
	Depreciation on plant, property and equipment	38.04	23.12
	Total	158.45	130.70
39	Other Expenses		
	Auditors' remuneration [refer note 39.1 below]	1.70	1.29
	Business promotion and advertisements	99.68	67.12
	Communication expenses	18.79	15.02
	Contribution for corporate social responsibility expenses [refer note 50]	4.97	2.41
	Power and fuel expenses	13.82	9.39
	Fees rates and taxes	15.14	22.11
	Information technology expenses	14.01	15.43
	Insurance expenses	3.67	2.37
	Legal and professional expenses	83.31	50.42
	Miscellaneous expenses	1.89	0.50
	Office maintenance expense	19.71	12.04
	Printing and stationary	1.52	1.33
	Short term leases	26.50	43.46
	Repair and maintenance		
	- Plant and machinery	13.55	1.60
	- Others	4.57	1.30
	Provision for doubtful debts	8.54	4.74
	Net bad debts written off	0.70	
	Travelling and conveyance	39.58	11.13
	Total	371.65	261.66
39.1	Payment to Statutory Auditors		
	As Auditor towards:		
	Statutory audit	1.01	0.93
	Tax audit	0.15	0.15
	Other matters	0.54	0.21
	Total	1.70	1.29

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Sr. No	Particulars		As at	
			March 31, 2023	March 31, 2022
40	Earnings Per Share			
	Basic			
	Profit after tax	A	616.77	411.36
	Weighted average number of shares outstanding	B	7,38,59,545	7,01,79,692
	Basic EPS	A/B	8.35	5.86
	Diluted			
	Profit after tax	C	616.77	411.36
	Weighted average number of equity shares outstanding as at the end of the year		7,38,59,545	7,01,79,692
	Add: Weighted average number of Equity Shares held by eMudhra employees Stock Option trust		30,98,551	-
	Weighted average number of equity shares outstanding during the year - Diluted	D	7,69,58,096	7,01,79,692
	Diluted EPS	C/D	8.01	5.86

41a Consolidation Procedure

The Consolidated Financial Statements comprise the Financial Statements of the Parent Company and its Subsidiaries consolidated for all entities which are controlled by the Parent Company. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the effective date the control commences and ceases when the control is lost.

The Consolidated Financial Statements ("CFS") have been prepared on the basis of audited Financial Statements of the Parent Company viz., eMudhra Limited, its subsidiaries viz., eMudhra (MU) Limited (Wholly owned Subsidiary), eMudhra Technologies Limited (Wholly owned Subsidiary), eMudhra Consumer Services Limited (Wholly owned Subsidiary), eMudhra INC (Share Holding 100%), eMudhra PTE Limited (Share Holding 100%), eMudhra DMCC (Share Holding 100%), eMudhra BV (Share Holding 100%), PT eMudhra Technologies Indonesia (Share Holding 59%) and eMudhra Employees Stock Option Trust.

For preparation of Consolidated Financial Statements of the Group, the Financial Statements of the Company and its Subsidiaries have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain/loss. The Consolidated Financial Statements are prepared by applying uniform accounting policies in use by the Group. Deferred tax assets and deferred tax liability have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liability and where the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority.

41b The excess/deficit of cost to the Parent Company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made are recognized in the Financial Statements as goodwill/capital reserve. The Group tests for impairment of goodwill at each Balance Sheet date. When the Group identifies that the goodwill has been impaired, the goodwill to the extent impaired is recognized in the Consolidated Statement of Profit and Loss.

41c Non Controlling interests in the net results of operations and the net assets of the subsidiaries represent that part of the profit/loss and the net assets not attributable to the Parent Company.

41d Additional information disclosed in individual Financial Statements of the Parent and Subsidiaries/Associate having no bearing on the true and fair view of the Consolidated Financial Statements and also the information pertaining to the items which are not material have not been disclosed in the Consolidated Financial Statements.

42 Statement of Compliance

The Financial statements are prepared in accordance with Indian Accounting Standards (IND AS) [as notified under section 133 of the Companies Act, 2013 (the "Act") read with rule 3 of the companies (Indian Accounting Standard) Rules, 2015], and other relevant provision of the Act.

43 Impairment of Assets

Group has analysed indications of impairment of assets. On the basis of assessment of internal and external factors, none of the assets has found indications of impairment of its assets.

44 Contractual Commitments

Particulars	As at	
	March 31, 2023	March 31, 2022
a) Estimated amount of contracts remaining to be executed on capital account and not provided as on 31st March (Net of advances)	3.13	-
b) Other commitments i.e. non cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31st March	-	-
Total	3.13	-

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

45 Contingent Liabilities

Particulars	As at	As at
	March 31,2023	March 31,2022
(a) Claims not acknowledged as debts		
- Income tax Appeal (refer note (a))	32.29	32.29
(b) Outstanding letters of credit	-	-
(c) Others	-	-
	32.29	32.29

(a) The Parent Company has filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Decommissioner of Income Tax Circle2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy income tax under section 143 r.w.s. 147 of Income Tax Act,
 (b) The Parent Company has 2 legal cases (March 31,2022: 2 cases) in various courts in the country. In all these cases, we do not foresee any financial implications.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

46 Contingent Assets

Particulars	As at	As at
	March 31,2023	March 31,2022
Nil	-	-
Total	-	-

47 Foreign Exchange Exposure

Pursuant to the announcement of the ICAI requiring the disclosure of "Foreign Exchange Exposure", the major currency wise exposure has on 31st March 2023 is give below. (Previous year figures are shown in brackets).

Currency	Payable		Receivable	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
USD	0.01	1.07	2.46	201.84
USD	-	-	(0.23)	(17.08)
EURO	-	-	-	-
EURO #	-	(0.14)	-	-

Foreign Exchange Exposure towards contingent liability is Nil (2022: Nil)

Amount is below the round off norm adopted by the group

48 The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

49 The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 as on 31st March 2023 is furnished below:

Particulars	2022-23	2021-22
a) The principal and the interest due thereon remaining unpaid as at 31st March:		
Principal*	54.13	2.63
Interest*	-	-
	54.13	2.63
b) The amount of interest paid by the group in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year ending 31st March	-	-
Principal *	-	-
Interest *	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of the reporting year ended 31st March	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
* The information regarding disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006 are furnished by the management and are relied upon by the auditors.		

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

50 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Amount required to be spent by the Parent Company during the year	4.97	2.41
ii) Amount of expenditure incurred		
- on Construction activities	-	
- on other activities	3.80	2.41
iii) Shortfall at the end of the year	1.17	-
iv) Total of previous years shortfall	-	-
v) Details of related party transactions, e.g., contribution to a trust controlled by the holding company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	See note below	
vii) Reason for shortfall: The parent company is in the process of identification of projects to meet its obligation		
viii) Nature of CSR activities: Promotion of social health of society in large, promotion of education, employment and art		

The Parent Company has developed a CSR policy and also formed a CSR Committee in accordance with the requirements set out in section 135 of the Companies Act 2013. The areas of CSR activities are promoting education, promoting art and employment. The Parent Company has spent an amount of INR 3.80 (2022: INR 2.41) towards the above CSR activities.

Movement of CSR Provision

Particulars	As at 31st March 2023	As at 31st March 2022
i) As at 1st April	-	-
ii) Additional provision/appropriation recognised during the year	4.97	2.41
iii) Less: Amount used during the year	(3.80)	(2.41)
iv) Less: Amount reversed during the year	-	-
v) As at 31st March	1.17	-

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

51 Trade Receivables Ageing Schedule

Trade receivables ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	560.03	43.27	67.84	0.10	1.00	672.24
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	5.68	2.86	8.54
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	560.03	43.27	67.84	5.78	3.86	680.78

Note: The above amount does not include unbilled revenue of Rs. 534.27 and Contract asset of Rs. 20.71 disclosed under note 15.

Trade receivables ageing as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	310.43	120.47	11.33	-	-	442.23
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	1.88	2.86	4.74
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	310.43	120.47	11.33	1.88	2.86	446.97

Note: The above amount does not include unbilled revenue of Rs. 228.64 disclosed under note 15.

52 Trade Payables Ageing Schedule

Trade payables ageing as at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	54.13	-	-	-	54.13
(ii) Others	78.82	48.11	0.75	0.33	-	128.01
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	78.82	102.24	0.75	0.33	-	182.14

Trade payables ageing as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	2.63	-	-	-	2.63
(ii) Others	28.52	110.91	1.37	0.29	-	141.09
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	28.52	113.54	1.37	0.29	-	143.72

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

53 Related Party Transactions

Disclosure related party transactions

1 Particulars of Group Companies:

Sr. No	Name of the Company	Relationship
1	Taarav PTE Limited	Enterprises in which key management personnel exercise significant influence
2	Smart Craft Private Limited	Enterprises in which key management personnel exercise significant influence
3	Cedar Grove Real Estates Private Limited	Enterprises in which key management personnel exercise significant influence
4	Bluesky infotech [Partnership firm]	Enterprises in which key management personnel exercise significant influence

2 Particulars of Key Management Personnel

Sr. No	Entity Name	Name of the Key Management Personnel		Relationship
		March 31, 2023	March 31, 2022	
1	eMudhra Limited	V. Srinivasan	V. Srinivasan	Executive Chairman
		Kaushik Srinivasan #	Kaushik Srinivasan #	Senior Vice President - Product Dev.
		Venu Madhava	Venu Madhava	Whole time director
		Saji K Louiz	Saji K Louiz	Chief financial officer
		Johnson Xavier	Johnson Xavier	Company secretary
		Biju Varghese **	Biju Varghese **	Senior Vice President and Head of Business Development
		AM Kiran **	AM Kiran **	Vice President - Operations and Administration
		Vijay Kumar **	Vijay Kumar **	Senior Vice President and Head - Technology
		Ashwin Jhansale ** ##	Ashwin Jhansale ** ##	Senior Vice President and Head of Channel Sales
		Janarthanan **	Janarthanan **	Senior Vice President and Head - Customer Success
	Lakshmi Kaushik **	Lakshmi Kaushik **	Relative of Key Managerial Personnel	
	Aishwarya Aravind **	Aishwarya Aravind **	Relative of Key Managerial Personnel	
** As identified by the Nomination and Remuneration Committee of the Company. # Resigned from eMudhra Limited with effect from January 31,2023 and thereafter joined the subsidiary company, eMudhra DMCC, Dubai, with the same designation with effect from February 01,2023. ## Retired from the Company with effect from April 15, 2023				
2	eMudhra (MU) Limited	Arvind Srinivasan	Arvind Srinivasan	Director
		Ashish Droowanand Bheekharry	Ashish Droowanand Bheekharry	Director
3	eMudhra Technologies Limited	V. Srinivasan	V. Srinivasan	Director
		Vijay Kumar	Vijay Kumar	Director
		Venu Madhava	Venu Madhava	Director
4	eMudhra Consumer Services Limited	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Venu Madhava	Venu Madhava	Director
5	eMudhra DMCC	Arvind Srinivasan	Arvind Srinivasan	Director
		Manoj Kunkalienkar	NA	Director
		V. Srinivasan	V. Srinivasan	Director
6	eMudhra INC	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
7	eMudhra PTE Limited	V. Srinivasan	V. Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
		Barkes Bte Abdul Fazil	Barkes Bte Abdul Fazil	Director
8	eMudhra BV	Arvind Srinivasan	Arvind Srinivasan	Director
9	PT eMudhra Technologies Indonesia	V. Srinivasan	V. Srinivasan	Director
		Gita Kao	Gita Kao	Director
		Andrew Pangestu	Andrew Pangestu	Director

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

53 Related party disclosures

3 Transactions with Related Parties:

Sr. No	Nature of Transaction	Entity Name	Related party	Transactions		
				2022-23	2021-22	
1	Sales of products/services	eMudhra Limited				
			Bluesky Infotech [Partnership firm]	100.52	107.44	
		eMudhra Consumer Services Limited				
			Bluesky Infotech [Partnership firm]	-	1.41	
2	Purchase of products/services	eMudhra Limited				
			Bluesky Infotech [Partnership firm]	11.83	38.68	
3	Loan Provided (received) Net	eMudhra DMCC				
			Taarav PTE Limited	(90.32)	2.28	
		eMudhra (MU) Limited				
			Taarav PTE Limited	(27.93)	-	
		eMudhra INC				
			Taarav PTE Limited	(24.63)	-	
		eMudhra PTE Limited				
			Taarav PTE Limited	(1.31)	-	
4	Commission paid	eMudhra Limited				
			Bluesky Infotech	6.48	13.97	

Note: Does not include fair value of employee stock options given to the employees of subsidiary companies.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

53 Related party disclosures

Transactions with Related Parties:

4 Detailed transactions with Key Management Personnel

Sr. No	Nature of Transaction	Accounting entity	Related party	March 31,2023	2021-22
1	Receipt (repayment) of loan, net	eMudhra INC	V. Srinivasan	(19.50)	3.79
		eMudhra DMCC	V. Srinivasan	(65.40)	39.78
		eMudhra Limited	V. Srinivasan	(41.06)	41.06
		eMudhra PTE Limited	V. Srinivasan	-	(0.25)
		eMudhra Technologies Limited	V. Srinivasan	-	(3.60)
2	Receipt of services	eMudhra (MU) Limited	Ashish Droowanand Bheekharry	-	0.07
		eMudhra PTE Limited	Barkes bte Abdul Fazil	0.16	0.14
3	Salary and allowances paid *	eMudhra Limited	Venu Madhava	5.74	4.68
			Kaushik Srinivasan	5.17	5.17
			Saji K Louiz	5.91	4.07
			Johnson Xavier	3.15	1.89
			Biju Varghese	5.79	5.33
			AM Kiran	3.75	3.66
			Vijay Kumar	7.35	7.26
			Ashwin Jhansale	4.95	4.77
			Janarthanan	5.24	4.69
		eMudhra DMCC	Arvind Srinivasan	9.73	8.09
			V. Srinivasan	5.25	4.87
			Kaushik Srinivasan	1.31	-
4	Dividend paid	eMudhra Limited	V. Srinivasan	37.32	2.00
			Taarav PTE Limited	17.30	-
			Kaushik Srinivasan	1.16	-
			Lakshmi Kaushik	7.62	0.29
			Arvind Srinivasan	7.19	-
			Aishwarya Arvind	1.58	0.29
5	Share issue expenses #	eMudhra Limited	V. Srinivasan	20.96	-
			Taarav PTE Limited	27.53	-
			Kaushik Srinivasan	3.32	-
			Lakshmi Kaushik	3.28	-
			Arvind Srinivasan	5.38	-
			Aishwarya Arvind	0.87	-
6	Redemption of Preference shares	eMudhra Limited	V. Srinivasan	66.53	-
			Lakshmi Kaushik	9.73	-
			Aishwarya Arvind	9.73	-

Represents a portion of share issue expense incurred by the selling share holders.

* Does not include post employment benefits based on actuarial valuation as this is done for the group as a whole.

Directors Sitting Fees:

The sitting fees paid to non executive Directors is INR 7.41 as at 31st March 2023 and INR 4.14 as on 31st March 2022 respectively.

The Board of Directors has approved the payment of commission at 1% on the Net profit of the Parent Company to the Non Executive directors. The payment of commission are within the limit specified in section 198 of the Companies Act, 2013

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

53 Related party disclosures

5 Closing balances with Related Parties:

Sr. No	Particulars	Accounting entity	Related party	March 31,2023	March 31,2022
1	Due to				
		eMudhra DMCC			
			V. Srinivasan	-	60.45
			Taarav PTE Limited	87.86	-
		eMudhra INC			
			V. Srinivasan	-	18.00
			Taarav PTE Limited	24.63	-
		eMudhra Limited			
			V. Srinivasan	-	41.06
		eMudhra PTE Limited			
			Taarav PTE Limited	16.08	13.41
		eMudhra (MU) Limited			
			Taarav PTE Limited	27.93	-
2	Due From				
		eMudhra DMCC			
			Taarav PTE Limited	-	2.28

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

54 Disclosures under Indian Accounting Standard 19
54(1) Parent Company - eMudhra Limited
a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 16.56 (2022: Rs. 11.77) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows:

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	27.53	30.33
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Actuarial (gain)/loss	5.64	(7.02)
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	37.72	27.53
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	8.36	7.09
Expected return on plan assets	0.48	0.37
Contribution	9.03	1.81
Actuarial gain/(loss)	0.30	0.36
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	16.83	8.36
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	37.72	27.53
Present value of plan assets	16.83	8.36
Amount recognised as assets/(liability)	(20.89)	(19.17)
Recognised under:		
Non Current provision (Refer Note 21)	(20.89)	(19.17)
Current provision (Refer Note 29)	-	-
Total	(20.89)	(19.17)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Expected return plan assets	(0.48)	(0.37)
Total expenses	5.41	5.12
Less: Transferred to Intangible assets under development	(0.79)	-
Net expenses	4.62	5.12
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	5.64	(7.02)
Return on Plan Assets	(0.30)	(0.36)
	5.34	(7.38)

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial Assumptions

Discount rate	7.31%	5.77%
Salary growth	10.00%	10.00%
Attrition rate	Grade 2 - 0.00%	30.00%
	Grade 3 - 14.00%	
	Grade 4 - 13.00%	
	Grade 5 - 24.00%	

viii) Sensitivity Analysis

Defined benefit obligation

Discount Rate	March 31, 2023	March 31, 2022
a. Discount rate - 100 basis points	40.08	28.42
a. Discount rate - 100 basis points impact (%)	6.25%	3.23%
b. Discount rate + 100 basis points	35.62	26.70
b. Discount rate + 100 basis points impact (%)	-5.58%	-3.02%

Salary increase rate

a. Rate - 100 basis points	36.12	26.75
a. Rate - 100 basis points impact (%)	-4.25%	-2.85%
b. Rate + 100 basis points	39.37	28.34
b. Rate + 100 basis points impact (%)	4.36%	2.93%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 5.73 (March 31, 2023 is INR 6.96)

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the Balance Sheet date for the estimated term of the obligation.
- 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- 4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
- 5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
- 6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	5.73	6.96
Year 2	4.35	5.77
Year 3	4.00	4.61
Year 4	5.09	3.70
Year 5	3.90	3.16
Year 6-10	16.26	7.13
Above 10 years	10.56	1.83

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

c) Long Term Compensated Absences

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary:

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss		
Net Expenses Recognised in the Statement of Profit & Loss	2.02	(1.12)
Less: Transferred to Intangible assets under development	(0.18)	-
	<u>1.84</u>	<u>(1.12)</u>
ii) Amounts to be recognised in Balance Sheet		
Liability recognised in Balance Sheet	4.69	3.37
iii) Actuarial Assumptions		
Discount Rate	7.31%	5.77%
Rate of increase in compensation level	10.00%	10.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	2.93	2.09
Leave obligations expected to be settled beyond 12 months	1.76	1.28
Total	4.69	3.37

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

54 Disclosures under Indian Accounting Standard 19

54(2) Subsidiary Company - eMudhra Consumer Services Limited

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 0.54 (2022: Rs. 0.99) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows:

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	1.15	1.11
Current service cost	0.21	0.27
Interest cost	0.05	0.05
Actuarial (gain)/loss	0.23	(0.13)
Benefits paid	-	(0.15)
Balance at the end of the year	1.64	1.15
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	0.80	0.47
Expected return on plan assets	0.03	0.02
Contribution	0.81	0.43
Actuarial gain/(loss)	0.03	0.03
Benefits paid	-	(0.15)
Balance at the end of the year	1.67	0.80
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	1.64	1.15
Present value of plan assets	1.67	0.80
Amount recognised as assets/(liability)	0.03	(0.35)
Recognised under:		
Non Current provision (Refer Note 21)	0.03	(0.35)
Current provision (Refer Note 29)	-	-
Total	0.03	(0.35)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.21	0.27
Interest cost	0.05	0.05
Expected return plan assets	(0.03)	(0.02)
Total expenses	0.23	0.30
Less: Transferred to Intangible assets under development	-	-
Net expenses	0.23	0.30
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.23	(0.13)
Return on Plan Assets	(0.03)	(0.03)
	0.20	(0.16)

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.29%	5.41%
Salary growth	10.00%	10.00%
Attrition rate	32.00%	41.00%

viii) Sensitivity Analysis

Defined benefit obligation

Discount Rate	March 31, 2023	March 31, 2022
a. Discount rate - 100 basis points	1.68	1.18
a. Discount rate - 100 basis points impact (%)	2.56%	2.52%
b. Discount rate + 100 basis points	1.60	1.13
b. Discount rate + 100 basis points impact (%)	-2.41%	-2.40%
Salary increase rate		
a. Rate - 100 basis points	1.60	1.12
a. Rate - 100 basis points impact (%)	-2.74%	-2.76%
b. Rate + 100 basis points	1.69	1.19
b. Rate + 100 basis points impact (%)	2.86%	2.86%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 0.60 (March 31, 2023 is INR 0.34)

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the Balance Sheet date for the estimated term of the obligation.
- 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- 4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
- 5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
- 6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	0.60	0.34
Year 2	0.27	0.28
Year 3	0.29	0.20
Year 4	0.22	0.18
Year 5	0.16	0.12
Year 6-10	0.37	0.19
Above 10 years	0.09	0.02

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

c) Long Term Compensated Absences

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary:

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss		
Net Expenses Recognised in the Statement of Profit & Loss	(0.06)	0.18
Less: Transferred to Intangible assets under development	-	-
	<u>(0.06)</u>	<u>0.18</u>
ii) Amounts to be recognised in Balance Sheet		
Liability recognised in Balance Sheet	0.25	0.34
iii) Actuarial Assumptions		
Discount Rate	7.29%	5.41%
Rate of increase in compensation level	10.00%	10.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	0.16	0.22
Leave obligations expected to be settled beyond 12 months	0.09	0.11
Total	0.25	0.33

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

54 Disclosures under Indian Accounting Standard 19

54(3) Subsidiary Company - eMudhra Technologies Limited

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 0.14 (2022: Rs. 0.20) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows:

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	0.31	0.22
Current service cost	0.06	0.08
Interest cost	0.02	0.01
Actuarial (gain)/loss	0.31	-
Benefits paid	(0.22)	-
Balance at the end of the year	0.48	0.31
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	0.33	0.20
Expected return on plan assets	0.01	0.01
Contribution	0.37	0.12
Actuarial gain/(loss)	0.01	-
Benefits paid	(0.22)	-
Balance at the end of the year	0.50	0.33
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	0.48	0.31
Present value of plan assets	0.50	0.33
Amount recognised as assets/(liability)	0.02	0.02
Recognised under:		
Non Current provision (Refer Note 21)	0.02	0.02
Current provision (Refer Note 29)	-	-
Total	0.02	0.02
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.06	0.08
Interest cost	0.02	0.01
Expected return plan assets	(0.01)	(0.01)
Total expenses	0.07	0.08
Less: Transferred to Intangible assets under development	-	-
Net expenses	0.07	0.08
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.31	-
Return on Plan Assets	(0.01)	-
	0.32	-

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.36%	5.54%
Salary growth	10.00%	5.00%
Attrition rate	14.00%	36.00%

viii) Sensitivity Analysis

Defined benefit obligation

Discount Rate	March 31, 2023	March 31, 2022
a. Discount rate - 100 basis points	0.52	0.32
a. Discount rate - 100 basis points impact (%)	8.53%	2.77%
b. Discount rate + 100 basis points	0.44	0.30
b. Discount rate + 100 basis points impact (%)	-7.41%	-2.62%
Salary increase rate		
a. Rate - 100 basis points	0.44	0.30
a. Rate - 100 basis points impact (%)	-7.71%	-3.12%
b. Rate + 100 basis points	0.52	0.32
b. Rate + 100 basis points impact (%)	8.31%	3.24%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 0.02 (March 31, 2023 is INR 0.07)

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the Balance Sheet date for the estimated term of the obligation.
- 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- 4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
- 5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
- 6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	0.02	0.07
Year 2	0.04	0.07
Year 3	0.06	0.06
Year 4	0.06	0.05
Year 5	0.05	0.03
Year 6-10	0.23	0.06
Above 10 years	0.17	0.01

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

c) Long Term Compensated Absences

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary:

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss		
Net Expenses Recognised in the Statement of Profit & Loss	0.02	0.07
Less: Transferred to Intangible assets under development	-	-
	<u>0.02</u>	<u>0.07</u>
ii) Amounts to be recognised in Balance Sheet		
Liability recognised in Balance Sheet	0.07	0.08
iii) Actuarial Assumptions		
Discount Rate	7.36%	5.54%
Rate of increase in compensation level	10.00%	5.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	0.04	0.05
Leave obligations expected to be settled beyond 12 months	0.03	0.03
Total	0.07	0.08

eMudhra Limited
 CIN:L72900KA2008PLC060368
 Notes forming part of the Consolidated Financial Statements
 (All amounts are in INR million, unless otherwise stated)

54 Disclosures under Indian Accounting Standard 19

54(4) Subsidiary Company - eMudhra DMCC

a) Post Retirement Benefit - Defined Benefit Plan

eMudhra DMCC provides gratuity (End of service benefit) to its employees, based on actuarial valuation done on projected unit credit method at each Balance Sheet date. As per the scheme, the end of service benefit is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than one year. eMudhra DMCC shall pay gratuity to an employee at the rate of twenty four days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows:

Particulars	Amount in AED million	
	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	0.24	0.22
Current service cost	0.07	0.05
Interest cost	0.01	0.00
Actuarial (gain)/loss	0.01	(0.02)
Benefits paid	(0.02)	(0.01)
Balance at the end of the year	0.31	0.24
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	-	-
Expected return on plan assets	-	-
Contribution	-	-
Actuarial gain/(loss)	-	-
Benefits paid	-	-
Balance at the end of the year	-	-
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	0.31	0.24
Present value of plan assets	-	-
Amount recognised as assets/(liability)	(0.31)	(0.24)
Recognised under:		
Non Current provision (Refer Note 21)	(0.31)	(0.24)
Current provision (Refer Note 29)	-	-
Total	(0.31)	(0.24)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	0.07	0.05
Interest cost	0.01	0.00
Expected return plan assets	-	-
Total expenses	0.08	0.05
Less: Transferred to Intangible assets under development	-	-
Net expenses	0.08	0.05
(v) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	0.01	(0.02)
Return on Plan Assets	-	-
	0.01	(0.02)

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	0%	0%

(vii) Actuarial assumptions

Discount rate	4.08%	2.86%
Salary growth	5.00%	5.00%
Attrition rate	10.00%	10.00%

viii) Sensitivity Analysis

Amount in AED million

Defined benefit obligation

Discount Rate

	March 31, 2023	March 31, 2022
a. Discount rate - 100 basis points	0.33	0.26
a. Discount rate - 100 basis points impact (%)	6.20%	7.37%
b. Discount rate + 100 basis points	0.30	0.23
b. Discount rate + 100 basis points impact (%)	-5.46%	-6.36%

Salary increase rate

a. Rate - 100 basis points	0.30	0.23
a. Rate - 100 basis points impact (%)	-5.47%	-6.30%
b. Rate + 100 basis points	0.33	0.26
b. Rate + 100 basis points impact (%)	6.08%	7.13%

Notes:

- 1) The discount rate is based on the prevailing market yields of Dubai UAE Government securities as at the Balance Sheet date for the estimated term of the obligation.
- 2) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- 3) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
- 4) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
- 5) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	Amount in AED million	
	March 31, 2023	March 31, 2022
Year 1	0.09	0.08
Year 2	0.03	0.02
Year 3	0.04	0.02
Year 4	0.05	0.02
Year 5	0.05	0.03
Year 6-10	0.37	0.22
Above 10 years	1.06	0.61

Summary of balances in reporting currency of the Parent Company

	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation	7.02	5.08
(ii) Fair value of Plan Assets	-	-
(iii) Amount recognised as assets/(liability)	(7.02)	(5.08)
(iv) Expenses recognised in the Statement of Profit and Loss	1.65	1.24
(v) Expenses/(Income) recognised in the other comprehensive income	0.27	(0.45)

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

55 Share Based Payments

eMudhra ESOP Scheme 2016

The Parent Company adopted "eMudhra ESOP Scheme 2016" to reward the employees including the employees of subsidiary companies for their performance and to motivate them to contribute to the growth and profitability of the group. eMudhra ESOP Scheme 2016 is established with effect from the date on which it was approved by the Shareholder of the Parent Company i.e., March 23, 2016 and shall continue to be in force until (i) its termination by the Board; or (ii) the date on which all of the options available for grant under the eMudhra ESOP Scheme 2016 have been granted and exercised. The objective of eMudhra ESOP Scheme 2016 is to reward the employees including the employees of subsidiary companies for their contribution to the successful operation of the group and to provide an incentive for continued contribution to the success of the group.

(i) Summary of Employee stock options granted under the plan:

Particulars	2022-23		2021-22	
	Number of ESOPs	Weighted Average exercise price	Number of ESOPs	Weighted Average exercise price
Opening Balance as at 1st April	54,16,500	5.00	47,80,000	5.00
Granted during the year	1,38,500	5.00	7,84,000	5.00
Exercised during the year	(29,21,750)	5.00	(37,500)	5.00
Forfeited during the year	(48,125)	5.00	(1,10,000)	5.00
Closing balance as at 31st March	25,85,125	5.00	54,16,500	5.00
Vested and exercisable as at 31st March	16,77,376	-	42,33,125	-

(ii) ESOPs outstanding at the end of the year have the following expiry date and exercised prices:

Plan	Grant date	Expiry Date	Exercise Price	No. of shares outstanding	
				March 31, 2023	March 31, 2022
ESOP	Various dates	4 years	5.00	25,85,125	54,16,500
Total				25,85,125	54,16,500

(iii) Expenses arising from share-based payments transaction

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employees benefit expense were as follows:

Particulars	2022-23	2021-22
Total employee share-based payment expense	31.64	5.24

(iv) The fair value of options granted is estimated on the date of grant using the following assumptions

Particulars	2022-23	2021-22
Dividend yield	Nil	Nil
Risk free interest rate (%)	7.29%	5%
Volatility %	40.65%	20%
Strike price	5	5
Fair value of the shares at the time of grant	329.5	23.32
Expected life of options	2.75	4

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behaviour of the employee who receives the ESOP.

56 Financial Instruments

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

Particulars	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		FVTPL	Amortised cost	FVTPL	Amortised cost
Assets:					
Non Current					
(i) Other financial assets	3	-	18.67	-	5.23
Current					
(i) Investments	1	209.46	-	-	-
(ii) Trade receivables	3	-	672.24	-	442.23
(iii) Cash & cash equivalents	3	-	669.80	-	82.55
(iv) Bank balances other than (iii) above	3	-	314.00	-	50.00
(v) Loans	3	-	0.49	-	30.64
(iv) Other financial assets	3	-	18.80	-	28.80
Total		209.46	1,694.00	-	639.45
Liabilities:					
Non Current					
(i) Borrowings	3	-	-	-	197.69
(ii) Lease liabilities	3	-	61.97	-	103.27
Current					
(i) Borrowings	3	-	156.50	-	346.22
(ii) Lease liabilities	3	-	34.75	-	24.13
(iii) Trade Payables	3	-	182.14	-	143.72
(iv) Other financial liabilities	3	-	57.55	-	28.92
Total		-	492.91	-	843.95

Fair Value Hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

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

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

57 Financial Risk Management

Risk management framework

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's risk management policy is set by the Board. The group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk relating to foreign currency exchange rate. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks has been given below.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and other financial assets carried at amortised cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and Security deposits. The exposure is limited to its carrying value.

(a) Trade and other receivables

The credit exposure of trade receivables is primarily on account of receivable from customers. The Group has a process in place to monitor outstanding receivables on a monthly basis.

The Group's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying amount	
	As at	As at
	March 31, 2023	March 31, 2022
Trade receivables (Gross)	680.78	446.97
Unbilled revenue	534.27	228.64
Contract assets	20.71	-
Less: Expected credit loss	8.54	4.74
	1,227.22	670.87

Following are the financial assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Investments	209.46	-
Trade receivables	672.24	442.23
Cash and cash equivalents	669.80	82.55
Other Bank balances	314.00	50.00
Loans	0.49	30.64
Other financial assets	37.47	34.03
	1,903.46	639.45

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Group's Management is responsible for liquidity and fund management.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables and other financial liabilities.

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at March 31, 2023

Particulars	within 12 months	1-5 Years	Total carrying amount
	Borrowings	156.50	-
Trade payables	181.06	1.08	182.14
Lease liability	34.75	61.97	96.72
Other financial liabilities (excluding trade payables)	57.55	-	57.55
	273.36	63.05	336.41

As at March 31, 2022

Particulars	within 12 months	1-5 Years	Total carrying amount
	Borrowings	346.22	197.69
Trade payables	142.07	1.66	143.73
Lease liability	29.60	97.80	127.40
Other financial liabilities (excluding trade payables)	28.92	-	28.92
	546.81	297.15	843.96

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

(iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the Group's assets are located in India and Indian rupee being the functional currency of the Group. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

The Group's foreign currency payables and receivables are as follows:

Exposure to currency risk

The summary quantitative data about the Group's gross exposure to currency risk is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
	USD	USD
Payables	0.01	-
Receivables	2.46	0.23
Net Exposure	(2.45)	(0.23)

Note: The outstanding exposure in respect of Euro for the previous year is less than millions. Hence no exposure is disclosure

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the INR, against USD would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

Particulars	Impact on Profit	
	As at March 31, 2023	As at March 31, 2022
USD – Increase by 5%	(10.04)	(0.85)
USD – Decrease by 5%	10.04	0.85

(v) Capital Management

The Group'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

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The Group's goal is to continue to be able to provide return to shareholders.

Particulars	As at March 31, 2023	As at March 31, 2022
	Net debt	156.50
Total equity	3,924.14	1,541.02
Net debt to equity ratio	0.04	0.35

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

58 Segment Information

Business Segment	March 31, 2023				March 31, 2022			
	Trust Services	Enterprise Solutions		Total	Trust Services	Enterprise Solutions		Total
	India	India	Outside		India	India	Outside	
Segment Revenue								
External Sales	850.04	795.42	842.11	2,487.57	845.60	631.86	348.91	1,826.37
Total Revenue	850.04	795.42	842.11	2,487.57	845.60	631.86	348.91	1,826.37
Result								
Segment Result	482.84	417.81	438.60	1,339.25	532.27	257.97	172.87	963.11
Unallocated Corporate expenses (less income)				571.61				405.80
Operating Profit	482.84	417.81	438.60	767.64	532.27	257.97	172.87	557.31
Less: Interest Expenses				33.85				52.72
Profit/(loss) before taxation and exceptional items				733.79				504.59
Exceptional items								
Profit/(loss) before taxation				733.79				504.59
Less: Income Taxes (Net)				121.81				93.22
Net Profit				611.98				411.37
Other Information								
Other Information								
Segment Assets	157.56	267.49	1,290.27	1,715.33	309.33	575.64	545.14	1,430.11
Add: Unallocated Corporate Assets				2,884.12				1,171.29
Total Assets	157.56	267.49	1,290.27	4,599.45	309.33	575.64	545.14	2,601.40
Segment Liabilities	(0.21)	21.39	249.50	270.67	17.34	30.56	102.14	150.05
Add: Unallocated Corporate Liabilities				404.64				915.57
Total Liabilities	(0.21)	21.39	249.50	675.31	17.34	30.56	102.14	1,065.62

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note 59

Additional information required under Schedule III

Name of the Entity	Year	Net Assets, i.e., Total Assets		Share in Profit and Loss		Share in Other Comprehensive		Share in Total Comprehensive	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent :									
eMudhra Limited	2022-23	68.16%	2,674.57	34.55%	211.44	98.65%	(47.96)	29.01%	163.48
	2021-22	70.93%	1,093.11	68.48%	281.70	92.48%	7.38	68.94%	289.08
Subsidiaries :									
Indian									
eMudhra Consumer Services Limited	2022-23	2.12%	83.26	-5.99%	(36.64)	0.30%	(0.15)	-6.53%	(36.79)
	2021-22	3.09%	47.55	-6.56%	(26.97)	1.84%	0.15	-6.40%	(26.82)
eMudhra Technologies Limited	2022-23	0.70%	27.29	-3.50%	(21.44)	0.47%	(0.23)	-3.85%	(21.67)
	2021-22	1.02%	15.65	-3.95%	(16.23)	0.08%	0.01	-3.87%	(16.22)
eMudhra Employees Stock Option Trust	2022-23	0.05%	2.02	-0.07%	(0.44)	0.00%	-	-0.08%	(0.44)
	2021-22	-	-	-	-	-	-	-	-
Foreign									
eMudhra (MU) Limited	2022-23	0.63%	24.58	-1.47%	(8.99)	-	-	-1.59%	(8.99)
	2021-22	2.11%	32.54	-0.98%	(4.04)	-	-	-0.96%	(4.04)
eMudhra INC	2022-23	8.76%	343.64	12.41%	75.95	-	-	13.48%	75.95
	2021-22	-0.88%	(13.58)	7.19%	29.58	-	-	7.05%	29.58
eMudhra PTE Limited	2022-23	2.68%	105.28	6.59%	40.33	-	-	7.16%	40.33
	2021-22	1.41%	21.76	1.14%	4.70	-	-	1.12%	4.70
eMudhra DMCC	2022-23	14.30%	561.32	55.96%	342.43	0.55%	(0.27)	60.74%	342.16
	2021-22	12.19%	187.79	36.06%	148.35	5.48%	0.44	35.48%	148.79
eMudhra BV	2022-23	1.63%	63.99	2.74%	16.75	-	-	2.97%	16.75
	2021-22	-	-	0.19%	0.78	-	-	0.19%	0.78
PT eMudhra Technologies Indonesia	2022-23	0.76%	30.01	-0.43%	(2.62)	-	-	-0.46%	(2.62)
	2021-22	9.30%	143.24	-0.93%	(3.83)	-	-	-0.91%	(3.83)
Non Controlling Interest in Subsidiary:									
Foreign									
PT eMudhra Technologies Indonesia	2022-23	0.21%	8.18	-0.78%	(4.79)	-	-	-0.85%	(4.79)
	2021-22	0.84%	12.96	-0.65%	(2.68)	-	-	-0.64%	(2.68)
Total	2022-23	100%	3,924.14	100%	611.97	100%	(48.61)	100%	563.37
	2021-22	100%	1,541.02	100%	411.36	100%	7.98	100%	419.34

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

- 60** The Parent Company has completed its Initial Public Offer (IPO) of 1,61,24,456 shares of face value of Rs. 5 each for cash at an issue price of INR 256 per equity share aggregating to INR 4127.86, consisting fresh issue of 62,89,062 equity shares aggregating to INR 1610.00 and an offer for sale of 98,35,394 equity share aggregating to INR 2517.86 by the selling shareholders. The equity share of the Parent Company were listed on BSE Limited and NSE Limited on June 01, 2022. Out of the fresh issue of INR 1610.00, INR 88.05 was adjusted towards various estimated offer expenses and net amount received in the monitoring agency bank account is INR 1521.95.

The utilisation of IPO proceeds is summarised below:

Particulars	Objects of the issue as per prospectus	Utilisation upto 31.03.2023	Unutilised as on 31.03.2023
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by Parent Company;	350.00	350.00	-
Funding working capital requirements of Parent Company;	402.19	346.55	55.64
Purchase of equipments and funding of other related costs for data centers proposed to be set-up in India and overseas locations;	463.64	307.19	156.45
Funding of expenditure relating to product development;	150.30	49.58	100.72
Investment in eMudhra INC for augmenting its business development, sales, marketing and other related costs for future growth.	152.67	152.67	-
General Corporate Purposes	3.15	3.15	-
Total	1,521.95	1,209.14	312.81

IPO Proceeds which were unutilised as at 31st March 2023 were temporarily invested in deposit with banks and in current account maintained with Monitoring agency account.

61 COVID 19 Impact

The Group has considered the possible effects that may result from the pandemic relating to COVID 19 in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the Group has used its available internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID 19 on the Financial Statements may differ from the estimate as at the date of approval of the Financial Statements.

62 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose the immaterial accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated Financial Statements

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to IND AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated Financial Statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated Financial Statements.

- 63** During the year, the Group has reclassified certain balances to exhibit better presentation and accordingly the previous year balances has been reclassified.

64 Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions. (Prohibition)

65 Borrowing secured against current assets

The Group has no outstanding borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets have been filed by the Group with banks and financial institutions are in agreement with the books of accounts.

66 Wilful defaulter

The Group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

67 Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

68 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Consolidated Financial Statements

(All amounts are in INR million, unless otherwise stated)

69 Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

70 Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

71 Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

72 Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

73 Valuation of Property, Plant and Equipment

The Group has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

74 Title deeds of immovable properties not held in name of the Group

The title deeds of immovable properties are held in the name of the Group except for the disclosure made in Note 3a(v).

75 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

76 Utilisation of borrowings availed from banks and financial institutions

The Group has not availed any borrowings during the year from banks and financial institutions.

77 Dividend not recognised at the end of the reporting period [Holding company]

The directors have recommended a final dividend of INR 1.25 per share. [Represents absolute figure].

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would result in cash outflow of approximately of Rs.97.59

See accompanying notes to the financial statements

As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 0042835

For and on behalf of the Board of Directors
of eMudhra Limited

Sd:- Natarajan V
Partner
Membership No: 223118

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN:06748204

Place: Bengaluru
Date: April 28,2023

Sd:- Saji K Louiz
Chief Financial Officer

Sd:- Johnson Xavier
Company Secretary and
Compliance Officer



**Independent Auditor's Report
on Standalone Financial Statements**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMUDHRA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **eMudhra Limited** (“the company”), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (herein referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2023, its profit, 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p>Revenue recognition</p> <p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>The application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>The company revenue from contracts mainly includes sales of software licenses, digital certificates and sales of related accessories for those software licenses.</p>	<p>Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantive testing of the transactions.</p> <ul style="list-style-type: none"> a) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards. b) Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with the performance obligation identified by the company. c) Verified the basis of allocation of transaction price to the identified performance obligation if not specifically mentioned in the contract. d) Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the company in determining the satisfaction of performance obligation over the time or at a point in time. e) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services. f) Verified the judgements used by the company in determining the stages of completion of the contracts where the satisfaction of entire performance obligation is partially completed. g) Verified the process towards identification of contracts where the right to consideration is unconditional and is due only after passage of time.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with governance for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place with reference to standalone financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
 - 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 written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to standalone financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act, 2013.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as at 31st March 2023 - Refer Note 45 of the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the standalone financial statements. The Company do not have any derivative contracts.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in the standalone financial statements;
 - a) The final dividend proposed in the previous year, declared and paid by the Company during the current financial year is in accordance with Section 123 of the Act, as applicable.
 - b) The company has not declared and paid interim dividend during the year.

- c) The Board of Directors of the Company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01st April 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 004283S

Place: Bengaluru
Date: 28th April, 2023

Sd:/- V Natarajan
Partner
Membership No.223118
UDIN:23223118BGYEOH7379

Annexure A to the Independent Auditors' report

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

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **eMudhra Limited** ("the Company") as of 31st March 2023 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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal controls stated in Guidance Note issued by Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 004283S

Place: Bengaluru
Date: 28th April, 2023

Sd:/- V Natarajan
Partner
Membership No. 223118
UDIN:23223118BGYEOH7379

Annexure B to the Independent Auditor's Report

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification to cover all the items of Property, Plant and Equipment and relevant details of right-of-use assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and business. Pursuant to the programme, the physical verification of property, plant and equipment were physically verified by the management during the year. According to the information and explanations 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 based on the examination of the deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are in the name of the Company as at Balance sheet date. Refer Note 3a(v) of the standalone financial statements.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year.
 - e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2023 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The company has carried out physical verification of inventory during the year, in our opinion, the frequency of verification, coverage, and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate were noticed on such physical verification of inventories.
 - (b) According to the information and explanations given to us and on the basis of our examination of records of the company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from the banks on the basis of security of current assets. These loans have been repaid fully during the current financial year. In our opinion, the monthly returns or statements filed by the company with such banker are in agreement with books of account of the company.
- iii.
 - a) During the year, the Company has made investments, granted loans or advances in the nature of loans, to its subsidiary companies, the details of which are given below

(Amounts are in Million)

	Guarantees	Security	Loans	Advances in nature of loans
A) Aggregate amount granted/ provided during the year:	-	-		-
- Subsidiaries				
- Joint Ventures			16.88	
- Associates	-	-	-	-
- Others (Group entity)	-	-	-	-
	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases;	-	-		-
- Subsidiaries				
- Joint Ventures			-	
- Associates	-	-	-	-
- Others (Group entity)	-	-	-	-
	-	-	10.81	-

- b) According to information and explanations provided to us, the investments made and the terms and conditions of all the above-mentioned loans, during the year are, prima facie, in our opinion, not prejudicial to the Company's interest.
- c) According to information and explanations provided to us, in respect of loans granted by the Company, in our opinion, the terms of repayment have been stipulated and the repayments or receipts have generally been regular.
- d) According to information and explanations given to us and on basis of our examination of the records of the company, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) According to information and explanations provided to us and on basis of our examination of the records of the company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loan given to the same party.
- f) According to the information and explanations given to us and on the basis of our examination of records of the company, the company has granted loans and advances in the nature of loans repayable on demand or without specifying any period of repayment to the following related party, as defined in section 2(76) of the Companies Act, 2013.

(Amounts are in Million)

	All parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans:			
- Repayable on demand (A)	-	-	16.88

- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	-	-	16.88
Percentage of loans/ advances in nature of loans to the total loans	-	-	100%

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is 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. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Duty of Customs, Cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other statutory dues in arrears as at 31st March 2023 for a period of more than six months from the date they became payable, except the followings;

Act	Nature of Dues	Due From	Amount (in INR)
Employee Provident Fund Act 1952	Provident Fund	April 2022 to August 2022	18,750

- b) According to the information and explanations given and records provided to us, there are no statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute as at 31st March 2023 other than those given below:

Name of the Statute	Nature of dues	Period to which the amount relates	Amount (In Million)	Forum where dispute is pending
Income Tax	Expenditure of capital nature and income on transfer of investments	Assessment Year 2012-13	32.29	The Deputy Commissioner of Income Tax, Bengaluru. The company has filed writ petition against the above demand with Hon'ble High Court of Karnataka

- viii. According to the information and explanation given and records provided to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) According to the information and explanation and our verification, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanation given and records provided to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained. The term loans have been repaid fully during the current financial year.
- (d) According to the information and explanation given and records provided to us and the procedure performed by us, and on an overall examination of the standalone financial statements of the company, we report that the funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes of the company.
- (e) According to the information and explanation given and records provided to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, The money raised by way of initial public offer during the year have been, prima facie, applied by the Company for the purposes for which they were raised. However, some portion of the amount raised, which remain unutilised during the year, have been invested in bank deposits as on 31st March 2023.

(b) According to the information and explanation given to us, the company has made private placement of shares during the year and the requirements of Section 42 and 62 of the Companies Act, 2013 have been duly complied with and the money raised during the year have been, prima facie, utilised for the purpose for which they were raised.

- xi. (a) In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company. Hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of Companies Act, 2013, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII of the Companies Act, 2013 till the date of our audit report. However, the time period for such transfer (i.e) six months of the expiry of the financial year as permitted under the second proviso of sub-section (5) of the Section 135 of the Act, has not elapsed till the date of our audit report.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount falling under section 135(5) of the Companies Act, 2013 pursuant to any ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For Suri & Co.,
Chartered Accountants
Firm Registration No. 0042835

Place: Bengaluru
Date: 28th April, 2023

Sd:/- V Natarajan
Partner
Membership No. 223118
UDIN:23223118BGYEOH7379



Standalone Financial Statements

eMudhra Limited

CIN:L72900KA2008PLC060368

Standalone Cash Flow Statement for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow from Operating activities:		
Profit before tax	269.77	390.47
Adjustments for:		
Depreciation and amortisation expense	123.36	105.07
Interest income from bank deposits and others	(33.01)	(3.08)
Interest on lease liabilities	20.00	16.41
Provision for doubtful debts	8.54	4.74
Bad debts written off	0.70	-
Interest income on security deposit	(0.64)	-
Net gain on assets measured at fair value through profit/loss	(1.47)	-
Share based payment	28.21	-
Provision written back	-	(4.07)
Profit on sale of investments	(0.49)	-
Sundry creditors written back	(2.69)	-
Profit on sale of property, plant and equipment	(0.06)	-
Operating profit before working capital changes	412.22	509.54
Working Capital adjustments:		
Decrease/(Increase) in other non-current and current financial assets	(109.15)	(82.88)
Decrease/(Increase) in inventories	6.91	(14.25)
Decrease/(Increase) in trade receivable	(49.37)	(173.25)
Decrease/(Increase) in loans	23.73	(4.43)
Increase/(Decrease) in non-current and current other financial liabilities	18.08	50.19
Increase/(Decrease) in non-current and current provision	(13.45)	(14.86)
Increase/(Decrease) in non-current and current liabilities	12.68	2.54
Increase/(Decrease) in trade payables	39.44	142.69
Increase/(Decrease) in non-current investment	(3.55)	-
Increase/(Decrease) in lease liability	(25.95)	-
Cash generated from operations	311.59	415.29
Income taxes paid (net)	(136.80)	(55.25)
Net Cash flow from / (used in) operating activities (A)	174.79	360.04
B. Cash Flow from Investing activities:		
Purchase of PPE and Intangible assets	(530.94)	(288.41)
Sale proceeds from property, plant and equipment	0.10	-
Investment in subsidiaries	(295.48)	(33.54)
Investments in mutual funds	(282.49)	0.62
Redemption of mutual funds	75.00	-
Interest received	33.01	1.58
Increase / (Decrease) from term deposits & other bank balances	(271.29)	(55.23)
Net cash from / (used in) investing activities (B)	(1,272.10)	(374.98)
C. Cash Flow from Financing activities:		
Proceeds/(repayment) from short term borrowings (net)	(166.30)	122.95
Proceeds/(repayment) from long term borrowings (net)	(288.03)	(23.21)
Payment of lease liabilities	(23.96)	(26.79)
Payment towards expenses on issue of shares	(112.91)	(51.93)
Proceeds from Private Placement	390.00	-
Proceeds from issuance of shares (Initial Public offering)	1,610.00	-
Payment of preference share capital	(86.00)	-
Payment of equity & preference dividend	(102.00)	(2.72)
Interest paid on lease liabilities	(20.00)	(16.41)
Net cash from / (used in) financing activities (C)	1,200.80	1.89
Net increase/(decrease) in cash and cash equivalents (D=A+B+C)	103.49	(13.10)
Cash and cash equivalents at the beginning of the year (E)	36.58	49.67
Cash and cash equivalents at the end of the year (D+E)	140.07	36.58

Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).

eMudhra Limited
CIN:L72900KA2008PLC060368

Standalone Cash Flow Statement for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Components of cash and cash equivalents as at end of the year

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance with banks:		
- On current account	115.88	36.34
Deposit accounts	24.00	-
- Cash on hand	0.19	0.24
Total cash and cash equivalents as per Balance Sheet	140.07	36.58
Cash and cash equivalents as per Statement of Cash Flow	140.07	36.58

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 004283S

**For and on behalf of the Board of Directors
of eMudhra Limited**

Sd:- Natarajan V
Partner
Membership No: 223118

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN: 06748204

Place: Bengaluru
Date: April 28, 2023

Sd:- Saji K Louiz
Chief Financial Officer

Sd:- Johnson Xavier
**Company Secretary &
Compliance Officer**

eMudhra Limited
CIN:L72900KA2008PLC060368
Standalone Balance Sheet as at 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3a	913.74	657.53
(b) Right-of-use assets	4	84.78	104.65
(c) Capital work-in-progress	3b	366.05	249.35
(d) Other Intangible assets	5a	216.65	195.74
(e) Intangible assets under development	5b	106.24	57.04
(f) Financial assets			
(i) Investments	6	524.02	224.98
(ii) Other financial assets	7	18.67	5.23
(g) Other non-current assets	8	2.56	73.49
Total Non-current assets		2,232.71	1,568.01
Current assets			
(a) Inventories	9	10.34	17.25
(b) Financial assets			
(i) Investments	10	209.44	-
(ii) Trade receivables	11	346.25	306.11
(iii) Cash and cash equivalents	12	140.07	36.58
(iv) Bank balances other than (iii) above	13	313.09	50.00
(v) Loans	14	11.31	35.04
(vi) Other financial assets	15	16.92	27.63
(c) Current tax assets (Net)	30	15.33	-
(d) Other current assets	16	376.77	183.54
Total current assets		1,439.52	656.15
Total Assets		3,672.23	2,224.16
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	390.36	350.90
(b) Other equity	18	2,807.07	919.93
Total equity		3,197.43	1,270.83
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	197.69
(ia) Lease liabilities	20	61.97	103.27
(b) Provisions	21	22.65	20.36
(c) Deferred tax liabilities (Net)	22	18.61	11.97
(d) Other non-current liabilities	23	0.05	9.21
Total Non-current liabilities		103.28	342.50
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	-	256.64
(ia) Lease liabilities	25	34.75	24.13
(ii) Trade payables:	26		
a. Total outstanding dues of micro enterprises and small enterprises and		54.03	2.63
b. Total outstanding dues of creditors other than micro and small enterprises		150.71	165.39
(iii) Other financial liabilities	27	57.14	38.56
(b) Other current liabilities	28	43.63	22.29
(c) Provisions	29	31.26	41.77
(d) Current tax liabilities (Net)	30	-	59.42
Total current liabilities		371.52	610.83
Total liabilities		474.80	953.33
Total Equity and Liabilities		3,672.23	2,224.16

Corporate information and significant accounting policies 1 & 2

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 004283S

**For and on behalf of the Board of Directors
of eMudhra Limited**

Sd:- Natarajan V
Partner
Membership No: 223118

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN: 06748204

Place: Bengaluru
Date: April 28, 2023

Sd:- Saji K Louiz
Chief Financial Officer

Sd:- Johnson Xavier
**Company Secretary &
Compliance Officer**

eMudhra Limited
CIN:L72900KA2008PLC060368

Standalone Statement of Profit and Loss for the period ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
I Revenue from operations	31	1,640.22	1,530.21
II Other income	32	56.50	7.17
III Total Income (I+II)		1,696.72	1,537.38
IV Expenses			
Operating expenses	33	187.75	142.59
Purchase of stock-in -trade	34	285.48	302.28
Changes in inventories of stock in trade	35	6.91	(14.25)
Employee benefits expense	36	491.64	381.12
Finance costs	37	33.77	52.56
Depreciation and amortisation expenses	38	123.36	105.07
Other expenses	39	298.04	177.54
Total expenses (IV)		1,426.95	1,146.92
V Profit/(Loss) before exceptional items and tax (III-IV)		269.77	390.47
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V-VI)		269.77	390.47
VIII Tax expense			
Current tax		62.05	86.99
Deferred tax		7.98	3.11
Total tax expenses		70.03	90.10
IX Profit/(Loss) for the year (VII-VIII)		199.74	300.37
X Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan		(5.34)	7.38
Income tax relating to items that will not be reclassified to profit and loss		1.34	-
Other comprehensive income/(loss) for the year (net of tax)		(4.00)	7.38
XI Total comprehensive income/(loss) for the year (IX+X)		195.74	307.75
(comprising profit/(loss) and other comprehensive income for the year)			
XII Earnings per share (Nominal value of share INR 5/- each)	40		
Basic		2.60	4.28
Diluted		2.60	4.28
Corporate information and significant accounting policies	1 & 2		

See accompanying notes to the Financial Statements
As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 0042835

**For and on behalf of the Board of Directors
of eMudhra Limited**

Sd:- Natarajan V
Partner
Membership No: 223118

Sd:- V Srinivasan
Executive Chairman
DIN: 00640646

Sd:- Venu Madhava
Whole Time Director
DIN: 06748204

Sd:- Saji K
Chief Financial Officer

Sd:- Johnson Xavier
Company Secretary &
Compliance Officer

Place: Bengaluru
Date: April 28, 2023

eMudhra Limited

CIN:L72900KA2008PLC060368

Statement of Changes in Equity for the year ended 31st March 2023

(All amounts are in INR million, unless otherwise stated)

A. Equity Share Capital	
Particulars	Amount
Balance as at 1st April 2021	350.90
Changes due to prior period errors	-
Restated balance as at 1st April 2021	350.90
Changes in equity share capital during the year	-
- Issue of shares	-
- Buyback of shares	-
Balance as at 31st March 2022	350.90

Particulars	Note No.	Amount
Balance as at 1st April 2022		350.90
Changes due to prior period errors		-
Restated balance as at 1st April 2022	17	350.90
Changes in equity share capital during the year		-
- Issue of shares		39.46
- Buyback of shares		-
Balance as at 31st March 2023		390.36

Particulars	Note No.	Attributable to the equity holders of the company						Preference share capital	Total Other Equity
		Capital Redemption Reserve	Retained Earnings	Securities Premium	Share based payment reserve	Remeasurement of defined benefit plans through Other Comprehensive Income			
Balance as at 1st April 2021		164.00	359.68	-	-	-	-	86.00	609.68
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-
Restated balance as at 1st April 2021	18	164.00	359.68					86.00	609.68
Add: Transactions during the year					5.24				5.24
Profit/(loss) for the year		-	300.37	-	-	-	-	-	300.37
Other comprehensive income (net of taxes)		-	-	-	-	7.38	-	-	7.38
Transaction with Owners in their capacity as owner									
Dividend		-	(2.72)	-	-	-	-	-	(2.72)
Balance as at 31st March 2022		164.00	657.33		5.24		7.38	86.00	919.93
Balance as at 1st April 2022		164.00	657.33		5.24		7.38	86.00	919.93
Change in accounting policy or prior period errors		-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022	18	164.00	657.33		5.24		7.38	86.00	919.93
Add: Transactions during the year									
Profit/(loss) for the year		-	199.74	-	-	-	-	-	199.74
Remeasurement of the net defined benefit		-	-	1,960.54	-	(4.00)	-	-	(4.00)
On issue of equity shares		-	-	(112.91)	-	-	-	-	1,960.54
Transaction costs on issue of shares		-	-	-	-	-	-	-	(112.91)
Transfer to capital redemption reserve upon redemption of preference share		86.00	(86.00)	-	-	-	-	-	0.00
Transferred on account of exercise of stock options		-	-	9.81	-	-	-	-	9.81
Redemption of Preference shares		-	-	-	(9.81)	-	-	(86.00)	(86.00)
Employee stock compensation expense		-	-	-	-	-	-	-	-
Transaction with Owners in their capacity as owner									
Dividends (including Preference dividend)		-	(102.00)	-	-	-	-	-	(102.00)
Balance as at 31st March 2023		250.00	669.05	1,857.44	27.20		3.38		2,807.07

See accompanying notes to the Financial Statements

As per our report of even date attached

For Suri & Co.,
Chartered Accountants
Firm Registration Number: 0042835

Sd/- Natarajan V
Partner
Membership No: 223118

Place: Bengaluru
Date: April 28, 2023

For and on behalf of the Board of Directors
of eMudhra Limited

Sd/- V Srinivasan
Executive Chairman
DIN: 00640646

Sd/- Venu Madhava
Whole Time Director
DIN: 06748204

Sd/- Sajji K Louiz
Chief Financial Officer

Sd/- Johnson Xavier
Company Secretary &
Compliance Officer

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

Note 1 Company Information

eMudhra Limited (“the Company” or eMudhra) provides various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra stands for enabling a digital future with a foundation built on digital identity and trust.

eMudhra is a licensed Certifying Authority under the Information Technology Act, 2000, founded in 2008 from the seed of digital signatures. eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers’ financial and statutory needs. eMudhra’s products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions, solutions for securing data at rest and data in transit, solutions for Internet of Things (IoT), etc.

The Company is incorporated and domiciled in India and has its registered office at Plot No 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector), Jala Hobli, BK Palya, Bangalore. The Company shares are listed in NSE and BSE.

The Standalone Financial Statements are approved for issue by the Company’s Board of Directors on 28th April 2023.

Note 2 Significant Accounting Policies

1. Basis of Preparation

The Standalone Financial Statements prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (IND AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

The Standalone Financial Statements up to and for the year ended March 31, 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

2. Use of Estimates and Judgement

The preparation of the Standalone Financial Statements in conformity with generally accepted accounting principles in India that requires that the Company’s management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of Standalone Financial Statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained and in any future periods affected.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

Management also uses judgement in deciding whether individual item or group of items are material in the Standalone Financial Statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission, misstatement or obscuring the information could individually or collectively influence the economic decision that users make on the basis of the Standalone Financial Statements.

Critical Estimates and Judgements:

The areas involving critical estimates or judgements are:

- Note 3a - Depreciation rates of Property Plant and Equipment
- Note 4 - Determination of Lease Term
- Note 22 - Recognition of Deferred Tax Asset
- Note 21 and 29 - Gratuity and Compensated Absences
- Note 36 - Share based Payments

3. Basis of Measurement

The Standalone Financial Statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets
- Employee share based payments

4. Functional and Presentation Currency

The Standalone Financial Statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company.

5. Current/Non-Current Classification

All assets and liabilities are classified into current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i) It is expected to be realised in the Company's normal operating cycle;
- ii) It is held primarily for the purpose of being traded;
- iii) It is expected to be realised within 12 months after the reporting date; or

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

- iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i) It is expected to be settled in the Company's normal operating cycle;
- ii) It is held primarily for the purpose of being traded;
- iii) It is due to be settled within 12 months after the reporting date; or
- iv) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

6. Revenue Recognition

The Company's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed/implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the proportionate completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our Standalone Financial Statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license

eMudhra Limited**CIN:L72900KA2008PLC060368****Notes forming part of the Standalone Financial Statements**

and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied.

AMC and subscription revenue is recognized on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million.

In trust and reseller services, the revenues are recognised as and when the performance obligations are transferred for negotiated price (transaction price), and it is highly probable that the Company will be able to collect the transaction price due under the contract/sales orders or otherwise.

Variable consideration such as discounts, rebates, price concessions, incentives and performance bonuses are reduced from the transaction price, if specified in the contract with customer/ based on customary business practices.

Other Income:

- i) Interest income is recognised using the effective interest rate method
- ii) Dividend income is recognised when the right to receive is established
- iii) Rental income arising from operating leases is accounted for on a straightline basis over the lease term unless increase in rentals are in line with the expected inflation or otherwise justified
- iv) Other income not specifically stated above is recognised on accrual basis

7. Property, Plant and Equipment and Capital Work in-Progress

Property, plant and Equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

8. Intangible Assets and Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and Direct expenditure incurred for development of intangible assets resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of accounts when the same is ready for use.

Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as “Intangible Assets under Development”. Cost of Developmental work, which is completed, wherever eligible, is recognised as an Intangible Asset.

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

9. Depreciation/Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Depreciation is provided as per the useful life prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The residual values, useful lives and methods of depreciation/amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation/amortisation on property, plant & equipment added/dropped off during the year is provided on pro-rata basis with respect to date of acquisition/disposal.

Intangible assets are amortised over their estimated useful lives of 10 years on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. Impairment of Non-Financial Assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

11. Leases

Company as a Lessee:

Contracts with third party, which gives the Company the right to use of an asset, is accounted in line with the provisions of "IND AS 116 – Leases" if the recognition criteria as specified in the accounting standard are met.

Lease payments associated with short terms leases and leases in respect of low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowings. Subsequent measurement of right of use assets is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

eMudhra Limited**CIN:L72900KA2008PLC060368****Notes forming part of the Standalone Financial Statements**

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a Lessor:

Leases are classified as operating lease, or a finance lease based on the recognition criteria specified in IND AS 116.

a) Finance lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable.

The implicit interest rate is used to measure the value of the "net investment in Lease". Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and Loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per IND AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The Company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

12. Borrowing Costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

13. Inventories

The inventories of the Company are valued at lower of cost or net realisable value.

The cost of bought out materials is ascertained by using weighted average basis. The cost comprises the purchase cost of the item and cost of bringing such item into factory.

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.

14. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Balance Sheet date.

Current tax assets and liabilities are offset only if, the Company:

- Has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

15. Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

16. Employee Benefits

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-Employment Benefits (Defined Benefit Plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss.

Defined Contribution Plan

The Company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year when the contributions are due. The Company's liability is limited to the extent of contributions made to these funds.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

Long-Term Employee Benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

17. Provisions/Contingent Liabilities and Contingent Assets

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. When the Company expects some or all a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities/Assets

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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a Contingent liability but discloses its existence in the Standalone Financial Statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. The Company does not recognize a Contingent asset but discloses its existence in the Standalone Financial Statements where an inflow of economic benefits is probable.

18. Cash Flow Statement

Cash Flow Statement has been prepared in accordance with the indirect method prescribed in IND AS 7 - Statement of Cash Flows.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

19. Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the Balance Sheet.

20. Financial Instruments

Initial Measurement

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

Subsequent measurement [non-derivative financial instruments]

Financial Assets carried at Amortized Cost

A financial asset is subsequently measured at amortized 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 for payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through other Comprehensive Income [FVTOCI]

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 for payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial Assets at Fair Value through Profit or Loss [FVTPL]

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

Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

Trade Receivables

Trade receivables are the amount due from the customers for the services rendered in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Company holds trade receivables for the receipt of contractual cashflows and therefore measures them subsequently at the amortised cost using effective interest rate method.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

Trade Payables and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recorded initially at fair value and subsequently measured at amortised cost using effective interest rate method.

Investment in Subsidiaries and Associates

Investment in Subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all its liabilities. Equity instruments recognized by the Company are recognized at the proceeds received net of direct issue cost.

De-recognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

21. Fair Value Measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption 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 which can be accessed by the Company for the asset or liability

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

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized 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 prices (unadjusted) in active markets for identical assets or liabilities

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

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

22. Impairment of Financial Assets

Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

23. Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

24. 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.

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

25. Dividends

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

26. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

27. Events after the Reporting Period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The Standalone Financial Statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

28. Prepaid Expenses

Expenses which are spread across multiple financial years have been amortised on straight line basis over the period in which the services are received except in those cases where contract/purchase order is less than INR 1 million.

29. Share based Payments

Equity-settled share based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payment transactions are set out in note 55. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to the Share based payments reserve.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

30. Segment Reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

3a Property, Plant and Equipment

Particulars	Leasehold land	Buildings*	Computer and Hardware	Motor vehicles	Furniture & Fixtures	Plant & Machinery	Office and Electrical equipments	Total
Gross Carrying Amount								
As at April 01, 2021	89.25	544.64	71.44	6.21	-	-	34.06	745.60
Additions/adjustments during the year	-	2.58	12.36	-	-	-	9.19	24.13
Disposals/adjustments during the year	-	-	-	-	-	-	-	-
As at March 31, 2022	89.25	547.21	83.80	6.21	-	-	43.25	769.73
Additions/adjustments during the year	-	156.27	10.80	-	44.98	26.67	55.13	293.85
Disposals/adjustments during the year	-	-	-	-	-	-	(0.22)	(0.22)
As at March 31, 2023	89.25	703.48	94.60	6.21	44.98	26.67	98.16	1,063.36
Accumulated Depreciation								
As at April 01, 2021	4.22	7.09	50.37	4.29	-	-	23.34	89.31
Depreciation for the year	0.85	9.38	7.50	0.40	-	-	4.75	22.88
Disposal/adjustments during the year	-	-	-	-	-	-	-	-
As at March 31, 2022	5.07	16.47	57.87	4.69	-	-	28.09	112.19
Depreciation for the year	0.85	11.78	8.28	0.22	4.04	1.69	10.73	37.59
Disposal/adjustments during the year	(0.48)	0.49	-	-	4.07	-	(4.24)	(0.16)
As at March 31, 2023	5.44	28.74	66.15	4.91	8.11	1.69	34.58	149.62
Net carrying amount								
As at April 01, 2021	85.03	537.54	21.07	1.92	-	-	10.72	656.29
As at March 31, 2022	84.18	530.74	25.93	1.52	-	-	15.16	657.53
As at March 31, 2023	83.81	674.74	28.45	1.30	36.87	24.98	63.59	913.74

Notes:

(i) Details of leasehold land

a. Lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B (Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 &24- Part) of B K Palya Village, Jala Hobli, Bengaluru North Taluk, has been allotted to the company by Karnataka Industrial Areas Development Board for a leasehold period of 99 years. The Company obtained possession on 29.03.2016. This land is mortgaged against term loan of INR 250 from Kotak Mahindra Bank. This term loan was fully repaid and mortgage is released in the current year.

b. Lease hold land measuring 2.5 acres in the ELCOSEZ- Jagirampalayam, Salem has been allotted to the Company by Electronics Corporation of Tamil Nadu Limited for a lease period of 99 years.

* Include assets provided on cancellable operating lease to subsidiaries.

(ii) Depreciation / Amortisation

Depreciation is calculated on straight line basis over the estimated useful lives of the asset.

Leased assets are amortised on a straight line basis over their estimated useful lives or their respective lease term whichever is shorter.

(iii) Method of Accounting Depreciation

Depreciation / Amortisation has been calculated as per the Accounting Policy No. 9 of the company and recognised as expense in the Statement of Profit and Loss.

(iv) Estimation of Useful life of Assets

The estimated useful lives of various categories of Tangible Assets is as follows:

Asset Class	Years
Leasehold land	99
Buildings*	3 - 60
Computer and Hardware	3 - 6
Motor Vehicles*	8-10
Furniture & Fixtures	10
Plant & Machinery	15
Office and Electrical Equipments	5-10

* Based on estimated useful life (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration factors like expected usage of assets, risk of technical and commercial obsolescence etc.

(v) Restriction on Title

With reference to the lease hold land allotted by KIADB, the company has received rectification deed from KIADB in September 2022, wherein KIADB has accorded approval to transfer the lease hold land to the company after 2 years of continuous production from the date of commercial production. The company has implemented the project on 01st April 2022 and accordingly sale deed with KIADB will be executed after the completion of 2 years. The company is confident of obtaining the legal title from KIADB on completion of the time period as mentioned in the rectification deed and do not foresee any further obligation towards transfer of title.

(vi) Contractual Commitments

Refer Note 44 for outstanding contractual commitments.

(vii) Impairment of assets - Refer note 43

(viii) Refer Note 8 in respect of unadjusted capital advance paid towards Property, Plant and Equipment.

ix. Deemed Cost

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment as at April 1, 2021 measured as per the previous GAAP and use that carrying value as the deemed cost of the other intangible assets.

x. Amount of depreciation recognised as a part of other asset is Nil.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

3b Capital Work-in-Progress

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Buildings	13.84	225.58
Office and Electrical equipment	8.56	1.74
Plant & Machinery	-	2.55
Furniture & Fixtures	8.46	-
Computer & Hardware	335.19	-
Others	-	19.48
Total	366.05	249.35

Ageing of Capital work-in-progress as at March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	356.96	-	-	9.09	366.05
Projects temporarily suspended	-	-	-	-	-
Total	356.96	-	-	9.09	366.05

Completion schedule - Time and Cost overrun 2022-23

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building	-	9.09	-	-	9.09
Total	-	9.09	-	-	9.09

Ageing of Capital work-in-progress as at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	240.26	-	9.09	-	249.35
Projects temporarily suspended	-	-	-	-	-
Total	240.26	-	9.09	-	249.35

Completion schedule - Time and Cost overrun 2021-22

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Building	-	-	9.09	-	9.09
Total	-	-	9.09	-	9.09

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

4 Right-of-Use Assets

Particulars	Plant and Machinery
Gross Carrying Amount	
As at April 01, 2021	138.62
Additions	-
Derecognised	-
As at March 31, 2022	138.62
Additions	19.23
Adjustments	(3.57)
Derecognised	-
As at March 31, 2023	154.28
Accumulated Depreciation	
As at April 01, 2021	4.83
Amortisation for the year	29.14
Derecognised	-
As at March 31, 2022	33.97
Amortisation for the year	35.53
Adjustments	-
Derecognised	-
As at March 31, 2023	69.50
Net carrying amount	
As at April 01, 2021	133.79
As at March 31, 2022	104.65
As at March 31, 2023	84.78

Notes:

Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the Statement of Profit and Loss.

(i) The following amount have been recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation (refer note 38)	35.53	29.14
Interest expense (refer note 37)	20.00	16.41
Expense relating to short term lease (refer note 39)	24.94	42.64

(ii) Extension and termination options

Extension and termination options are included in the property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

(iii) Critical judgements in determining the lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	34.75	29.60
One to two years	32.45	65.88
More than two years	29.52	31.92
Total	96.72	127.40

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

(v) Net Debt Reconciliation

Particulars	Lease liability	Cash	Total
Net debt as on April 01, 2021	(154.20)	49.67	(104.53)
Cash flows	43.36	(13.10)	30.26
Addition on account of recognition of RoU asset	-	-	-
Interest expense	(16.41)	-	(16.41)
Add: Adjustments	(0.14)	-	(0.14)
Net Debt as on March 31, 2022	(127.39)	36.57	(90.82)
Cash flows	43.96	103.49	147.45
Addition on account of recognition of RoU asset	(1.63)	-	(1.63)
Interest expense	(20.00)	-	(20.00)
Less: Adjustments	8.36	-	8.36
Net Debts as on March 31, 2023	(96.70)	140.06	43.36

(vi) References to other leases related notes

For leases accounting policy refer accounting policy no. 11 of the company

For leases liability related information refer note 20 and 25

(vii) Leases not yet commenced to which lease is committed

As at March 31, 2023, commitments for leases not yet commenced was INR Nil (2022: INR Nil)

(viii) Contractual maturities of financial liabilities: Refer note no 57

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

5a Other Intangible Assets

Particulars	Computer Software (Including development costs)
Gross carrying amount	
As at April 01, 2021	625.86
Additions	2.86
Disposals	-
As at March 31, 2022	628.72
Additions	71.16
Disposals	-
As at March 31, 2023	699.88
Accumulated Amortisation	
As at April 01, 2021	379.93
Amortisation for the year	53.05
Disposals	-
As at March 31, 2022	432.98
Amortisation for the year	50.25
Disposals	-
As at March 31, 2023	483.23
Net carrying amount	
As at April 01, 2021	245.93
As at March 31, 2022	195.74
As at March 31, 2023	216.65

(i) Depreciation / Amortisation

Amortisation is calculated on straight line basis over the estimated useful lives of the asset.

(ii) Method of Accounting Depreciation/Amortisation

Amortisation has been calculated as per the Accounting Policy No. 9 of the company and recognised as expense in the Statement of Profit and Loss.

(iii) Estimation of useful life of Assets

The estimated useful lives of the Other Intangible Assets is as follows:

Asset Class	Years
Computer software (including development costs)	10

(iv) Restriction on title: Nil

(v) Contractual commitments

Refer Note 44 for outstanding contractual commitments

(vi) Impairment of assets - Refer note 43

(vii) Refer Note 8 in respect of unadjusted capital advance paid towards Other Intangible assets

Note No. Particulars	As at	
	March 31, 2023	As at March 31, 2022

5b Intangible Assets under Development		
Internally developed	106.24	57.04
Less: Provision for impairment	-	-
Total	106.24	57.04

Intangible assets under development ageing schedule 2022-23

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Projects in Progress	95.71	10.53	-	-	106.24
Projects temporarily suspended	-	-	-	-	-
Total	95.71	10.53	-	-	106.24

Completion schedule - Time and cost over run 2022-23

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

Intangible assets under development ageing schedule 2021-22

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2 - 3 Years	More than 3 years	
Projects in Progress	49.46	7.58	-	-	57.04
Projects temporarily suspended	-	-	-	-	-
Total	49.46	7.58	-	-	57.04

Completion schedule - Time and cost over run 2021-22

Intangible assets under development	To be completed in			Total
	Less than 1 year	1 - 2 years	2 - 3 years	
Projects in Progress	-	-	-	-
Total	-	-	-	-

(i) Contractual commitments

Refer Note 44 for outstanding contractual commitments

(ii) Impairment of assets - Refer note 43

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No. Particulars	As at March 31, 2023	As at March 31, 2022
6 Financial Assets		
Non-current Investment		
Investment carried at cost:		
Investment in equity instruments (Unquoted)		
a) Subsidiaries (at cost)		
eMudhra (MU) Limited	108.98	108.98
(5,158,477 (2022:5,158,477) equity shares of face value of MUR10 each)		
eMudhra Technologies Ltd.	27.47	27.47
(29,50,552 (2022:29,50,522) equity shares of face value of Rs.10 each fully paid)		
eMudhra Consumer Services Limited	57.08	57.08
(50,00,000 (2022:50,000,000) equity shares of face value of Rs.10 each fully paid)		
eMudhra DMCC	1.01	1.01
(51 (2022: 51) equity shares of face value of AED 1000 each fully paid)		
eMudhra INC	303.88	8.39
(37,25,000 (2022: 105,000) equity shares of face value of USD 1 each fully paid)		
eMudhra PTE Limited	6.54	6.54
(1,27,500 (2022:127,500) equity shares of face value of SGD 1 each fully paid)		
eMudhra BV	4.61	4.61
(51,000 (2022:51,000) equity shares of face value of EURO 1 each fully paid)		
PT eMudhra Technologies Indonesia	10.90	10.90
(147,500 (2022:147,500) equity shares of face value of IDR 15,000 each fully paid)		
Investment on issue of ESOP's to employees of subsidiary companies	3.55	-
Total	524.02	224.98
i. Particulars	2022-23	2021-22
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amount of unquoted investments	520.47	224.98
(c) Aggregate amount of impairment in value of investments	-	-
(ii) Related party disclosure: For Related party disclosure refer note 53		
(iii) Refer note 56 for classification of financial instruments		
7 Other Financial Assets		
Non-Current		
Unsecured, considered good		
Security deposit	5.24	-
Bank deposits with maturity more than 12 months*	13.43	5.23
Total	18.67	5.23
* Includes INR 13.43 (2022: INR 5.23) held as margin money deposit as against bank Guarantees.		
(i) Refer note 56 for classification of financial instruments		
8 Other Non-Current Assets		
Capital advances	0.37	17.64
Balance with government authorities	0.55	0.55
Other receivables#	-	52.19
Prepaid expenses	1.64	3.11
Total	2.56	73.49
# Amount is below the round off norm adopted by the company		
9 Inventories (Valued at lower of cost or Net realisable value)		
Stock in trade*	10.34	17.25
Total	10.34	17.25

*includes goods in transit of INR 0.60 (2022: Nil)

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No. Particulars	As at March 31, 2023	As at March 31, 2022
10 Financial Assets		
Current investments		
Unquoted		
Investment in mutual funds at fair value through Profit and loss		
ICICI Prudential Overnight Fund Direct Plan Growth [units 92,802.64 @ Rs. 1208.48 per unit]	112.15	-
HDFC Overnight Fund Direct Plan Growth [units 29,231.01 @ Rs.3328.44 per unit]	97.29	-
Total	209.44	-
i. Particulars	2022-23	2021-22
(a) Aggregate amount of quoted investments and market value thereof	-	-
(b) Aggregate amount of unquoted investments	209.44	-
(c) Aggregate amount of impairment in value of investments	-	-

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
11	Trade Receivables		
	Unsecured, considered good		
	- Related parties	6.09	16.50
	- Others	348.70	294.35
	Less: Allowances for expected credit loss	8.54	4.74
	Total	346.25	306.11
	(i) Payment terms		
	a. In majority of contracts, payment is due on delivery of License. However, in some contracts a portion of dues is linked to satisfaction of further performance obligations like completion of installation and commission activity etc.		
	b. Amount retained by customer in respect of completed performance obligation, due to linking of payment with completion of other performance obligations in the contract, is classified as contract asset. Balance amount receivable is classified as Trade receivable.		
	(i) Financial instruments		
	Refer note 56 for classification of financial instruments		
	(ii) Related party disclosure		
	For related party disclosure refer note 53		
	(iii) Refer note 51 for trade receivable ageing schedule		
12	Cash and Cash Equivalents		
	Balance with banks:		
	- In current account	115.88	36.34
	- Deposit accounts	24.00	-
	Cash on hand	0.19	0.24
	Total	140.07	36.58
	Cash and cash equivalents includes Term Deposits with original maturity period up to three months. Term Deposits with original maturity period beyond Three months upto Twelve months have been included in Bank balances (Refer Note 13) and Term Deposits with original maturity period beyond Twelve months have been included in Other financial assets (Refer Note 7).		
	(i) Refer note 56 for classification of financial instruments		
	(ii) There are no repatriation restrictions with regard to cash and cash equivalents		
13	Bank balance other than Cash and Cash Equivalents		
	Balances with bank held as margin money deposits as against bank guarantees	4.35	50.00
	In deposit accounts	308.70	-
	Unpaid dividend account	0.04	-
	Total	313.09	50.00
	(i) Refer note 56 for classification of financial instruments		
	(ii) There are no repatriation restrictions with regard to cash and cash equivalents		
14	Loans		
	Unsecured, considered good		
	Loans to related parties	10.81	34.57
	Others		
	Loans to employees	0.50	0.47
	Total	11.31	35.04
	(i) Financial instruments		
	Refer note 56 for classification of financial instruments		
	(ii) Impairment of financial assets		
	Provision for impairment has been made in line with accounting policy no.22 of the company		
	(iii) Related party disclosure		
	For related party disclosure refer note 53		

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

15 Other Financial Assets

Unsecured, considered good

Interest accrued but not due on deposits	7.18	3.05
Other deposits	1.54	1.20
Rent deposit	3.05	11.44
Security deposits	2.91	10.41
Tender deposit	2.24	1.53
Total	16.92	27.63

(i) Financial instruments

Refer Note 56 for classification of financial instruments

(ii) Impairment of financial assets

Provision for impairment has been made in line with accounting policy no. 22 of the company

(iii) Related party disclosure

For related party disclosure refer note 53

16 Other Current Assets

Unsecured, considered good

Advance to suppliers	8.14	4.28
Others		
Prepaid expenses	13.34	12.06
Balance with government authorities	5.97	-
Unbilled revenue	324.87	167.20
Contract asset	20.71	-
Other current assets	3.74	-
Total	376.77	183.54

eMudhra Limited
CIN: L72900KA2008PLC060968
Notes forming part of the Standalone Financial Statements
(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
17	Share Capital		
	Authorised share capital		
	12,30,00,000 (2022: 12,30,00,000) Equity shares of INR 5 each	615.00	615.00
	2,50,00,000 (2022: 2,50,00,000) Preference shares of INR 10 each	250.00	250.00
	Total	865.00	865.00

Equity share capital

(i) Issued, Subscribed and fully paid up share capital

7,80,72,371 (2022: 7,01,79,692) equity shares of INR 5 each

390.36

350.90

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Add: Share issued during the year	-	-	-	-
Less: Shares bought back during the year	78,92,679	39.46	-	-
Share outstanding at the end of the year	7,80,72,371	390.36	7,01,79,692	350.90

(iii) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
V Srinivasan	2,71,22,543	34.74%	3,04,11,800	43.33%
Taarav Pre Ltd	1,38,42,877	17.73%	1,83,59,123	26.16%
Lakshmi Kaushik	56,97,159	7.30%	62,01,466	8.84%
Anind Srinivasan	31,54,646	4.04%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	30,98,551	3.97%	60,57,801	8.63%

(iv) Terms, Rights, preferences and restrictions attaching to each class of shares

Particulars	As at March 31, 2023	As at March 31, 2022
a. Shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment.	-	-
b. The aggregate value of calls unpaid (including Directors and Officers of Company)	-	-
c. Shares forfeited	-	-

d. The company has only one class of equity shares having par value Rs. 5 per share. Each holder of equity share is entitled to one vote per share. Each share holder has a right to receive the dividend declared by the company. On winding up of the company the equity share holders will be entitled to get the realisation value of the remaining assets of the company. If any, after distribution of preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the share holders.

(v) During previous five years the company has not bought back its shares

(vi) During the previous five years the company has not allotted any shares as fully paid up pursuant to contract without payment being received in cash

(vii) During the previous five years the company has not allotted any shares as fully paid up by way of bonus shares

(viii) Details of share holding of Promoter and Promoter Group

Name of Shareholder	As at 31st March 2023			As at 31st March 2022		
	No. of Equity shares held	% of holding	% Change during the Year	No. of Equity shares held	% of holding	% Change during the Year
V Srinivasan	2,71,22,543	34.74%	-8.59%	3,04,11,800	43.33%	8.73%
Taarav Pre Ltd	1,38,42,877	17.73%	-8.43%	1,83,59,123	26.16%	0.00%
Anind Srinivasan	31,54,646	4.04%	-5.42%	66,36,515	9.46%	-
Kaushik Srinivasan	9,25,880	1.19%	-0.86%	14,36,518	2.05%	-

(ix) Final Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	97.59	-

(x) Private placement

The Board of Directors vide its meeting dated April 30, 2022 accorded approval to issue 16,03,618 equity shares at price of Rs.243.20 per share (Par value of Rs.5/- per equity share and premium of Rs.238.20 per equity share) on preferential basis through private placement to various investors. Accordingly, the company has allotted those shares to those investors on 05th May 2022 and the proceeds from this private placement have been utilised for the purpose as approved and filed with the appropriate authorities.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
18	Other Equity		
	Capital redemption reserve [refer note 18.1 below]	250.00	164.00
	Preference share capital [refer note 18.6 below]	-	86.00
	Securities Premium [refer note 18.2 below]	1,857.44	-
	Retained earnings [refer note 18.3 below]	669.05	657.33
	Total other comprehensive income [refer note 18.4 below]	3.38	7.38
	Share based payment reserve [refer note 18.5 below]	27.20	5.24
		2,807.07	919.93
18.1	Capital Redemption Reserve		
	Balance at the beginning of the year	164.00	164.00
	Add: Transactions during the year	-	-
	Add: Adjusted against securities premium	-	-
	Add: transferred from retained earnings	86.00	-
	Balance as at the end of the year	250.00	164.00
18.2	Securities Premium		
	Balance at the beginning of the year	-	-
	Add: Issue of equity shares	1,960.54	-
	Add: Exercise of stock options by employees	9.81	-
	Less: Transaction costs on issue of equity shares	(112.91)	-
	Balance as at the end of the year	1,857.44	-
18.3	Retained Earnings		
	Balance at the beginning of the year	657.32	359.68
	Profit/(Loss) for the year	199.74	300.37
	Less: Transfer to capital redemption reserve	86.00	-
	Less: Dividend paid (Including preference dividend of INR 4.41 million)	102.00	2.72
	Balance as at the end of the year	669.05	657.33
18.4	Other Comprehensive Income for the year		
	Balance at the beginning of the year	7.38	-
	Add: Other comprehensive income for the year	(4.00)	7.38
	Balance as at the end of the year	3.38	7.38
18.5	Share based Payment Reserve		
	Balance at the beginning of the year	5.24	-
	Add: Employee stock compensation expense during the year	31.77	5.24
	Less: Transferred to Securities premium for options exercised	(9.81)	-
	Balance as at the end of the year	27.20	5.24
18.6	Preference Share capital		
	(i) Issued, Subscribed and fully paid up share capital		
	Nil (2022: 8,60,000) equity shares of INR 10 each	-	86.00

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	8.60	86.00	8.60	86.00
Add: Share issued during the year	-	-	-	-
Less: Redeemed during the year	(8.60)	(86.00)	-	-
Share outstanding at the end of the year	-	-	8.60	86.00

(iii) Details of shareholders holding more than 5% in the company

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
Venkataraman Srinivasan	-	-	6.65	0.78
Lakshmi Kaushik	-	-	0.97	0.11
Aishwarya Arvind	-	-	0.97	0.11

(iv) Dividend

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Final dividend for FY 2021-22	2.58	-
(b) Final dividend for FY 2022-23	1.83	-

(v) These Preference shares amounting to INR 86 are issued to the promoter group at a face value of INR 10 each. The shares had a 3% coupon rate until its redemption and grouped under other equity. The preference shares are redeemed on December 15 2022.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Nature and purpose of the Reserves

Securities premium

Securities premium is created out of the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

Other Comprehensive Income

Other Comprehensive income are those gains/losses which are not yet realised and excluded from the statement of profit and loss. It consists of remeasurement of the net defined benefit liability.

Capital Redemption Reserve

Capital redemption reserve is created by transfer from retained earnings an amount equal to face value of shares bought back or redeemed. This reserve is utilised in accordance with the Provisions of the Companies Act, 2013.

Share based Payment Reserve

The reserve related to employee share based payment plans granted by the company to its employees. Further information about share based payment to employees is set out in note 55.

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
19	Borrowings		
	Secured		
	Term loan from bank	-	288.03
	Total borrowings	-	288.03
	Less: Current maturities of long term debts	-	90.34
	Total	-	197.69
	(i) Current maturities of term loans are disclosed under current borrowings - Refer note 24		
	(ii) Terms of loan and Nature of security - Refer 19.1		
	(iii) Refer note 56 for classification of financial instruments		
	(iv) Period and amount of continuing default - Nil		
19.1	Term loan from Bank:		
A	The company has obtained term loan of INR 150 (Term loan-1) for construction of Digital Signature Campus at Devanahalli KIADB IT park, Bengaluru from M/s Canara bank and later this loan facility was taken over by M/s Kotak Mahindra bank Limited (referred as "lender") during May 2019 with an enhancement of INR 100 (Term loan-2) loan towards the same purpose. During FY 2021, lender has sanctioned additional working capital term loan of INR 55.8 (WCTL) under ECLGS scheme (Emergency Credit Line Guarantee Scheme). These loans are fully secured and the details of the same are as below:		
	1.) Primary Security: First and exclusive charge on all existing and future current assets, movable assets, movable fixed assets, tangible and intangible assets of the company.		
	2.) Collateral Security: Memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore.		
	Interest:		
	Term Loan: 6 months repo rate with spread of 2.8%		
	Working capital term loan: Fixed rate at 8% p.a		
	During the year, the company has preclosed the term loan as per the object clause of Initial Public offer.		
20	Lease Liabilities		
	Lease liabilities	61.97	103.27
	Total	61.97	103.27
	(i) Financial instruments		
	Refer Note 56 for classification of financial instruments		
21	Provisions		
	Non current		
	Employee benefits		
	Compensated absences [refer note 54(c)]	1.76	1.28
	Gratuity [refer note 54(b)]	20.89	19.08
	Total	22.65	20.36
23	Other Non-Current Liabilities		
	Contract liability		
	Deferred Revenue	0.05	9.21
	Total	0.05	9.21

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
24	Borrowings		
	Secured		
	Loans repayable on demand - from banks		
	Working capital demand loan	-	125.24
	Current maturities of long term debts	-	90.34
	Unsecured		
	Loans from related party		
	From director	-	41.06
	Total	-	256.64

- (i) Terms of loan and Nature of Security - Refer 24.1
(ii) Period and amount of continuing default - Nil
(iii) Refer note 56 for classification of financial instruments

24.1 Working Capital Demand Loan:

A From ICICI Bank:

The company has taken two working capital limits against deposits from M/s ICICI Bank Limited with an overall limit of INR 47.50 during February 2021 and July 2021. These loans are repayable on demand.

Nature of Security: Fully secured against fixed deposit

This facility is 100% secured on fixed deposit made with this bank amounting to INR 50.00

B From Kotak Mahindra Bank Limited

The company had working capital facility from M/s Canara Bank and which was taken over by M/s Kotak Mahindra Bank Limited with a limit of INR 80.00. Company has taken an adhoc unsecured loan of INR 20 from M/s Kotak Mahindra Bank in August 2021 which has been fully repaid during September 2021.

Nature of Security:

1. Primary Security: Secured against receivables and inventory
2. Collateral Security: (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land measuring 3 acres located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, Jala Hobli, Bangalore North taluk, Bengaluru Urban Dist.

25 Lease Liabilities

Current Liability of Lease	34.75	24.13
Total	34.75	24.13

26 Trade Payables

Current		
Dues to micro enterprises and small enterprises (Refer note 49)	54.03	2.63
Dues to creditors other than micro enterprises and small enterprises		
To Related parties	40.09	51.85
To Others	110.62	113.55
Total	204.74	168.03

- (i) Financial instruments : Refer Note 56 for classification of financial instruments
(ii) Related party disclosure : Refer Note 53 for Related Party Disclosures
(iii) Refer note 52 for trade payables ageing schedule

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
27	Other Financial Liabilities		
	DSC Portal deposit	2.72	9.01
	Interest accrued but not due on term loan	-	1.20
	Unpaid dividend	0.04	-
	Other advances from customers#	-	0.30
	Employee benefits payable	36.60	2.68
	Rent deposit from related parties	10.50	10.00
	Security deposit from customers	2.53	2.53
	Capital creditors	4.75	12.84
	Total	57.14	38.56
	# Amount is below the round off norm adopted by the company		
	(i) Refer note 56 on classification of financial instruments		
28	Other Current Liabilities		
	Deferred Revenue	20.77	2.96
	Statutory dues	22.86	19.33
	Total	43.63	22.29
29	Provision		
	Current		
	Employee benefits		
	Bonus	28.33	39.68
	Compensated absences [Refer note 54(c)]	2.93	2.09
	Gratuity [Refer note 54(b)]	-	-
	Total	31.26	41.77
30	Current Tax Liabilities (net)		
	Provision for tax, net	-	59.42
	Total	-	59.42
	Current Tax Assets (net)		
	Tax payment pending adjustments	15.33	-
	Total	15.33	-

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	As at March 31,2023	As at March 31,2022
22	Deferred Tax Liabilities (Net)		
	Deferred tax (asset)/liability, net		
	Deferred tax liabilities	31.21	18.79
	Deferred tax assets	(12.60)	(6.82)
	Total	18.61	11.97

Deferred tax balance

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax in relation to:		
Property, plant and equipment	30.83	18.79
Provision for employee benefits	(6.43)	(5.65)
Right of use assets and lease liability	(3.91)	(1.16)
Financial assets	0.38	-
Others	(2.26)	(0.01)
Total	18.61	11.97

2022-23	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	18.79	12.04		30.83
Provision for employee benefits	(5.65)	(0.78)		(6.43)
Remeasurement of defined benefit obligation	-	1.34	(1.34)	-
Right of Use and Lease liability	(1.16)	(2.75)		(3.91)
Financial assets	-	0.38		0.38
Others	(0.01)	(2.25)		(2.26)
Total	11.97	7.98	(1.34)	18.61

2021-22	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Property, plant and equipment	14.70	4.09	-	18.79
Provision for employee benefits	(4.66)	(0.99)	-	(5.65)
Right of Use and Lease liability	(1.16)		-	(1.16)
Others	(0.01)		-	(0.01)
Share based payments				-
Total	8.87	3.10	-	11.97

(i) Tax Expense

a) Recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of the current year - CT	68.89	86.99
In respect of prior years	(6.84)	
	62.05	86.99
Deferred tax		
In respect of the current year - DT	7.98	3.11
Total	7.98	3.11
Total tax expense	70.03	90.10

b) Recognised in Other comprehensive Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax		
In respect of the current year - OCI	1.34	-
Total	1.34	-

c) Reconciliation of Effective tax rate

Particulars	As at March 31, 2023		As at March 31, 2022	
	Rate (%)	Amount	Rate (%)	Amount
Profit Before Tax		269.78		390.47
Tax using the company's Domestic Tax Rate	25.17%	67.90	25.17%	98.27
Effect of				
Non- deductible expenses	1.87%	5.04	0.79%	3.08
Earlier year tax	-2.53%	(6.84)		
Others	1.46%	3.93	-2.88%	(11.25)
Effective Tax		70.03		90.10

During the year the Company has utilised the option given u/s 115BAA and accordingly the tax rate applicable is 25.17%.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
31	Revenue from Operations		
	Sale of software/solutions services	1,318.50	1,241.29
	Sale of products	321.72	288.92
	Total	1,640.22	1,530.21

(i) Disaggregation of revenue

Revenue earned by the company is disaggregated by its sources based on its key operating segments as disclosed in Note 58

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract

Price Revenue as per the Statement of Profit and Loss

Sale of software solutions/services	1,318.50	1,241.29
Sale of products	321.72	288.92
Total (a)	1,640.22	1,530.21
Add/(less) adjustment to contract price		
Foreign Exchange variation claim	-	-
Price revision	-	-
Adjustment of commission to controllers	-	-
Discount and rebate offered	-	-
Others	-	-
Total adjustment (b)	-	-
Contract price (a+b)	1,640.22	1,530.21

(iii) Satisfaction of performance obligation

- a. In majority of the contracts performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining the control of the asset. Revenue from licenses where the customer obtains a "right to use" the license are recognised at the time the license is made available to the customer.
- b. In Contracts with multiple performance obligations, revenue is recognised using percentage of completion method on satisfaction of each performance obligation.
- c. Contract with the customer normally do not contain significant financing component and any advance payment received and/or amount retained by customer is with intention of protecting either parties to the contract.
- d. Variable consideration primarily consists of discounts, rebates, price concessions, incentives and performance bonuses which are reduced from the transaction price, if specified in the contract with customer/based on customary business practices.
- e. Warranties provided are mainly in the nature of performance warranty.
- f. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.
- g. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether the customer has obtained "Control on asset"
 - i. Transfer of significant risk and rewards
 - ii. Customer has legal right/title to the asset
 - iii. The entity has transferred the physical possession of the asset
 - iv. Customer has accepted the asset
 - v. Entity has the present right to payment for the asset
- h. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- i. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.
- j. The Company classifies its right to consideration as either trade receivables or Contract asset. The Company's receivables are rights to consideration that are unconditional.
Unbilled revenue comprising revenue in excess of billing where the right to consideration is unconditional and is due only after passage of time.
- k. No non-cash considerations are received/given during the current/previous year.
- l. Remaining Performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
32	Other Income		
	Interest income of fixed deposit	33.01	3.08
	Foreign exchange gain	0.76	-
	Interest income on security deposit	0.64	-
	Income from operating lease (refer note no 53)	12.49	-
	Profit on sale of mutual fund	0.49	-
	Other miscellaneous income	7.64	0.02
	Net gain on assets measured at fairvalue through profit/loss	1.47	-
	Provisions no longer required written back	-	4.07
	Total	56.50	7.17
33	Operating Expenses		
	Commission expenses	30.32	62.75
	License fee expenses	87.55	47.97
	Other direct operating expenses	59.64	21.56
	Payment gateway charges	4.50	4.09
	Postage and courier charges	5.74	6.22
	Total	187.75	142.59
34	Purchases of Stock-in-trade		
	Purchase of crypto token/hardware's	285.20	302.22
	SSL Certificates	0.28	0.06
	Total	285.48	302.28
35	Changes in Inventories of Stock-in-trade		
	Stock in trade		
	Opening stock:		
	Crypto token/HSM	17.25	3.00
		17.25	3.00
	Closing stock:		
	Crypto token/HSM	10.34	17.25
		10.34	17.25
	Total	6.91	(14.25)
36	Employee Benefits Expense		
	Gratuity (refer note 54(b))	4.62	5.12
	Salaries, allowances and bonus	395.02	339.30
	Contribution to provident and other funds (refer note 54(a))	14.39	13.07
	Share based payment (refer note 55)	28.21	5.24
	Compensated absence (refer note 54(c))	1.83	(1.12)
	Employee insurance expenses	9.48	5.60
	Staff welfare expenses	38.09	13.91
	Total	491.64	381.12
37	Financial Costs		
	Interest on term loans	3.97	21.79
	Interest on lease liabilities	20.00	16.41
	Interest on income tax	7.70	-
	Interest on overdraft/cash credit facilities	1.59	7.40
	Total interest on financial liabilities carried at amortised cost	33.26	45.60
	Interest on delayed payment of statutory dues	0.51	6.96
	Total	33.77	52.56

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
38	Depreciation and Amortisation Expenses		
	Amortisation on other intangible assets	50.24	53.05
	Depreciation on Right-of-use assets	35.53	29.14
	Depreciation on plant, property and equipment	37.59	22.88
	Total	123.36	105.07
39	Other Expenses		
	Auditors' remuneration [refer note 39.1 below]	1.59	1.11
	Business promotion and advertisements	92.51	36.55
	Communication expenses	18.22	13.69
	Contribution for corporate social responsibility expenses [refer note 50]	4.97	2.41
	Power and fuel expenses	13.81	9.39
	Fees rates and taxes	8.65	9.64
	Information technology expenses	13.33	11.97
	Insurance expenses	3.65	1.92
	Legal and professional expenses	38.42	20.21
	Miscellaneous expense	0.86	0.35
	Office maintenance expense	18.68	11.22
	Printing and stationary	1.48	1.31
	Short term leases	24.94	42.64
	Repair and maintenance		
	-Plant and machinery	13.50	1.60
	-others	4.51	1.30
	Provision for doubtful debts	8.54	4.74
	Net bad debts written off	0.70	-
	Travelling and conveyance	29.68	6.85
	Foreign exchange loss	-	0.64
	Total	298.04	177.54
39.1	Payment to Statutory Auditors		
	As Auditor towards:		
	Statutory audit	0.90	0.82
	Tax audit	0.15	0.15
	Other matters	0.54	0.14
		1.59	1.11

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No. Particulars		As at	As at
		March 31,2023	March 31,2022
40 Earnings Per Share			
Basic:			
Profit after tax	A	199.74	300.37
Weighted average number of shares outstanding	B	7,69,58,096	7,01,79,692
Basic earnings per share	A/B	2.60	4.28
Diluted:			
Profit after tax	A	199.74	300.37
Weighted average number of shares outstanding	B	7,69,58,096	7,01,79,692
Diluted earnings per share	A/B	2.60	4.28

41 Statement of Compliance

The Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 (the "Act") read with rule 3 of the companies (Indian Accounting Standard) Rules, 2015], and other relevant provision of the Act.

42 Operating Cycle

As per the requirement of schedule III to the Companies Act 2013, the operating cycle has been determined at company level, as applicable.

43 Impairment of Assets

Company has analysed indications of impairment of assets. On the basis of assessment of internal and external factors, none of the assets has found indications of impairment of its assets.

44 Contractual Commitments

Particulars	As at	As at
	March 31,2023	March 31,2022
a) Estimated amount of contracts remaining to be executed on capital account and not provided as on 31st March (Net of advances)	3.13	-
b) Other commitments i.e. non cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31st March	-	-
Total	3.13	-

45 Contingent Liabilities

Particulars	As at	As at
	March 31,2023	March 31,2022
(a) Claims not acknowledged as debts		
- Income tax Appeal (refer note (a))	32.29	32.29
(b) Outstanding letters of credit	-	-
(c) Others	-	-
Total	32.29	32.29

(a) The Company has filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Decommissioner of Income Tax Circle2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy Income Tax under section 143 r.w.s. 147 of Income Tax Act, 1961.

(b) The Company has 2 legal cases (March 31,2022: 2 cases) against the Company in various courts in the country. In all these cases, we do not foresee any financial implications.

46 Contingent Assets

Particulars	As at	As at
	March 31,2023	March 31,2022
Nil	-	-
Total	-	-

47 Foreign Exchange Exposure

Pursuant to the announcement of the ICAI requiring the disclosure of "Foreign Exchange Exposure", the major currency wise exposure has on 31st March 2023 is given below. (Previous year figures are shown in brackets).

Currency	Payable		Receivable	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
USD	-	-	0.09	7.44
USD	-	-	(0.23)	(17.08)
EURO	-	-	-	-
EURO #	(0.00)	(0.14)	-	-

Foreign Exchange Exposure towards contingent liability is Nil (2022: Nil)

Amount is below the round off norm adopted by the company

48 The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in

September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

Note No. Particulars	As at March 31, 2023	As at March 31, 2022
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- 49 The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 as on 31st March 2023 is furnished below:

Particulars	2022-23	2021-22
a) The principal and the interest due thereon remaining unpaid as at 31st March:		
Principal *	54.03	2.63
Interest *	-	-
	54.03	2.63
b) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year ending 31st March	-	-
Principal *	-	-
Interest *	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of the reporting year ended 31st March	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

* The information regarding disclosure with respect to Micro, Small and Medium Enterprises Development Act, 2006 are furnished by the management and are relied upon by the auditors.

50 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Amount required to be spent by the company during the year	4.97	2.41
ii) Amount of expenditure incurred		
- on Construction activities	-	-
- on other activities	3.80	2.41
iii) Shortfall at the end of the year	1.17	-
iv) Total of previous years shortfall	-	-
v) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	See note below	
vii) Reason for shortfall: The Company is in the process of identification of projects to meet its obligation		
viii) Nature of CSR activities: Promotion of social health of society in large, promotion of education, employment and art		

The Company has developed a CSR policy and also formed a CSR Committee in accordance with the requirements set out in section 135 of the Companies Act 2013. The areas of CSR activities are promoting education, promoting art and employment. The Company has spent an amount of INR 3.80 (2022: INR 2.41) towards the above CSR activities.

Movement of CSR Provision

Particulars	As at 31st March 2023	As at 31st March 2022
i) As at 1 April	-	-
ii) Additional provision/appropriation recognised during the year	4.97	2.41
iii) Less: Amount used during the year	(3.80)	(2.41)
iv) Less: Amount reversed during the year	-	-
v) As at 31 March	1.17	-

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

51 Trade Receivables Ageing Schedule

Trade receivables ageing as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	269.81	40.14	35.30	-	1.00	346.25
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	5.68	2.86	8.54
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	269.81	40.14	35.30	5.68	3.86	354.79

Note: The above amount does not include unbilled revenue of INR 324.87 and Contract asset of INR 20.71 disclosed under note 16.

Trade receivables ageing as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	208.07	86.81	11.23	-	-	306.11
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – considered doubtful	-	-	-	1.88	2.86	4.74
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	208.07	86.81	11.23	1.88	2.86	310.85

Note: The above amount does not include unbilled revenue of INR 167.20 disclosed under note 16.

52 Trade Payables Ageing Schedule

Trade payables ageing as at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	54.03	-	-	-	54.03
(ii) Others	70.41	79.76	0.54	-	-	150.71
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	70.41	133.79	0.54	-	-	204.74

Trade payables ageing as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	2.63	-	-	-	2.63
(ii) Others	28.51	135.57	1.04	0.29	-	165.40
Disputed dues						
(i) Disputed dues - MSME	-	-	-	-	-	-
(ii) Disputed - Others	-	-	-	-	-	-
Total	28.51	138.20	1.04	0.29	-	168.03

eMudhra Limited

CIN:172900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

53 Related Party Transactions

A. Disclosure related to subsidiary, associate and group companies

1 Particulars of subsidiary, associate and group companies :

Sr. No	Name of the company	Relationship	% of shares held	
			March 31, 2023	March 31, 2022
1	eMudhra (MU) Limited	Wholly owned Subsidiary	100%	100%
2	eMudhra Technologies Limited	Wholly owned Subsidiary	100%	100%
3	eMudhra consumer Services Limited	Wholly owned Subsidiary	100%	100%
4	eMudhra INC	Subsidiary Company	100%*	100%
5	eMudhra PTE Limited	Subsidiary Company	100%*	100%
6	Taarav PTE Limited	Enterprises in which key management personnel	NA	NA
7	eMudhra DMCC	Subsidiary Company	100%*	100%
8	eMudhra BV	Subsidiary Company	100%*	100%
9	PT eMudhra Technologies Indonesia	Subsidiary Company	59%*	59%
10	Smart Craft Private Limited	Enterprises in which key management personnel	NA	NA
11	Cedar Grove Real Estates Private Limited	Enterprises in which key management personnel	NA	NA
12	Bluesky Infotech [Partnership firm]	Enterprises in which key management personnel	NA	NA
13	eMudhra employees stock option trust	Enterprises in which key management personnel	NA	NA

* Including the shares held by wholly owned subsidiary company eMudhra (MU) Limited.

2 Particulars of key management personnel

Sr. No	Name of the key management personnel		Relationship
	March 31, 2023	March 31, 2022	
1	V. Srinivasan	V. Srinivasan	Executive Chairman
2	Kaushik Srinivasan #	Kaushik Srinivasan #	Senior Vice President - Product Development
3	Venu Madhava	Venu Madhava	Whole Time Director
4	Saji K Louiz	Saji K Louiz	Chief Financial Officer
5	Johnson Xavier	Johnson Xavier	Company Secretary & Compliance Officer
6	Biju Varghese **	Biju Varghese **	Senior Vice President and Head of Business Development
7	AM Kiran **	AM Kiran **	Vice President - Operations and Administration
8	Vijay Kumar **	Vijay Kumar **	Senior Vice President and Head - Technology
9	Ashwin Jhansale ** ##	Ashwin Jhansale ** ##	Senior Vice President and Head of Channel Sales
10	Janarthanan **	Janarthanan **	Senior Vice President and Head - Customer Success
11	Lakshmi Kaushik **	Lakshmi Kaushik **	Relative of Key Managerial Personnel
12	Aishwarya Aravind **	Aishwarya Aravind **	Relative of Key Managerial Personnel

** As identified by the Nomination and Remuneration Committee of the Company.

Resigned from eMudhra Limited with effect from January 31, 2023 and thereafter, joined the subsidiary company, eMudhra DMCC, Dubai, with the same designation with effect from February 01, 2023.

Retired from the company with effect from April 15, 2023

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

3 Transactions with Related Parties:

Sr. No	Nature of transaction	Related party	Transactions	
			2022-23	2021-22
1	Sales of Products/Services			
		Bluesky Infotech [Partnership firm]	100.52	107.44
		eMudhra DMCC	0.82	-
2	Software licensing fees received			
		eMudhra Consumer Services Limited	1.33	9.00
		eMudhra INC	3.09	1.40
		eMudhra BV	-	1.65
		eMudhra PTE Limited	0.19	2.14
		eMudhra DMCC	22.87	54.73
		PT eMudhra Technologies Indonesia	3.30	-
3	Purchase of Products/Services			
		eMudhra Technologies Limited	-	-
		Bluesky Infotech [Partnership firm]	11.83	38.68
4	Software Licensing fees paid			
		eMudhra Consumer Services Limited	65.72	37.91
		eMudhra Technologies Limited	21.82	10.06
5	Borrowings/(Repayment), net			
		eMudhra Employees Stock Option Trust	(19.36)	(0.19)
		eMudhra Technologies Limited	(4.40)	4.40
6	Investment			
		eMudhra INC	295.48	-
7	Commission paid			
		Bluesky Infotech	6.48	13.97
8	Expenses Incurred on behalf and reimbursed			
		eMudhra Consumer Services Limited	31.72	-
9	Rental Income			
		eMudhra Technologies Limited	0.49	-
		eMudhra Consumer Services Limited	12.00	-
10	Dividend paid			
		eMudhra Employees Stock Option Trust	7.17	-

Note: Does not include fair value of employee stock options given to the employees of subsidiary companies.

4 Detailed Transactions with Key Management Personnel

Sr. No	Nature of transaction	Related party	2022-23	2021-22
1	Loan taken/(Repaid)			
		V. Srinivasan	(41.06)	41.06
2	Salary and Allowances paid*			
		Venu Madhava	5.74	4.68
		Kaushik Srinivasan	5.17	5.17
		Saji K Louiz	5.91	4.07
		Johnson Xavier	3.15	1.89
		Biju Varghese	5.79	5.33
		AM Kiran	3.75	3.66
		Vijay Kumar	7.35	7.26
		Ashwin Jhansale	4.95	4.77
		Janarthanan	5.24	4.69
3	Dividend paid			
		V. Srinivasan	37.32	2.00
		Taarav PTE Limited	17.30	-
		Kaushik Srinivasan	1.16	-
		Lakshmi Kaushik	7.62	0.29
		Arvind Srinivasan	7.19	-
		Aishwarya Arvind	1.58	0.29

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

4	Share Issue expenses #			
		V. Srinivasan	20.96	-
		Taarav PTE Limited	27.53	-
		Kaushik Srinivasan	3.32	-
		Lakshmi Kaushik	3.28	-
		Arvind Srinivasan	5.38	-
		Aishwarya Arvind	0.87	-
5	Redemption of Preference shares			
		V. Srinivasan	66.53	-
		Lakshmi Kaushik	9.73	-
		Aishwarya Arvind	9.73	-

Represents a portion of share issue expense incurred by the selling share holders.

* Does not include post employment benefits based on actuarial valuation as this is done for the Company as a whole.

Directors sitting fees:

The sitting fees paid to non executive Directors is INR 7.41 as at 31st March 2023 and INR 4.14 as on 31st March 2022 respectively.

The Board of Directors has approved the payment of commission at 1% on the Net profit to the Non Executive directors. The payment of commission is within the limit specified in section 198 of the Companies Act, 2013

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

5 Closing Balances with Related Parties:

Sr. No	Particulars	Related party	As at	
			March 31, 2023	March 31, 2022
1	Trade Payable			
		eMudhra Consumer Services Limited	40.09	40.23
		eMudhra Technologies Limited	-	11.63
		V. Srinivasan	-	41.06
2	Trade Receivable			
		eMudhra DMCC	0.81	16.50
		eMudhra PTE Limited	0.19	-
		eMudhra INC	1.83	-
		PT eMudhra Technologies Indonesia	3.26	-
3	Loans			
		eMudhra Employees Stock Option Trust	10.81	30.17
		eMudhra Technologies Limited*	-	4.40
4	Rental Deposit			
		eMudhra Consumer Services Limited	10.00	-
		eMudhra Technologies Limited	0.50	-

* During the year, the closing balance of loans is adjusted with the balances payable.

Note: The Company's related Party transactions during the year ended March 31, 2023 and March 31, 2022 and the outstanding balances as at March 31, 2023 and March 31, 2022 are within its subsidiaries with whom the Company generally enters its transactions which are at arms length and in the ordinary course of business.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

54 Disclosures under Indian Accounting Standard 19

a) Defined Contribution Plan

The Company makes contribution to Provident fund, which is a defined contribution plan for its qualifying employees. The Company recognised Rs. 16.56 (2022: Rs. 11.77) towards Provident fund and Employee State Insurance contribution in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rates specified in the rules of this Scheme.

b) Post Retirement Benefit - Defined Benefit Plan

The Company provides gratuity to employees in India as per Payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation are as follows:

Particulars	2022-23	2021-22
(i) Present Value of Defined Benefit Obligation		
Balance at the beginning of the year	27.54	30.34
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Actuarial (gain)/loss	5.64	(7.02)
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	37.73	27.54
(ii) Fair Value of Plan Assets		
Balance at the beginning of the year	8.35	7.09
Expected return on plan assets	0.48	0.37
Contribution	9.03	1.81
Actuarial gain/(loss)	0.30	0.35
Benefits paid	(1.34)	(1.27)
Balance at the end of the year	16.82	8.35
(iii) Assets and Liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	37.73	27.54
Present value of plan assets	16.82	8.35
Amount recognised as assets/(liability)	(20.91)	(19.19)
Recognised under:		
Non Current provision (Refer Note 21)	(20.91)	(19.19)
Current provision (Refer Note 29)	-	-
Total	(20.91)	(19.19)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	4.50	4.09
Interest cost	1.39	1.40
Expected return plan assets	(0.48)	(0.37)
Total expenses	5.41	5.12
Less: Transferred to Intangible assets under development	(0.79)	-
Net expenses	4.62	5.12
(v) Expenses recognised in the other Comprehensive Income		
Actuarial (gain)/loss	5.64	(7.02)
Return on Plan Assets	(0.30)	(0.35)
	5.34	(7.38)

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

(vi) Major Category of Plan Assets as % of total Plan Assets

Particulars	March 31, 2023	March 31, 2022
Insurer managed funds	100%	100%

(vii) Actuarial assumptions

Discount rate	7.31%	5.77%
Salary growth	10.00%	10.00%
Attrition rate	Grade 2 - 0.00%	30.00%
	Grade 3 - 14.00%	
	Grade 4 - 13.00%	
	Grade 5 - 24.00%	

viii) Sensitivity Analysis

Defined benefit obligation

Discount Rate	March 31, 2023	March 31, 2022
a. Discount rate - 100 basis points	40.08	28.42
a. Discount rate - 100 basis points impact (%)	6.25%	3.23%
b. Discount rate + 100 basis points	35.62	26.70
b. Discount rate + 100 basis points impact (%)	-5.58%	-3.02%

Salary increase rate

a. Rate - 100 basis points	36.12	26.75
a. Rate - 100 basis points impact (%)	-4.25%	-2.85%
b. Rate + 100 basis points	39.37	28.34
b. Rate + 100 basis points impact (%)	4.36%	2.93%

(ix) Expected contribution to the fund for the year March 31, 2024 is INR 5.73 (March 31, 2023 is INR 6.96)

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
- 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- 4) Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 100 basis points.
- 5) No change in the method and assumptions used for preparing sensitivity analysis as compared to previous year
- 6) Maturity profile of the gratuity defined benefit obligation is given below

Expected Future Cashflows

Particulars	March 31, 2023	March 31, 2022
Year 1	5.73	6.96
Year 2	4.35	5.77
Year 3	4.00	4.61
Year 4	5.09	3.70
Year 5	3.90	3.16
Year 6-10	16.26	7.13
Above 10 years	10.56	1.83

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

(c) Long Term Compensated Absences:

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the company are entitled to 18 days in a year and can maximum accumulate and carry forward to the extent of 18 days. The accumulated leaves are encashable on retirement, withdrawal, death and disability.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary:

Particulars	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss:		
Net Expenses Recognised in the Statement of Profit & Loss	2.02	(1.12)
Less: Transferred to Intangible assets under development	(0.18)	-
	<u>1.84</u>	<u>(1.12)</u>
ii) Amounts to be recognised in Balance Sheet:		
Liability recognised in Balance Sheet	4.69	3.37
iii) Actuarial Assumptions:		
Discount Rate	7.31%	5.77%
Rate of increase in compensation level	10.00%	10.00%

iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.

Particulars	2022-23	2021-22
Current leave obligations expected to be settled within the next 12 months	2.93	2.09
Leave obligations expected to be settled beyond 12 months	1.76	1.28
Total	4.69	3.37

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

55 Share based Payments

eMudhra ESOP Scheme 2016

The Company adopted "eMudhra ESOP Scheme 2016" to reward the employees including the employees of subsidiary companies for their performance and to motivate them to contribute to the growth and profitability of the Company. eMudhra ESOP Scheme 2016 is established with effect from the date on which it was approved by the Shareholder of the Company i.e., March 23, 2016 and shall continue to be in force until (i) its termination by the Board; or (ii) the date on which all of the options available for grant under the eMudhra ESOP Scheme 2016 have been granted and exercised. The objective of eMudhra ESOP Scheme 2016 is to reward the employees including the employees of subsidiary companies for their contribution to the successful operation of the Company and to provide an incentive for continued contribution to the success of the Company.

(i) Summary of Employee Stock Options granted under the plan:

Particulars	2022-23		2021-22	
	Number of ESOPs	Weighted Average exercise price	Number of ESOPs	Weighted Average exercise price
Opening Balance as at 1st April	54,16,500	5.00	47,80,000	5.00
Granted during the year	1,38,500	5.00	7,84,000	5.00
Exercised during the year	(29,21,750)	5.00	(37,500)	5.00
Forfeited during the year	(48,125)	5.00	(1,10,000)	5.00
Closing balance as at 31st March	25,85,125	5.00	54,16,500	5.00
Vested and exercisable as at 31st March	16,77,376	-	42,33,125	-

(ii) ESOPs outstanding at the end of the year have the following expiry date and exercised prices:

Plan	Grant Date	Expiry Date	Exercise Price	No. of Shares Outstanding	
				March 31, 2023	March 31, 2022
ESOP	Various dates	4 years	5.00	25,85,125	54,16,500
Total				25,85,125	54,16,500

(iii) Expenses arising from share-based payments transaction

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employees benefit expense were as follows:

Particulars	2022-23	2021-22
Total employee share-based payment expense	28.21	5.24

(iv) The fair value of options granted is estimated on the date of grant using the following assumptions

Particulars	2022-23	2021-22
Dividend yield	Nil	Nil
Risk free interest rate (%)	7.29%	5%
Volatility %	40.65%	20%
Strike price	5	5
Fair value of the shares at the time of grant	329.5	23.32
Expected life of options	2.75	4

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behaviour of the employee who receives the ESOP

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

56 Financial Instruments

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

Particulars	Fair Value Hierarchy	As at March 31, 2023		As at March 31, 2022	
		FVTPL	Amortised Cost	FVTPL	Amortised Cost
Assets:					
Non Current					
(i) Investments	3	-	524.02	-	224.98
(ii) Other financial assets	3	-	18.67	-	5.23
Current					
(i) Investments	1	209.44	-	-	-
(ii) Trade receivables	3	-	346.25	-	306.11
(iii) Cash & cash equivalents	3	-	140.07	-	36.58
(iv) Other bank balances [other than (iii) above]	3	-	313.09	-	50.00
(v) Loans	3	-	11.31	-	35.04
(iv) Other financial assets	3	-	16.92	-	27.63
Total		209.44	1,370.33	-	685.57
Liabilities:					
Non Current					
(i) Borrowings	3	-	-	-	197.69
(ii) Lease liabilities	3	-	61.97	-	103.27
Current					
(i) Borrowings	3	-	-	-	256.64
(ii) Lease liabilities	3	-	34.75	-	24.13
(iii) Trade Payables	3	-	204.74	-	168.02
(iv) Other financial liabilities	3	-	57.14	-	38.56
Total		-	358.60	-	788.30

Fair Value Hierarchy

Level 1 - Level 1 hierarchy includes financial instruments measured using Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

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

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

57 Financial Risk Management

Risk Management Framework

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk relating to foreign currency exchange rate. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks has been given below.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and other financial assets carried at amortised cost. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables and Security deposits. The exposure is limited to its carrying value.

(a) Trade and other receivables

The credit exposure of trade receivables is primarily on account of receivable from customers. The Company has a process in place to monitor outstanding receivables on a monthly basis.

The Company's exposure to credit risk for trade and other receivables by category is as follows:

Particulars	Carrying Amount	
	As at March 31, 2023	As at March 31, 2022
Trade receivables (Gross)	354.79	310.85
Unbilled revenue	324.87	167.20
Contract assets	20.71	-
Less: Expected credit loss	8.54	4.74
	691.83	473.31

Following are the financial assets carried at amortised cost at the reporting date:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Investments	733.47	224.98
Trade receivables	346.25	306.11
Cash and cash equivalents	140.07	36.58
Other Bank balances	313.09	50.00
Loans	11.31	35.04
Other financial assets	35.59	32.86
	1,579.78	685.57

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Company's Management is responsible for liquidity and fund management.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables and other financial liabilities.

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at March 31, 2023

Particulars	Within 12 Months	1-5 Years	Total Carrying Amount
Trade payables	204.20	0.54	204.74
Lease liability	34.75	61.97	96.72
Other financial liabilities (excluding trade payables)	57.14	-	57.14
	296.09	62.51	358.60

As at March 31, 2022

Particulars	Within 12 Months	1-5 Years	Total Carrying Amount
Borrowings	256.64	197.69	454.33
Trade payables	166.70	1.33	168.03
Lease liability	29.60	97.80	127.40
Other financial liabilities (excluding trade payables)	38.56	-	38.56
	491.50	296.82	788.32

eMudhra Limited
CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The majority of the Company's assets are located in India and Indian rupee being the functional currency of the Company. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities.

The Company's foreign currency payables and receivables are as follows:

Exposure to Currency Risk

The summary quantitative data about the Company's gross exposure to currency risk is as follows:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	USD	USD
Payables	-	-
Receivables	0.09	0.23
Net Exposure	(0.09)	(0.23)

Note: The outstanding exposure in respect of Euro for the previous year is less than millions. Hence no exposure is disclosed

Sensitivity Analysis:

A reasonably possible strengthening (weakening) of the INR, against USD would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

Particulars	Impact on Profit	
	As at	As at
	March 31, 2023	March 31, 2022
USD – Increase by 5%	(0.37)	(0.85)
USD – Decrease by 5%	0.37	0.85

(v) 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

The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company's goal is to continue to be able to provide return to shareholders.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Net debt	-	454.33
Total equity	3,197.43	1,270.83
Net debt to equity ratio	-	0.36

58 Segment Information

The Company publishes Standalone Financial Statements along with Consolidated Financial Statements. In accordance with Ind AS 108 Operating segments, the Company has disclosed the segment information in the audited Consolidated Financial Statements. Accordingly, the segment information is given in the audited Consolidated Financial Statements of eMudhra Limited and its subsidiaries for the year ended 31st March 2023.

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	Variance %	Reason for Major Variance
Current Ratio	Current Assets	Current Liabilities	3.87	1.22	218	During the year the Company has made public issue of shares and the proceeds from the issue is utilised as per the objects of the issue and the pending utilisation is deposited with the banks resulting in increase as compared to the previous year
Debt Equity Ratio	Total Debt	Shareholders Equity	-	0.23	(100)	During the year the Company has made public issue of shares and the proceeds from the issue is utilised as per the objects of the issue towards repayment of debts as per objects of the issue resulting in decrease as compared to the previous year
Debt Service Coverage Ratio	Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of PP&E	Debt Service = Interest and principal repayments including lease payments	1.07	6.81	(84)	During the year the Company has made public issue of shares and the proceeds from the issue is utilised as per the objects of the issue towards repayment of debts as per objects of the issue resulting in decrease as compared to the previous year
Return on Equity Ratio	Net Income	Average Shareholder Equity	0.09	0.27	(67)	During the year the Company has made public issue of shares and thereby the equity base is increased compared to the previous year which resulted in decrease in the ratio
Inventory Turnover Ratio	COGS	Average Inventory	11.99	22.56	(47)	The concentration is to sell the products rather than trading the materials/services and hence the decrease.
Trade Receivables Turnover Ratio	Revenue from Operations	Avg Accounts Receivable	5.03	6.90	(27)	The reduction in on account of better collectability of dues that are due and business growth as compared to previous year
Trade Payables Turnover Ratio	Purchases of Hardware	Avg Accounts Payables	3.68	6.42	(43)	The ratio has improved since the Company could make the payment to the creditors as due and business growth as compared to previous year
Net Capital Turnover Ratio*	Revenue from Operations	Working Capital	4.05	1.37	195	The increase is on account of business growth and effective management of working capital as compared to previous year
Net Profit Ratio	Net Profit	Revenue from Operations	0.12	0.20	(38)	The decrease is on account of increase in the marketing and brand building costs and issuance of employee stock options and employee costs as compared to previous year
Return on Capital Employed	EBIT (Earnings before interest and tax)	Capital Employed (Total Assets - Current Liabilities)	0.09	0.32	(71)	During the year the Company has made public issue of shares and thereby the equity base is increased compared to the previous year which resulted in decrease in the ratio
Return on Investment**	Net Income	Cost of Investment	0.06	0.06	12	

* The Working capital considered as denominator does not include cash and cash equivalents and current investments

** Cost of investment considered as denominator includes fixed deposit made with banks and Net Income considered as numerator includes interest earned on fixed deposits

eMudhra Limited
CIN:L72900KA2008PLC060368
Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

- 60 The Company has completed its initial public offer (IPO) of 1,61,24,456 shares of face value of Rs. 5 each for cash at an issue price of INR 256 per equity share aggregating to INR 4127.86, consisting fresh issue of 62,89,062 equity shares aggregating to INR 1610.00 and an offer for sale of 98,35,394 equity share aggregating to INR 2517.86 by the selling shareholders. The equity shares of the company were listed on BSE Limited and NSE Limited on June 01, 2022. Out of the fresh issue of INR 1610.00, INR 88.05 was adjusted towards various estimated offer expenses and the net amount received in the monitoring agency bank account is INR 1521.95.

The utilisation of IPO proceeds is summarised below:

Particulars	Objects of the Issue as per Prospectus	Utilisation upto 31.03.2023	Unutilised as on 31.03.2023
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Company;	350.00	350.00	-
Funding working capital requirements of the Company;	402.19	346.55	55.64
Purchase of equipments and funding of other related costs for data centers proposed to be set-up in India and overseas locations;	463.64	307.19	156.45
Funding of expenditure relating to product development;	150.30	49.58	100.72
Investment in eMudhra INC for augmenting its business development, sales, marketing and other related costs for future growth;	152.67	152.67	-
General Corporate Purposes	3.15	3.15	-
Total	1,521.95	1,209.14	312.81

IPO Proceeds which were unutilised as at 31st March 2023 were temporarily invested in deposit with banks and in current account maintained with Monitoring agency account.

61 COVID 19 Impact

The Company has considered the possible effects that may result from the pandemic relating to COVID 19 in the preparation of the financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the company has used its available internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID 19 on the Financial Statements may differ from the estimate as at the date of approval of the Financial Statements.

62 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose the immaterial accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Standalone Financial Statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone Financial Statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone Financial Statement.

- 63 During the year, the Company has reclassified certain balances to exhibit better presentation and accordingly the previous year balances has been reclassified.

64 Details of Benami Property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

65 Borrowing Secured against Current Assets

As on the reporting date, the Company has no outstanding borrowings from banks and financial institutions on the basis of security of current assets. However, the quarterly returns or statements of current assets filed during the year by the Company with banks and financial institutions are in agreement with the books of accounts.

66 Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

67 Relationship with Struck off Companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

68 Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

69 Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

eMudhra Limited

CIN:L72900KA2008PLC060368

Notes forming part of the Standalone Financial Statements

(All amounts are in INR million, unless otherwise stated)

70 Utilisation of Borrowed funds and Share Premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

71 Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

72 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

73 Valuation of Property, Plant and Equipment

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

74 Title Deeds of Immovable Properties not held in name of the Company

The title deeds of immovable properties are held in the name of the company except for the disclosure made in Note 3a(v).

75 Registration of Charges or Satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

76 Utilisation of Borrowings availed from Banks and Financial Institutions

The Company has not availed any borrowings during the year from banks and financial institutions.

77 Dividend not Recognised at the end of the Reporting Period

The directors have recommended a final dividend of INR 1.25 per share. [Represents absolute figure].

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would result in cash outflow of approximately of Rs.97.59

See accompanying notes to the financial statements

As per our report of even date attached

For Suri & Co.,

Chartered Accountants

Firm Registration Number: 0042835

Sd:- Natarajan V

Partner

Membership No: 223118

Place: Bengaluru

Date: April 28, 2023

For and on behalf of the Board of Directors
of eMudhra Limited

Sd:- V Srinivasan

Executive Chairman

DIN: 00640646

Sd:- Saji K Louiz

Chief Financial Officer

Sd:- Venu Madhava

Whole Time Director

DIN:06748204

Sd:- Johnson Xavier

Company Secretary &
Compliance Officer



eMudhra Limited

eMudhra Digital Campus, 12-P1-A & 12-P1-B, Hi-Tech Defence and Aerospace Park (IT sector),
Jala Hobli, B.K. Palya, Bengaluru, Karnataka 562149

CIN - L72900KA2008PLC060368

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