IntraSoft Technologies Limited

Regd. Office : 502A Prathamesh, Raghuvanshi Mills Compound, S.B. Marg, Lower Parel, Mumbai - 400 013
T: +91-22-4004-0008 F: +91-22-2490-3123 E: intrasoft@itlindia.com W: www.itlindia.com CIN : L24133MH1996PLC197857
Corp. Office : Suite 301, 145 Rash Behari Avenue, Kolkata - 700 029. Tel: +91-33-4023-1234 Fax: +91-33-2464-6584

August 18, 2022

Corporate Relationship Department
BSE Limited
P.J. Towers, Dalal Street,
Fort, Mumbai- 400 001

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

Scrip code: 533181 / ISFT

Dear Sir,

Sub: 27th Annual General Meeting - Submission of Annual Report 2022.

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

With reference to the captioned subject, we wish to inform you that the 27th Annual General Meeting of the Company will be held on Tuesday, 13th September, 2022 at 3.00 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without physical presence of the Members at a common venue in terms of various recent circulars issued by the Ministry of Corporate Affairs and SEBI since 2020 and also in the year 2022.

The Annual Report containing the Balance Sheet as at 31st March, 2022 along with the Statement of Profit and Loss Account and the Cash Flows for the Period ended as on 31st March, 2022 together with Report of the Directors and Auditors thereon is enclosed herewith for your records.

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

This is for your information and records.

Thanking You,
Yours faithfully,
For **IntraSoft Technologies Limited**

INTRASOFT TECHNOLOGIES LIMITED

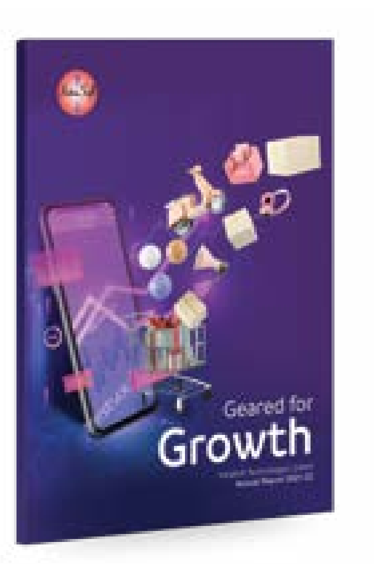
Pranvesh Tripathi
Company Secretary & Compliance Officer

Encl: Annual Report 2022

Geared for Growth

IntraSoft Technologies Limited
Annual Report 2021-22

CONTENTS



Scan this QR code to view the report at one go on your hand-held device

Forward-looking statement

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

Geared for GROWTH

E-commerce is no longer an option available to consumers.

It has emerged as a way of life – for reasons of transparency, economy, convenience and integrity.

At IntraSoft Technologies Limited, we are attractively placed to capitalise on this decisive shift.

The Company enjoys multi-year relationships with e-commerce marketplaces on the one hand and brand manufacturers on the other; it has invested in scalable technology platforms and engagements with logistics providers to address widening consumer needs.

The result is that the Company is geared for growth, which should strengthen business sustainability.

CORPORATE SNAPSHOT

IntraSoft Technologies Limited.

An exciting technology-led business.

Strengthening market-facing US brands.

Helping them capitalise on the e-commerce revolution.

Empowering them to take their businesses ahead.

About our Company

We are an e-commerce retailer, enabling brands to maximise their market presence and revenue on leading US online marketplaces.

Our ethos

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

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

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

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

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

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

Our value proposition

We drive value for our brand partners by providing a one-stop cost-effective solution built around robust technology and rich industry expertise leading to end-to-end marketplace sales. We operate through our major subsidiary – 123Stores Inc. – in the US e-commerce market.

Our brand partners

We comprise a network of brand partners who repose faith in our end-to-end solutions to succeed in complex online marketplaces. Our proprietary technology platform makes it possible for customers to seamlessly manage the entire marketplace sales process - from product listing to marketing to order fulfilment to customer support – enabling them to focus on their core competence of product development.

Our logistics partners

We enjoy longstanding relationships with leading US logistics carriers who complete deliveries in the shortest time with accuracy. Our capacity to generate large order volumes with logistics partners has translated into economies of scale resulting in one of the most cost-effective marketplace solutions within our industry.

Our competitiveness

We sell on leading US marketplaces where our reviews and ratings have been consistently strong. This has been backed by an exceptional performance on key customer satisfaction and fulfilment metrics set by demanding marketplaces. Our technology is integrated with those marketplaces, resulting in seamless transactions, ability to analyse real-time data and respond with the right solutions for our brands.

Marketplace customers

We have consistently maintained a life-time rating of 96%+ on US e-marketplaces by enriching shopping experiences for our customers. Our wide SKU selection, efficient orders fulfilment and reliable customer support has graduated us into a preferred seller among marketplace customers.

Team

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

Letter from the Managing Director

ARVIND KAJARIA

Dear shareholders,

During the last financial year, the world headed towards a new normal. This offered a degree of stability as the effects of the pandemic began to subside. Even as the market trended towards the normal, there was a decisive change in the world as we once knew it. Increased online purchases, higher digital-driven consumption and flexible work models became the new norm.

The US e-commerce segment continued to grow in 2021. Even as in-store retail recovered, the online shopping habit of consumers sustained double-digit growth momentum.

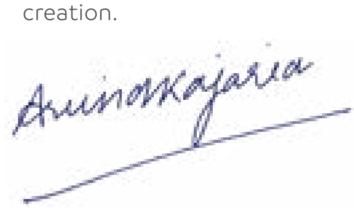
The pandemic was coupled with lockdowns and the restricted movement of goods and labour, which created a supply chain crisis. When restrictions were lifted, production could not keep in step with revived consumer sentiment, causing an imbalance in supply-demand. Port congestion, tight labour markets, scarcity of shipping containers, increased ocean freight as well as raw material cum finished goods shortages translated into inflation. The crisis had a deep impact on the e-commerce industry leading to shipping delays and product availability constraints.

It was in the face of these challenges that your Company leveraged the value from its operational efficiencies and automation investments. This helped the Company create distinctive value for its brand partners, strengthening its recall as a partner that took the business of brands ahead. The company's e-commerce division's operational cash flows increased from USD (0.39) Million in 2020 to USD 4.15 Million in 2021 and USD 4.83 Million in 2022, a validation of its vision and competence.

Your company's end-to-end solution, coupled with consistently strong marketplace ratings, strengthened the business of our brand partners. Strong capabilities in sales and fulfilment of long-tail products were distinctive features of the company's working during the last year. Your company's capability enhanced the visibility of their products and profitability. The outlook continues to be optimistic; the market opportunity of the long-tail segment is vast and would be a key focus area.

Going forward, the US e-commerce sector is expected to maintain double-digit growth, especially as supply chain constraints ease.

We are optimistic as the structural value of the business is based on long-term investments that will progressively pay off, translating into enhanced outperformance and value-creation.

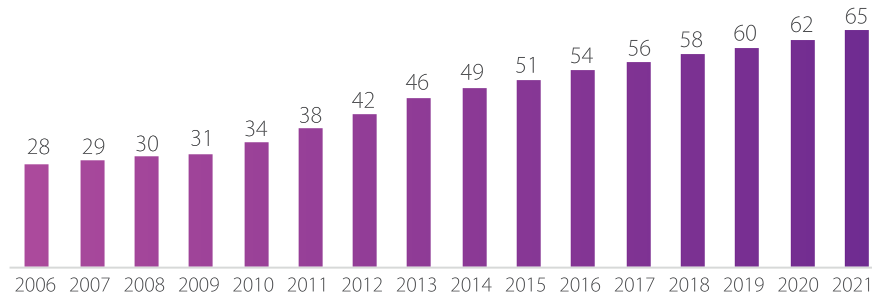


Arvind Kajaria
Managing Director

> The company's e-commerce division's operational cash flow increased from
> **USD (0.39) Million in 2020 to USD 4.15 Million in 2021 and USD 4.83 Million in 2022,**
> a validation of its vision and competence.

Settling down into the new normal with a spirit of resilience

Share of 3P sellers in Amazon's Gross market value (%)



Sources: Amazon Annual report, Marketplace Pulse, Digital Commerce 360

Overview

Following hyper-explosive e-commerce growth in 2020, the growth in percentage terms normalised in 2021.

The pandemic waned, consumers were vaccinated, supply-chain bottlenecks persisted and physical retail re-opened.

Even though e-commerce growth was slower than the previous year, the absolute increase was substantial-in double-digits and at par with the pre-pandemic level. It was the permanence of online shopping that sustained its momentum in 2021, the global supply chain meltdown notwithstanding.

The disruption in global supply chains in 2021 posed challenges for brands, whether online or offline. The supply chains were not equipped to address growing online consumer demand. The pandemic triggered widespread raw material and labour shortages. To compound this reality, there was a large shortage of shipping containers, leading to a slow-down in imports. The shortage of workforce increased port congestion and logistical tenures; US product deliveries to warehouses took twice the time taken in early 2020. Sellers attempted to counter the delivery bottleneck with higher inventories that enhanced warehousing and working capital outlay. These developments increased product costs that needed to be passed on to consumers, creating an unprecedented inflation in percentage terms, the like of which had not been seen for more than four decades.

What is creditable is that despite this reality and the return of offline retail, online shopping continued to remain in favour. The US retail and e-commerce segments grew roughly at the same percentage rate as in the previous year. Pent-up offline retail demand led to higher than expected retail industry growth. The US retail industry and the e-commerce industry grew ~14% to USD 4.55 Trillion and USD 891 Billion in 2021 respectively. As a result, US e-commerce penetration in the US remained steady at 19% in 2021.

Holiday sales (November – December) growth was impacted by supply chain bottlenecks, high prices and weaker discounting. Holiday sales grew 8.6% to USD 204 Billion in 2021, the slowest growth since 2014. Consumers were encouraged to spread purchases, alerted about delivery bottlenecks and product stock outs. The two major promotional events – Thanksgiving and Cyber Monday - took less of the center stage, resulting in a decline in sales on these two days in 2021 compared to 2020.

Amazon, the online bellwether, grew 19%, faster than the industry, to reach USD 390 Billion in sales and secured 44% market share in the US in 2021. Third party sellers enhanced their prominence on Amazon; in the last few years, these third party sellers grew 2x Amazon first party sales. In 2006, the share of 3P sellers in Amazon GMV was about 28%; a decade and a half later, it was 65% (2x Amazon first party sales).

The principal reasons for this consistent outperformance are two-fold: benefits offered by third party sellers over first party sales and Amazon's decision to defocus on first party and enhance third party sales. Third party sellers offer strong pricing and brand messaging control, strengthening margins. Amazon's profit margin derived from sales through third party sellers is higher than first party sales, validating their focus on the former segment. As a third party seller, your Company built capabilities and specialisation in long tail SKUs, an advantage in servicing a growing 3P seller market.

If there is one dimension of the business that became increasingly catalytic for e-commerce growth in the last couple of years, it was technology. The coming together of Big Data and artificial intelligence empowered retailers and marketplaces to target consumers more accurately with a customised approach.

At IntraSoft, we have developed deep technology capabilities. Our technology investment across the last decade empowered us to build a robust, efficient and scalable platform. This platform is our stand-out competitive advantage that helps unlock value for our brand partners.

In 2022, as shopping habits return even stronger, retail and e-commerce spending could stabilise. E-commerce growth could marginally taper in percentage terms over 2021 on account of lingering supply-chain and inflation challenges. However, the medium-term outlook appears optimistic as more consumers turn to online for wider choice, superior deals and pricing transparency.

IntraSoft. Bridging the gap between consumer-focused marketplaces and product-focused brands

Overview

At IntraSoft, we provide a one-stop end-to-end marketplace sales solution that enables our brands to grow their online business on key US marketplaces.

Our brand partners - largely small and medium-sized US businesses – do not merely transact through us; they have come to depend extensively on us to generate marketplace sales, fulfill orders and serve consumers.

Our business eco-system offers more than 150,000 products across major categories of home & kitchen, garden & outdoor, tools & home, sports & outdoor.

By managing their marketplace sales and operations, we help our brand partners spend less time on online marketplaces and more time on product development.

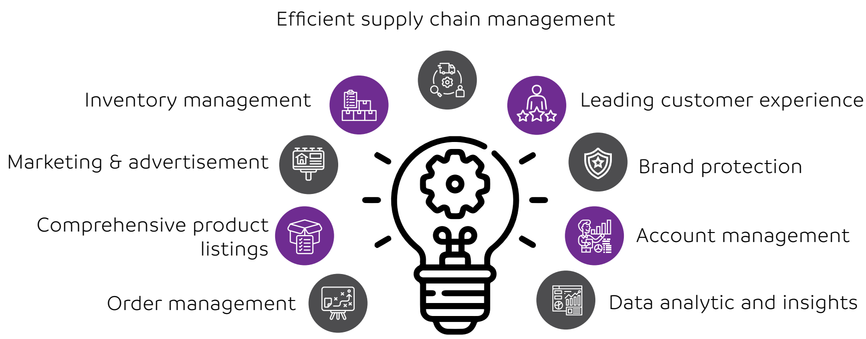
Online marketplace sales are complex, warranting specialised capabilities across functions that extend from supply chain management to marketing to strategy. The race for a presence in the marketplace 'buy-box' amidst fierce competition requires brands to offer products at the best possible price and perform consistently well across key marketplace metrics. For these brands, addressing these challenges in-house could prove time- and labour-intensive and in cases unviable. Our intervention provides cost and operational efficiencies to these brand partners, strengthening their capabilities in wading through business development challenges.

Our end-to-end solution enables brand partners to grow their business on Amazon without the need for dedicated resources

At IntraSoft, we manage the end-to-end marketplace sales process - product listing to order fulfilment to marketing to advertising to customer support - for our brand partners. This is a decisive value-add for the businesses of the brands we serve, a symbiotic engagement that makes it possible for each partner to leverage what each is good at.

Our proprietary technology solution processes millions of orders across the US market with speed and accuracy. The complex business algorithms underpinning our proprietary technology are our business value enablers. Our systems integrate with the back-end systems of marketplaces, the ERP systems of our logistics carriers and brand partners. The result of this architecture is a seamless transaction and data flow that extends from order placement to fulfilment. This architecture empowers us to analyse real-time data and act on the go. What makes this system growth-ready is that it is scalable and empowered to handle an ever-increasing number of brand partners, product and volumes.

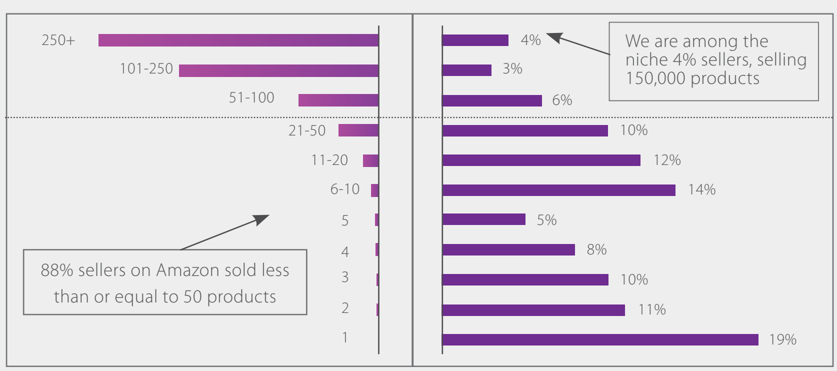
Our platform/product features



We are focused on long-tail products

We represent the entire product portfolio of our brand partners and not just the top sellers. We specialise in selling long-tail products

Number of products sold on Amazon % of sellers (worldwide)



We are among the largest global sellers on Amazon

Source: Marketplace Pulse

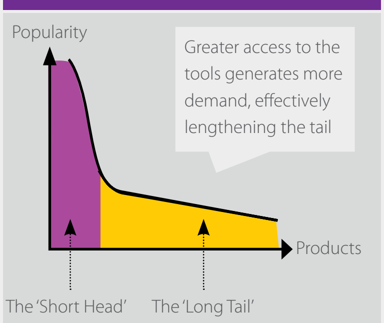
Long-tail: The untapped opportunity

Technology has transformed large mass markets into millions of niche markets. This has helped match customers possessing specific preferences with a range of products. This approach of finding the right shoe for each, as opposed to the conventional approach of one fitting all, has helped build markets for niche SKUs and products. While individually, each of these markets could be small, they add up, when aggregated, to a value higher than that of traditional markets of top sellers.

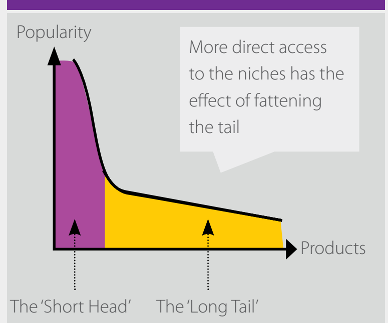
This is where the online channel scores over the offline alternative. Offline, for instance, cannot offer a platform for long-tail products due to their low demand, storage and shelf-space restrictions. Besides, the revenue from long-tail products does not justify the costs incurred to sell them in the offline channel. On the other hand, the online channel generates growing demand for niche products due to its wide consumer reach, handholding it to a position of scale and visibility[1].

There are three forces moderating the costs of long-tail e-commerce product sales:

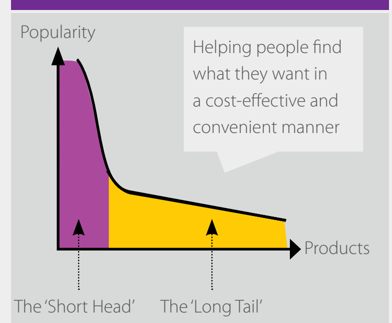
#Force 1: Democratisation of the tools of production



#Force 2: Fall in distribution costs



#Force 3: Connecting supply and demand



Source: The Long Tail, Why The Future of Business is Selling Less of More by Chris Anderson

The market gap in long-tail

The focus of online marketplaces and a large percentage of marketplace sellers have been fast-moving products. Long tail products face less competition compared to top sellers as this segment requires specialised capabilities in product listing and order fulfilment. These long tail products are typically not fit for storage in marketplace warehouses. The nature of long-tail products is such that they cannot be forward-positioned in Amazon/other marketplace warehouses as it would result in higher inventory costs and potentially high inventory penalties, affecting brand margins.

IntraSoft is attractively positioned to plug the market gap and address the long tail opportunity.

- Our strong marketplace credentials - 96% lifetime rating on Amazon – enable long tail products to get a premium placement in Amazon searches, increasing their traction.
- We have deepened capabilities in the fulfilment of long tail products by facilitating direct shipping from brand warehouses to end-consumers. This has helped avoid additional costs from forward positioning through our partnership with leading US logistics carriers
- Our robust systems possess the capability to list and manage our wide product portfolio and scale further

[1]**Source:** The Long Tail, Why The Future of Business is Selling Less of More by Chris Anderson

Our performance highlights

E-commerce financial highlights

Revenues (USD Million)

Operating cash-flow (USD Million)

Consolidated financial highlights (Value in ₹ Crore)

	Revenue	PAT	Net working capital	Net worth	Book value/ share	Dividend proposed %
FY 2020-21	613.13 ₹ Crore	8.34 ₹ Crore	76.57 ₹ Crore	147.71 ₹ Crore	100.27 ₹ Crore	10
FY 2021-22	421.66 ₹ Crore	12.82 ₹ Crore	56.78 ₹ Crore	159.03 ₹ Crore	107.95 ₹ Crore	10

Operational highlights

Amazon

96%

Life-time rating with 267,000 reviews

eBay

94.5%

Rating and 357,000+ feedback scores & reviews

Statutory section

Management Discussion and Analysis

Global economy overview and outlook

The outbreak of novel the coronavirus in 2020 sent many countries into strict lockdowns leading to the closure of non-essential brick & mortar retail, widespread disruptions in supply chains & manufacturing and job losses across the world. This resulted in the global GDP declining by 3.4%[2] in 2020. Despite major headwinds due to the rise of the delta variant, labour shortages in developed countries leading to supply chain disruptions and inflationary pressures, the global economy recovered in 2021, growing at 5.5%[1] driven by strong consumer spending, fiscal support, uptake in investments and growth of goods trade. While a recovery is expected to continue over the next two years, growth is expected to slow down due to persistent supply chain bottlenecks, labour shortages in developed economies, disruptions caused by a rise in cases due to the Omicron variant, impact of war on Ukraine on global investments and economic activity, and growing inflation leading to a tightening of monetary and fiscal policies. Global GDP is projected to grow at 2.9% in 2022.

US economy overview and outlook

In line with the global economic trend, the US GDP declined by 3.4% in 2020 due to depressed consumer spending and business investment. The resurgence of consumer spending owing to pent up demand and USD 1.9 trillion fiscal stimulus spent by the US government led to a strong GDP growth of 5.7% in 2021. In 2022, the economic recovery is expected to continue but at a slower rate of 2.3% due to a normalisation in consumer demand, rise of the Omicron variant, inflationary pressures due to tight labour markets and supply chain disruptions, and expected interest rate hikes & asset purchase programme by the Federal Reserve to combat inflation[3].

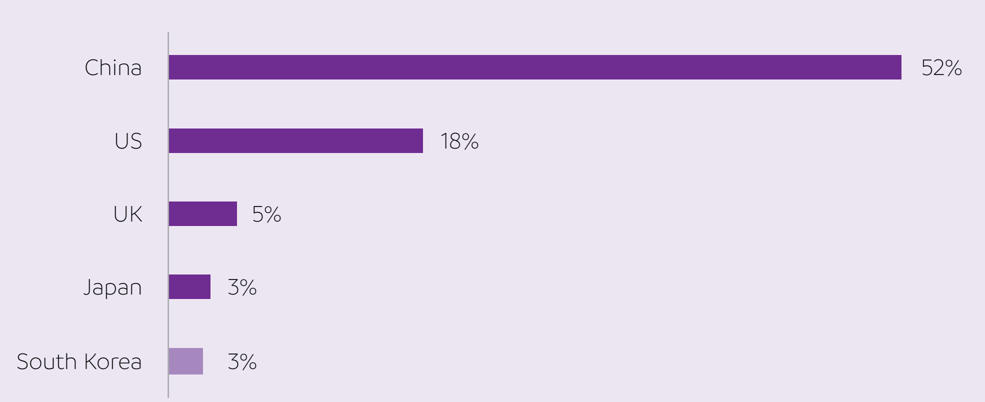
Global retail and e-commerce overview

Worldwide retail sales witnessed a decline of 2.8% to USD 23.6 trillion in 2020[4] with non-essential physical stores remaining shut during the lockdowns and reduction in consumer spending due to job losses. While retail sales declined, e-commerce sales witnessed exponential growth in 2020. With lockdown restrictions and safety concerns, millions of consumers preferred to shop from the convenience of their homes.

Physical retail made a strong comeback in 2021 driving global retail sales to USD 26 trillion, 9.7% increase over 2020. This growth is much higher than what was anticipated and can be attributed to the pent-up demand from in-store shoppers as the world began to regain normalcy and consumers got vaccinated[3].

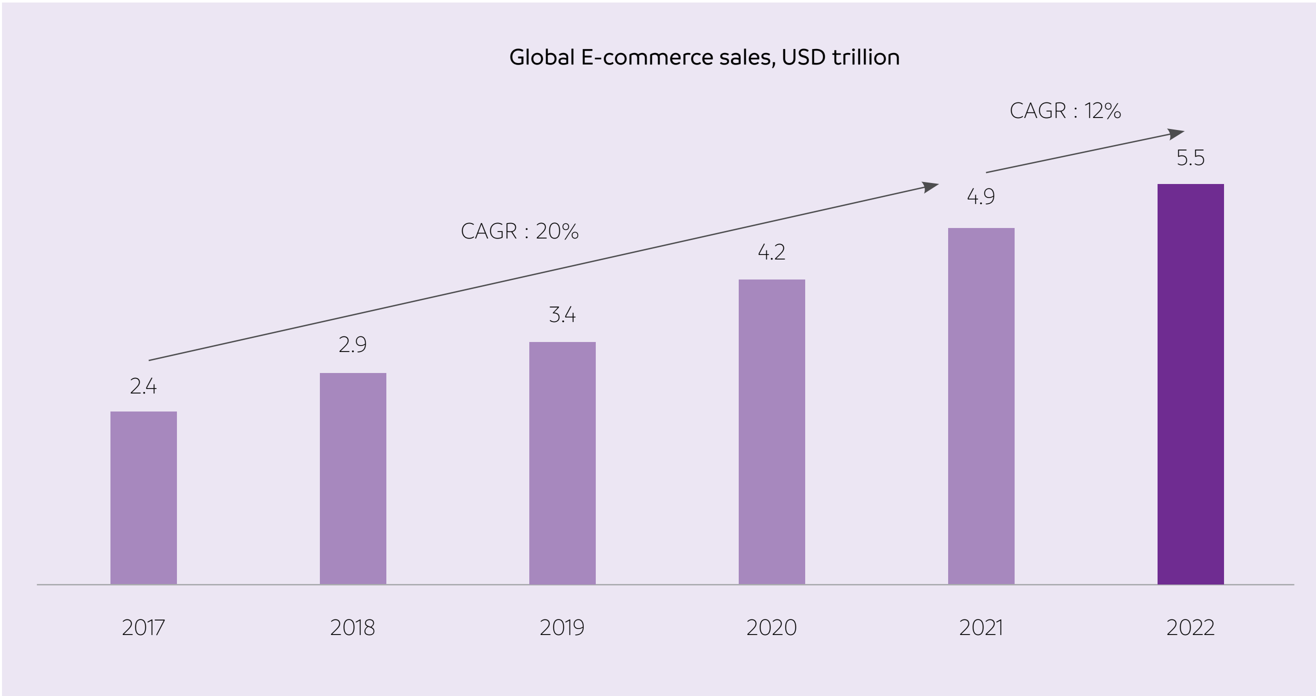
Global e-commerce continued its strong growth streak, growing 16% over 2021 to reach USD 4.9 trillion. This growth was however lower than the 26% growth in 2020, partly because so much growth was shifted to 2020 and partly because of a reopening of physical stores. China and the US continue to dominate global e-commerce sales, accounting for nearly 70% of global e-commerce sales and comprising about 50% of the world's online shopper population in 2021[3].

Top five e-commerce markets in the world (% of global e-commerce sales), 2021

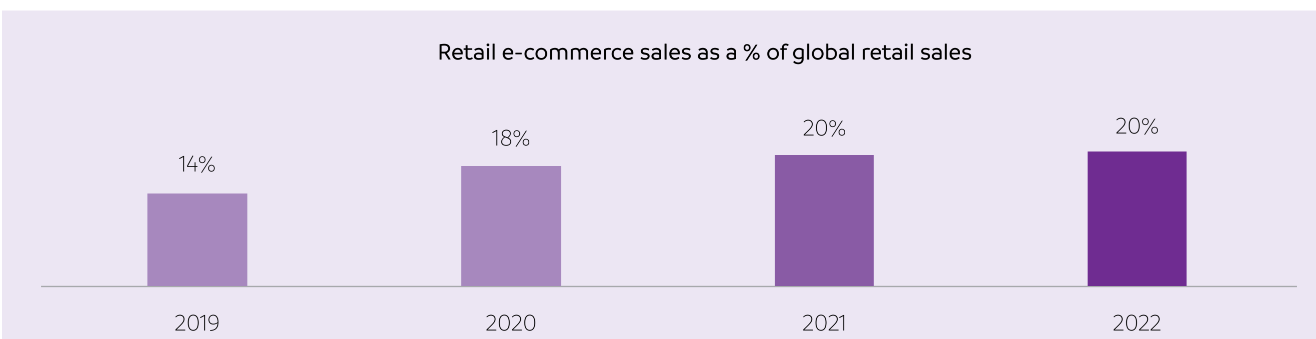


Source(s): eMarketer and Digital Commerce 360

[1] UN
[2] World Bank
[3] The Conference Board Economic Forecast for the US economy
[4] eMarketer



Source: eMarketer



Source: eMarketer

Global retail e-commerce sales growth is expected to slow further in 2022 as demand normalises but could still grow in double-digit percentage terms and faster than physical retail. Global retail e-commerce sales are expected to reach USD 5.5 trillion by growing at 12% over 2021[5].

US retail and e-commerce industry

Over the last decade, there has been a remarkable shift from the traditional brick and mortar space towards e-commerce

This astonishing growth is a result of a proliferation of smartphones, affordable internet, demand for convenience and e-commerce giants, which offered a wide assortment of options across millions of products and worked towards providing a seamless customer experience with innovations in technology and supply chain.

The share of e-commerce in total retail sales in the US rose sharply as the e-commerce industry quadrupled and outpaced the overall retail growth.

	2010	2020
Share of e-commerce in retail	5%	20%
Retail e-commerce sales	USD 165 bn	USD 763 bn

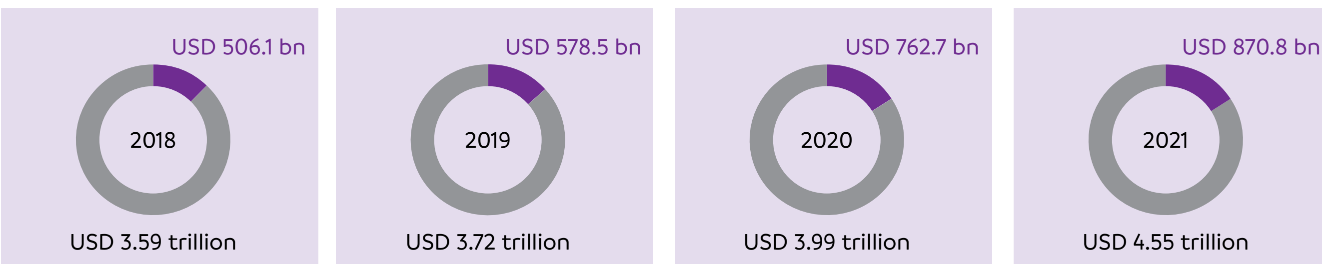
Source(s): Digital Commerce 360, red stag fulfilment

[5] eMarketer

2020 was an inflection point for the e-commerce industry in the US. COVID-19 catapulted e-commerce sales growth to 32% in 2020, double that of 14% growth in 2019. The market size reached levels – USD 763 bn in 2020 - which were otherwise expected to be reached in 2022[6].

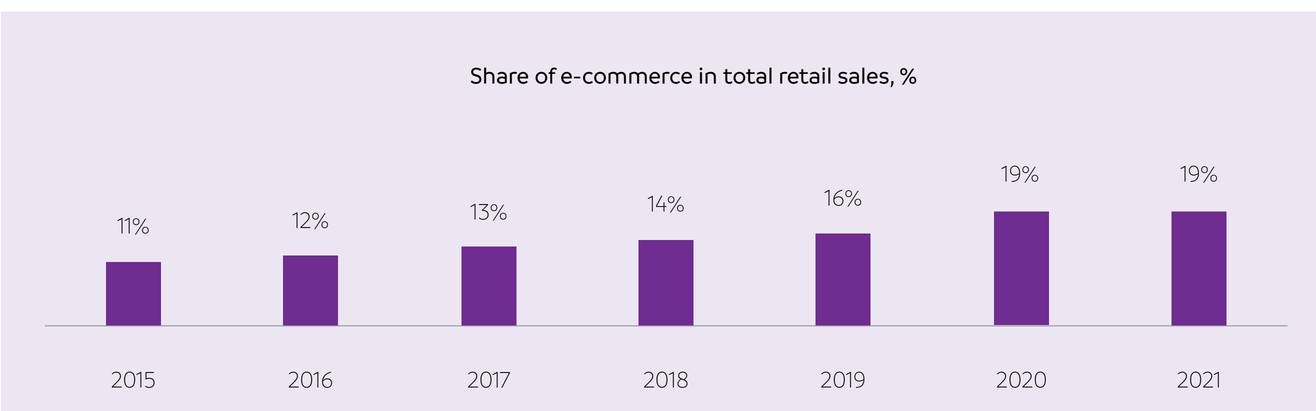
In line with the global trend, the US e-commerce industry saw smaller – compared to 2020 – yet significant growth in 2021. After a record breaking 2020, the growth in 2021 normalised to pre-pandemic levels as in-store sales bounced back and supply chain disruptions impacted e-commerce. However, the long-term change in habits towards online shopping brought about by the pandemic helped the industry sustain a double-digit percentage growth rate in 2021. The US e-commerce industry grew at 14% to reach USD 871 bn in 2021. The share of e-commerce in retail remained flat at 19% in 2021 as the retail sales grew at 14% to reach USD 4.55 trillion - on par with that of e-commerce sales and double the pace compared to 2020[6].

US e-commerce vs total retail sales



Source: Digital Commerce 360

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



Supply chain adversities plagued the US e-commerce industry in 2021

The industry experienced unprecedented supply-chain disruptions in 2021. With a shortage of raw-material and shipping containers, sellers could not keep up with the upsurge in demand for online products. The US ports were congested with cargo ships waiting for days outside major ports to dock. Shortage of labour meant lower number of drivers to drive transport trucks. Goods took twice as long to reach warehouses – 80 days up from 40 days in January 2020[7]. Consumers experienced massive delays in delivery on account of these disruptions. Increased freight and working capital costs, slowdown in imports, raw-material and labour shortages led to a steep increase in retail prices.

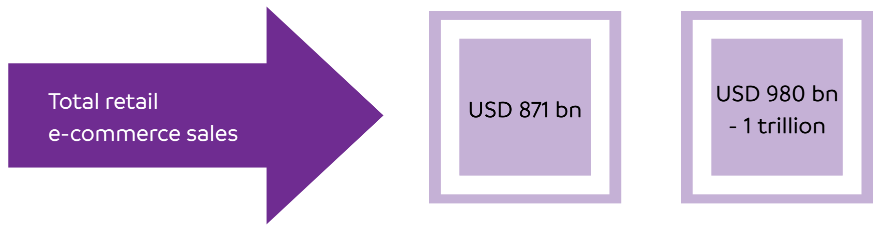
During the US holiday season, consumers saw 6 billion out-of-stock messages, three times compared to

[6] Digital Commerce 360
[7] Marketplace pulse

pre-pandemic and 10% higher when compared to 2020. Weaker discounts and higher prices due to inflation, along with supply chain disruptions, led to slower growth in US holiday sales. The US holiday sales in 2021 (November – December) grew at 8.6% compared to that of 2020 - the slowest from 2014 – to reach USD 204bn in 2021. This growth was mainly driven by increase in prices than volume. The big promotional days – Cyber Monday and Thanksgiving – were not as much in spotlight as brands and sellers encouraged consumers to spread purchases to combat product shortages and reduce shipping delays. As a result, the Cyber Week (five days between Thanksgiving and Cyber Monday) sales witnessed a slight de-growth of 1.4% from USD 34.4 bn in 2020 to USD 33.9 bn in 2021[8].

Going forward

Supply chain woes are expected to continue into 2022, causing Inflation to remain high. Growth in e-commerce sales is expected to be similar or slightly lower than in 2021 at 12 to 14%. US retail e-commerce sales are expected to reach USD 980 bn – USD 1 trillion.



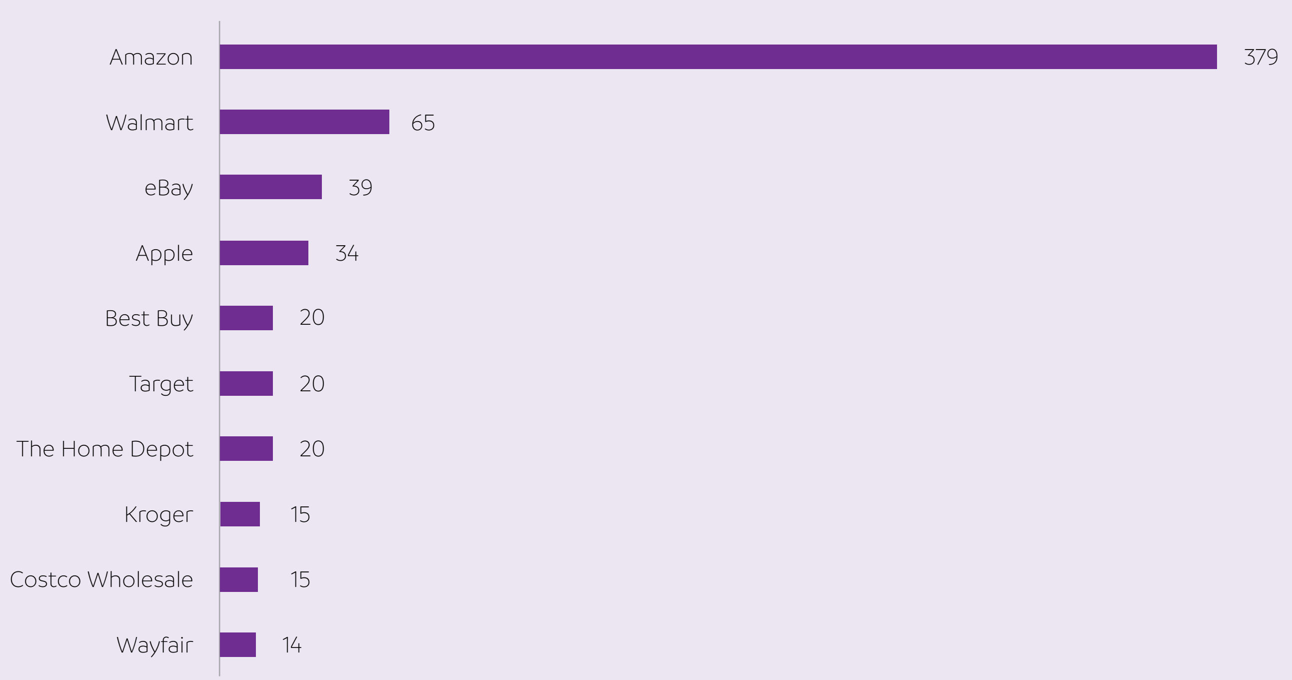
Source: Digital commerce 360, Insider Intelligence

Top e-commerce retailers

Amazon remains the undisputed leader in the US e-commerce market – constituting around 44% of the US e-commerce market

The e-commerce behemoth is significantly larger than its nearest competition, with its gross market value being ~6x that of Walmart and ~8x of eBay.

Top ten US e-commerce retailers' sales in USD bn, 2021



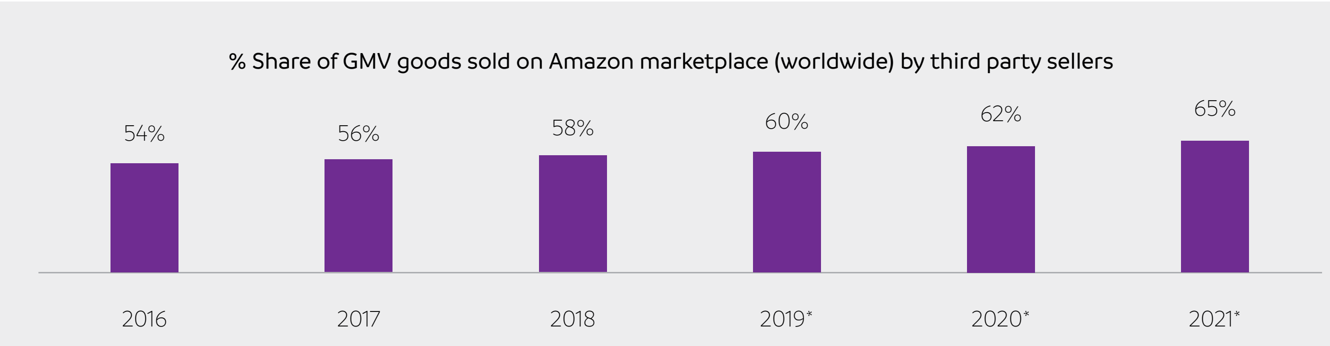
[8] Adobe Analytics

Note: The above numbers represent the gross value of products or services sold on each website listed (through browser or app). In the case of Amazon, the sales include direct and marketplace sales, excluding travel and event tickets, Amazon Web Sales (AWS), advertising services and credit card agreements

Source(s): eMarketer, Digital Commerce 360

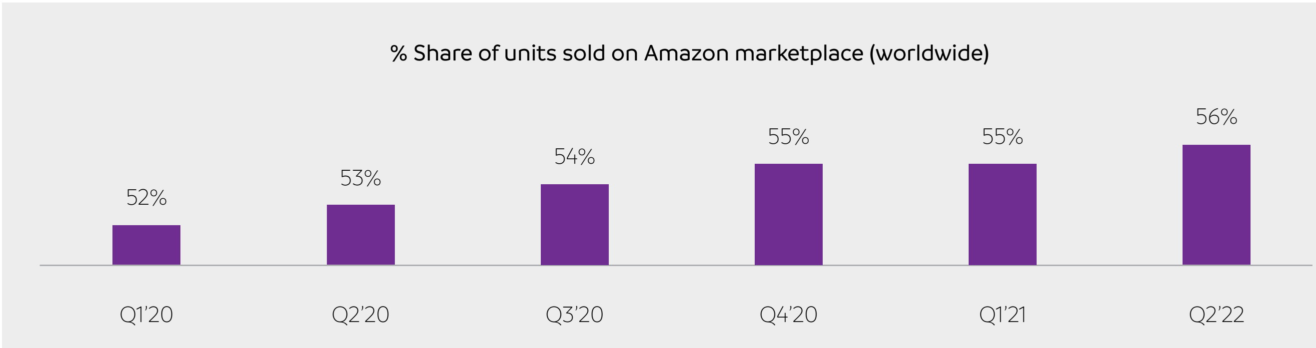
Third-party sellers

Amazon reported that it has nearly 2 million sellers across its marketplaces around the world, out of which 500,000 sellers are present on its US marketplace[9]. Third-party sellers contribute to a majority of Amazon's revenue. The share of third-party sellers in Amazon GMV worldwide has been on the upward trend reaching 65% in 2021 with revenue from Amazon marketplace growing faster than Amazon first party sales[10]



Note: 2016-2018 values reported by Amazon in their Annual report, 2019-2021 values are estimates by Digital Commerce 360 and Marketplace Pulse

[9] 2021 Amazon Small Business Empowerment Report
[10] Marketplace Pulse

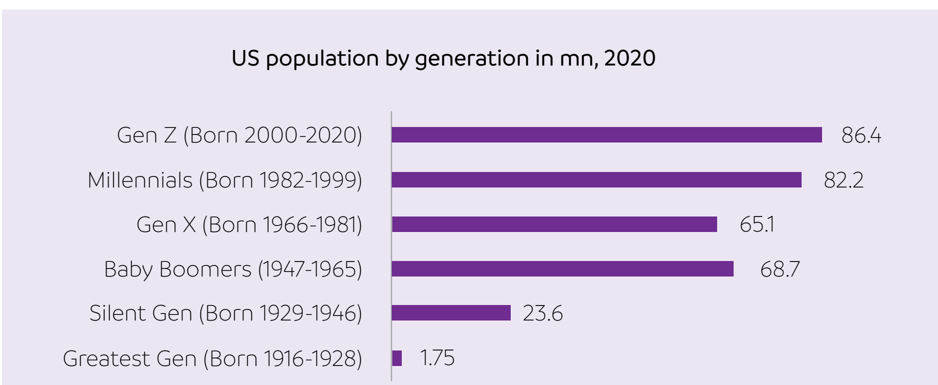


Source(s): Digital Commerce 360; In the above graph Q1 refers to time period between January to March, Q2 refers to the time period between April and June, Q3 refers to time period between July and September, Q4 refers to time period between October and December.

Walmart also saw significant growth in sales by third party sellers. In just a year, the number of third-party sellers on Walmart doubled from 70,000 in December 2020 to 130,000 in December 2021.[11]

Digital shoppers in the US

US has 263 mn digital shoppers, constituting an enormous 80% of its population[12]. Gen Z overtook millennials as the largest generation in the US in 2020.



Source(s): Knoema

Millennials being tech-savvy in the workforce are the major driving force of e-commerce sales in US

86%

% of digital buyers among millennials

78%

% of digital buyers among Gen X

Source: eMarketer

Gen Z group comprises teenagers and students who spend a lot of time online and social media; it comes as no surprise that a significant proportion of Gen-zers shop through the social media. A rapid increase in e-commerce adoption is expected among the tech-savvy Gen-Z as it enters the workforce.

58%

% of Gen Z-ers shopping through social media

85%

% of Gen-Zers learn about new products through social media

Source: 99firms

[11] Marketplace Pulse
[12] Indiaretailing.com

Key growth drivers of the US retail e-commerce industry:

Growing smartphone penetration

Smartphones increase convenience and provide easy access to information regarding products, shipping, and delivery status. Enhancement of GPS tracking features in smartphones enables users to track product deliveries. As of February 2021, 85% of the population of the US owned a smartphone. An increase in smartphone usage enabled e-commerce companies to reach a wider customer base, one of the major factors of e-commerce market growth[13].

Advanced technologies

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

Growing internet penetration

The US had an estimated 302 mn internet users in 2021, which is expected to reach 321 mn by 2025. The internet penetration in population stood at 90.8% in 2021 and is expected to reach 94% by 2025[12]. About 77% of US adults have high-speed broadband connections at home, which is expected to grow further in the coming years[14]. Rise of internet/broadband penetration will expose more users to online shopping, leading to significant growth in retail e-commerce.

New generation of shoppers

The tech savvy millennials and Gen-Z constitute 51% of the US population and form the majority of online shoppers in the US. This generation demands convenience in their busy lifestyle, wider variety, better prices and brand communication through social media. Going ahead, e-commerce sales will be driven by millennials who are already in the workforce and Gen-Z, which will enter the workforce[15].

Key trends in the US retail e-commerce industry

Advanced technologies are underpinning the growth of e-commerce

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

Artificial intelligence: With the help of AI technology, e-commerce websites are making smarter product recommendations to enhance customer experience. AI is enabling e-commerce businesses to analyse trends with respect to sales channels and buyer behaviour to ascertain the best time, price and place to list their products.

Big data and analytics: Data analytics harnesses large data derived from marketplaces to identify hidden patterns, trends and customer preferences. There is a growing emphasis among e-commerce companies to employ big data analytics. The value uncovered from mountains of data generated by consumers can be game changing. E-commerce Companies are using big data to:

- Predict the next-best selling products and forecast demand applying patterns from historical data
- Identify optimal pricing for wide ranging products sold by tracking transactions, competitors, cost of goods sold and other variables
- Provide personalised experiences to customers through analysis of their preferences
- Optimise customer service by creating a 360-degree view of the customer
- Ensure more secure online payments by setting up alerts for fraudulent activities based on underlying data trends[16]

Emerging technologies in user interface and supply chain

Headless and API-driven commerce

In headless commerce the front end of the e-commerce application/platform is decoupled from the back-end. In essence, the front-end and back-end can function independently, allowing increased agility and adaptability. Typically front-end designers and backend developers have different objectives in mind, therefore adopting headless enables the front-end to be creative and build an engaging experience while backend developers can focus on making critical enhancements to the application. Headless architecture enables brands to adapt to the dynamic changes and deliver engaging content in their e-commerce store, enabling the growth of organic traffic.

Progressive web apps (PWA)

One of the key trends in the e-commerce industry is the use of PWA, a website that has the form of a mobile application. Instead of developing and launching high-cost native mobile apps, e-commerce businesses can take advantage of PWAs to provide a better mobile experience, improve sales and enhance the customer's online experience.

Augmented reality (AR)

AR adds digital elements to the real world with the help of a camera on a smartphone, tablet, etc. AR enables consumers to visualise how the product

[13] Statista
[14] Pew Research
[15] Knoema
[16] Linnworks.com

they want to purchase can fit into their home's physical space. AR experiences are therefore particularly valuable in home décor and furniture space. For example, Wayfair offers an AR function on its app with which the users can take a photo of their room and add various products virtually in the space.

AR already has a wide user base in the US with 83 million users using the technology at least once a month. The number is expected to increase to 95 mn in 2022[17].

Virtual reality (VR)

VR offers a fully immersive experience in a completely simulated environment to users unlike AR which has real life elements. Dedicated hardware is required for users to experience VR. One of the key reasons cited by consumers for returns in e-commerce is the product received was not how they expected it to be in terms of feel, size, design, etc.

VR helps create a virtual storefront environment in which the consumers can examine the product and therefore make more informed purchased decisions.

Amazon, Shopify and Walmart invested in VR to enhance the consumer shopping experience. VR devices are owned by ~26 million households (10% of households) in US[18] and are expected to grow rapidly, leading to a wider demand for and the adoption of VR shopping.

Internet of Things (IoT)

IoT in e-commerce is becoming mainstream due its wide-ranging benefits. IoT enables smart devices to connect and send data to each other through the internet. The technology has enabled e-commerce companies to improve inventory and supply chain management through better tracking of products using RFIDs and deliver personalised experiences to customers by collecting data.

Drones in delivery

E-commerce companies are investing in drones to reduce delivery times. Drones are unmanned aerial vehicles which are controlled remotely through software-controlled plans. Amazon has invested in 'Prime Air' deliveries through drones aiming to deliver products in 30 minutes.

Chat-bots

Chat-bots are intelligent assistants integrated into websites and apps that communicate with consumers through messaging.

They are gaining popularity due to their ease of use, 24-hour service and faster response time, enhancing the customer experience.

Chat-bots automate repetitive tasks, save costs for companies by reducing need for manpower in customer service and also help gather valuable consumer data and insights.

It is estimated that 80% of companies worldwide were using chat-bots as of 2020[19].

Voice search

Voice search technology uses AI voice recognition which combines linguistics and computing to understand and process the voice command.

Consumers are increasingly relying on voice assistants to search for products and complete the orders as it is significantly faster than typing and more convenient.

According to the research firm Gartner, almost a third of browsing sessions in 2020 were predicted to have been through voice search.

Growing purchases of smart speakers (Alexa, Google Home), smartphones enabled with virtual assistants and the popularity of voice assistants such as Apple's Siri and Microsoft's Cortana are aiding the growth of shopping through voice search.

Key trends in consumer purchase behaviour

Rise of mobile shopping

With tech savvy millennials and Gen-Z constituting a majority of the shopper population, the mobile phone has emerged as a major channel for shopping. In US, the time spent by consumers on mobile phones per day increased from 188 minutes in 2016 to 234 minutes in 2021, a marked 24.5% increase in just five years[20]. Convenience, increase in mobile payment options and enhancement in mobile shopping interfaces are the key factors driving a growth in mobile e-commerce. In 2021, the US retail commerce revenue from smartphones was estimated at USD 221 bn and is projected to surpass USD 400 bn by 2024[21].

Multi-channel selling

Multi-channel strategy implies selling products through various sales channels including apps, websites, e-mails, online marketplaces, comparison sites and social media. Presence on multiple channels increases touchpoints with potential customers and exposes products to a wider range of customers, leading to increased sales. Multi-channel retail e-commerce sales in US were estimated at USD 351 bn in

[17] Big commerce
[18] Redstag fulfilment
[19] Kinsta
[20] Oberlo
[21] Forbes
[22] eMarketer

2020, constituting 44% of total retail e-commerce sales in US, and are expected to grow at 18% CAGR to USD 576 bn in 2023[22].

Omni-channel strategy

An omni-channel strategy recognises that a customer may start the search for purchase in one channel and progress towards other channels during theonline purchase journey. An omni-channel approach delivers consistent brand messaging and experience across all selling channels. In essence, an omni-channel approach optimises and completes the multi-channel strategy. In this digital era, companies are increasingly adopting this strategy to build customer relationships, understand customers better and drive brand value.

Social commerce

Social commerce means that the entire process of an online purchase, from product finding to check out, happens on a social media platform. Shopping on social media is expected to grow three times faster compared to that of traditional e-commerce[23]. The surge in social media shopping is being driven by Gen Z and millennial social media users. In the US, there were an estimated 80 million social buyers who spent USD 27 bn. Going ahead, social commerce in US is expected to reach USD 80 bn by 2025[20]. Clothing, electronics and home décor categories are expected to constitute the majority of social commerce purchases.

Live commerce

Live commerce is selling of products live where consumers can interact with the sellers in real-time. The live streams typically watched by millions of consumers enable brands to build trust, brand awareness, better understanding about the product and its functionalities, promote better engagement among consumers ultimately leading to higher sales. Successful livestreams incorporate active live chats, omni-channel streaming – making video available on websites, social media, YouTube, and live Q & A sessions. Live streaming started off in China where it witnessed massive growth. The trend is now being adopted in the US as well as other Western markets. Live commerce sales were estimated at USD 6 bn in 2020 and are expected to grow at a CAGR of 55% to reach USD 35 bn in 2024[24] .

Buy now pay later

Buy now pay later (BNPL) allows consumers to break down a purchase (large or small) into smaller interest-free chunks. BNPL is an interest-free mode of payment, which allows easy access to credit without the use of credit cards. The solution grew extremely popular during the pandemic as many consumers were short of credit due to pay cuts and job losses. The option is also highly popular among Gen Z consumers as the majority of them do not have access to credit cards. E-commerce businesses have tied up with fintech companies such as PayPal, Klarna, Afterpay and Affirm to offer BNPL solutions to consumers. BNPL is popular during the holiday season and, in 2021, sales through BNPL increased by 27% over the previous holiday season[25] .

Company overview

Our Companyis an e-commerce retailer, enabling brands to maximise revenue on key marketplaces in the US. We currently offer 150,000+ products of our brands across all major categories – home & kitchen, garden & outdoor, tools & home, sports & outdoor. Our solution is rooted in robust & scalable technology and rich marketplace expertise. Our consistently strong marketplace credentials, wide product assortment, efficient demand fulfilment and prompt marketplace customer support have positioned us as one of the leading sellers in the US e-commerce industry.

Business performance, 2021-2022

Our focus on strengthening our solution through investments, in making our technology robust and scalable over the last few years, has enabled us to deliver our services in a seamless and efficient manner to our brand partners unhindered by the supply chain and COVID challenges. COVID-19 induced a paradigm shift in consumer shopping behaviour, propelling them to rapidly adopt online shopping. Even as the pandemic wanes, the ingrained online shopping habits among consumers is enabling a sustainable strong growth of e-commerce.

Our long-term vision is in sharp focus, as we continue to make investments in our people, processes and technology to grow the company. The Board approved the raising of funds through a rights basis to fund growth. While we work through near-term macro challenges like supply chain congestion and related inflation, we remain well-positioned to capitalise on the continued global acceleration of e-commerce adoption and expanding market opportunities over the long-term.

[23] Accenture
[24] Statista
[25] Adobe analytics; Note: Holiday sales refers to sales during the months November and December

Financial overview

The Company's consolidated Profit and Loss Account for the year ended 31 March 2022 is provided below:

Consolidated statement of Profit and Loss Account for the year ended March 2022

Amount (₹ in lacs)

	2021-22	2020-21
Revenue from Operations	42,166.01	61,313.38
Cost of goods sold (incl. Shipping)	32,090.54	49,741.89
Gross profit	**10,075.47**	**11,571.49**
Sales & marketing expenses	5,686.80	7,860.08
Employee benefit expenses	1,882.39	1,677.32
General & administration expenses	1,244.82	1,194.51
Earnings from operations	**1,261.46**	**839.58**
Other income (Net)	478.37	635.16
Earnings before interest, tax, depreciation & amortisation	**1,739.83**	**1,474.74**
Depreciation & amortisation	137.55	281.65
Earnings before interest & tax	**1,602.28**	**1,193.09**
Finance costs	352.05	325.14
Profit before tax (PBT)	**1,250.23**	**867.95**
Tax expenses	-32.05	33.68
Profit after tax (PAT)	**1,282.28**	**834.27**

Risk management

1. Continuous upgradation of technology

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

Mitigation

The Company pro-actively invests in technology upgradation and improvement to strengthen its value proposition to brand partners, adapt to the dynamic market requirements and maintain its competitive advantage.

2. Festive season demand

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

Mitigation

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

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

While the pandemic's effects have subsided as consumers got vaccinated, the emergence of new variants has not stopped. COVID-19 cases could increase at any time and if any of the variants emerging in the future pose serious health risks, it could impact our operations.

Mitigation

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

Internal control systems and their adequacy

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

Human resources

The Company believes that its intrinsic strength lies in dedicated and motivated employees. The Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas. The Group employed 88 individuals as of 31 March 2022.

Directors' Report

To
The Shareholders
IntraSoft Technologies Limited

We are pleased to present the Twenty Seventh Annual Report of IntraSoft Technologies Limited ("the Company") together with the Audited Financial Statements of the Company for the financial year ended 31 March 2022.

Financial Statements & Results

a. Financial Results:

The consolidated and standalone performance during the financial year ended 31 March 2022 as compared to the previous financial year is summarised below:

Consolidated Financials

Amount (₹ in lacs)

Particulars	2021-22	2020-21
Total Income	42644.38	61948.54
Profit before Interest and Depreciation	1739.83	1474.74
Less: Finance Cost	352.05	325.14
Less: Depreciation	137.55	281.65
Profit before Tax and Exceptional Income	1250.23	867.95
Profit before Tax	1250.23	867.95
Less : Provision for Income Tax	(32.05)	33.68
Profit after Tax	1282.28	834.27

On Standalone basis, Total Income of the Company recorded at ₹1306.04 Lacs in FY 2021-22 against ₹1301.08 Lacs in FY 2020-21. EBITDA is recorded at ₹434.33 Lacs in FY 2021-22 against ₹400.22 Lacs in FY 2020-21. Profit before Tax for the financial year under review is recorded at ₹354.56 Lacs against ₹302.11 Lacs in FY 2020-21. The net profit for the financial year under review is ₹331.04 Lacs as compared to ₹323.92 Lacs in the previous financial year.

b. Business (State of Company Affairs):

During the year under review, the Company and its subsidiaries reported an Operating Cash Flow of ₹3342.67 Lacs, as compared to ₹3495.86 Lacs in the previous financial year. Consolidated Total Income was ₹42644.38 Lacs, as compared to ₹61948.54 Lacs.

Our strong focus on sustainability and efficiency led us to achieve consistently high and positive operating cash-flows over the last two years. During the year we responded well to a challenging macroeconomic environment experiencing global supply chain challenges and inflationary price increases, which is a testament to the strength of our business model as well as the flexible, diversified supply chain structure we proactively built and have leveraged during this time.

c. Performance of Subsidiaries, Associates and Joint Venture Companies

The Company has, as on 31 March 2022, three wholly owned subsidiaries and two step down subsidiaries, vis. 123 Greetings.com, Inc. (USA), IntraSoft Ventures Pte. Ltd (Singapore) & One Two Three Greetings (India) Private Limited (India) wholly owned subsidiaries, 123Stores, Inc. (USA), wholly owned subsidiary of IntraSoft Ventures Pte. Ltd (Singapore) and 123Stores E Commerce Private Limited (India), wholly owned subsidiary of 123Stores, Inc. The entire group focuses on the E-Commerce business by consolidating all operations related to E-Commerce and online greeting activities to achieve financial and operational efficiencies.

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

In accordance with Section 129 of the Companies Act, 2013, consolidated financial statements of the Company along with its subsidiaries have been prepared which forms part of this Annual Report. Further, the performance and financial position of each of the subsidiaries for the year ended 31 March 2022 is attached and marked as Annexure I (Form AOC-1) and forms part of this Report.

Appropriations

a. Dividend

The Board of Directors of the Company has recommended a final dividend of ₹-1/- (10%) (Previous year ₹1/- per equity share) per equity share of face value of ₹10/- for the financial year 2021-22, which if approved would absorb ₹147.33 Lacs (Previous year ₹147.33 Lacs).

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

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

Dividend Distribution policy is not applicable to the Company.

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

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 the Company has transferred in two tranches 260 shares and 482 shares during the financial year 2021-22 of the shareholders on whose shares dividend was unclaimed/unpaid for a period of seven (7) consecutive years from the year of its declaration in financial year 2013-14 and 2014-15 (Interim). There are 150 shares, the transfer of which to IEPF Account, was in transit as on 31 March 2022 and it was actually transferred on 1 April 2022. The Company had already transferred 8538 shares of different shareholders to IEPF Authority up to financial year 2020-21, on whose shares the Dividend was unpaid/ unclaimed for a period of seven (7) consecutive years for the financial year 2012-13, 2011-12, 2010-11, 2009-10 and also of the earlier years.

Details of the Nodal Officer:

Pranvesh Tripathi

Company Secretary and Compliance Officer

Email ID- pranvesh.tripathi@itlindia.com

Phone Nos. - 022 4004-0008

During the Financial year 2021-22, two Unpaid / Unclaimed Dividend Account balances of ₹41,864 and ₹29,960 were transferred to IEPF Authority Account which was declared in the financial year 2013-14 and 2014-15 (Interim Dividend) and remained unpaid/unclaimed for 7 consecutive years.

c. Transfer to Reserves

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

Financial Statements as per IND-AS

Financial Statements for the year ended 31 March 2022 are in accordance with the Indian Accounting Standards (IND-AS) notified by the Ministry of Corporate Affairs, Government of India, which have already become applicable to the Company from the accounting period beginning on 01 April 2017.

Revision of Financial Statements

The Company has not carried out any revision in its financial statements in any of the three preceding financial years as per the requirement under Section 131 of the Act.

Deposits

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

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

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

Disclosure of Internal Financial Controls

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

Disclosure of Orders passed by Regulators or Courts or Tribunal

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

Particular of Contracts or Arrangement with Related Parties

All contracts / arrangements / transactions entered into by the Company during the financial year with its wholly owned subsidiaries were in the ordinary course of business and at an arm's length basis. During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered as material related party transaction in accordance with the policy of the Company on related party transactions read with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Policy on related party transactions was review and amended by the Board of Directors in their Meeting held on 14 March 2022 in terms of the amendments as SEBI LODR which is effective from 01 April 2022. The Amended policy on related party transactions as approved by the Board may be accessed on the Company's website www.itlindia.com.

Your Directors draw attention of the members to Note no. 28 of Standalone financial statements which sets out disclosures on related parties and transactions entered into with the said parties.

Particulars of Loans, Guarantees, Investments and Securities

Full particulars of loans given, investments made, guarantees given and securities provided along with the purposes for which the loans or guarantees or securities are proposed to be utilised by the recipient(s) thereof are provided in details in Note nos. 6, 8 and 27 of standalone financial statements.

Share Capital

During the year under review, the Board of Directors in their Meeting held on 11 February 2022 approved to raise funds by way of Rights Issue for an aggregate funds of INR within 50 Crores from the existing Equity shareholders of the Company. The Company has also received the in-principle approval from the BSE Limited and NSE on 29 March 2022. However, the further processes are still to be done as on the date of this report. The Company has not issued any other shares with differential voting rights and sweat equity shares and hence, disclosures under Section 43(a)(ii) and Section 54(1)(d) of the Companies Act, 2013 read with relevant rules are not required to be furnished.

The Company does not have a scheme of ESOP and hence disclosures pursuant to Section 67(3) of the Companies Act, 2013 are also not required to be furnished. There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Matters Related to Directors and Key Managerial Personnel:

a. Board of Directors & Key Managerial Personnel

During the year, Mr. Ashok Bhandari, Independent Director retired on 17 March 2022 on completion of his tenure of five (5) years and he did not seek re-appointment for a second term. The Board of Directors in their Meeting held on 14 March 2022 appointed Mr. Ashish Arun as an Additional Director in the category of an Independent Director for a period of five (5) years subject to approval of the Shareholders within three (3) months of appointment. Further, Board of Directors in their meeting held on 07 May 2022 approved the Postal ballot Notice to be sent to the Shareholders for obtaining their approval for the said appointment of Mr. Ashish Arun as an Independent Director by way of special resolution. The Notice of Postal Ballot was sent to the Shareholders on 09 May 2022.

The tenure of Mr. Arvind Kajaria as Managing Director and Mr. Sharad Kajaria as Whole-time Director of the Company will come to an end on 31 March 2023. The Board of Directors of the Company at their meeting held on 30 May 2022, upon recommendation of the Nomination and Remuneration Committee and subject to the approval of the shareholders, re-appointed Mr. Arvind Kajaria as Managing Director and Mr. Sharad Kajaria as Whole-time Director of the Company for a further term of 3 (three) years with effect from 01 April 2023.

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

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

Brief profile and the information as required under the relevant provisions of the Act, Regulation 36 of the SEBI Listing Regulations and Secretarial Standards SS-2 are disclosed in the notice of the ensuing Annual General Meeting and forms part of the Annual Report.

b. Declaration by Independent Directors

The Independent Directors of the Company have given a declaration confirming that they continue to meet with the criteria of the independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 as further amended by the Companies Amendment Act, 2017 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have also confirmed that they are independent of the Management.

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

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

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

There has been no change in the circumstances which may affect their status as Independent director during the year under review. The Company has been regularly conducting Familiarisation Programme for its Independent Directors and has posted its details on the website – www.itlindia.com.

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

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

Disclosures Related to Board, Committees and Policies:

a. Board Meetings

The Board of Directors met 5 (Five) times during the financial year 2021-22 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. Detailed information on the Board Meetings is provided in the Corporate Governance Report which forms part of this Annual Report.

b. Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31 March 2022, the Board of Directors hereby confirms that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

ii. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for that year;

iii. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts of the Company have been prepared on a going concern basis;

v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. Committees of the Board

There are five Committees of the Board of Directors of the Company vis. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Business Advisory Committee. The Business Advisory Committee of the Board has been dissolved w.e.f 07 May 2022. Detailed information on all the Committees is provided in the Corporate Governance Report along with the details of extract from Nomination and Remuneration Policy of the Company with respect to remuneration of Executive Directors, Key Managerial Personnel and other senior employees of the Company. Policies framed by the Board pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the Company's Website -www.itlindia.com.

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

Policies

a. **Vigil Mechanism Policy for the Directors and Employees**

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

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

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

b. **Risk Management Policy**

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

c. **Policies and Procedures (Mechanism)**

The Board of Directors of the Company has laid down policies and procedures in case of Leak of Unpublished price sensitive information or suspected leak of Unpublished price sensitive information in their Meeting held on 30 March 2019 in terms of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

Annual Evaluation of Directors, Committee and Board

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

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

Internal Control Systems

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

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

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

Auditors and Reports

The matters related to Auditors and their Reports for the year ended 31 March 2022 are as under: -

a. **Report of Statutory Auditors on Accounts for the Year ended 31 March 2022**

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

b. **Secretarial Audit Report**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates, the Company to obtain a Secretarial Audit Report in Form MR-3 from a Practicing Company Secretary. M/s. Rathi and Associates, Company Secretaries had been appointed as Secretarial Auditors to issue Secretarial Audit Report for the financial year 2021-22.

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

Secretarial Audit Report issued by M/s. Rathi and Associates, Company Secretaries in Form MR-3 for the financial year 2021-22 forms part of this report Annexure IV.

c. Statutory Auditors

The members of the Company in the 25th Annual General Meeting held on 29 October 2020 appointed M/s. Singhi & Co., Chartered Accountants (Firm Registration. No 302049E) for a term of 5 years from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting. The said Auditors have given their consent to act as the Statutory Auditors of the Company upto the financial year ended 31 March 2025.

d. Cost Audit

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

e. Fraud Reporting

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

Copy of Annual Return

The Annual Return for the year ended 31 March 2021 in Schedule-V which was filed with the Registrar of the Companies is also uploaded on the Website of the Company and the link for the same is http://www.itlindia.com/statutory.html. Annual return for the financial year ended 31 March 2022 be also available on the above link.

Code of Conduct

The Company has laid down a robust Code of Business Conduct and Ethics, which is based on the principles of ethics, integrity and transparency. More details about the Code is given in the Corporate Governance Report.

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

There is no application made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year of the Company or any of its Subsidiaries.

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

The Company has not any one time settlement with any of the Lenders,/Financial Institutions/Banks of any loan facility provided by them.

This is not applicable.

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

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

Annual Report on Corporate Social Responsibility

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

Further, as the provisions of section 135 were not applicable to the Company during the financial year there is no Annexure on CSR for the financial year 2021-22.

The Company has always been actively donating voluntarily for the charitable and social causes. During the financial year ended 31 March 2022 also the Company has donated ₹3.00 Lacs to the Prime Minister's National Relief Fund and ₹0.85 Lacs to other social and charitable purposes.

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

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

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

Compliance with Secretarial Standards

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

Service of documents through electronic means

Subject to the applicable provisions of the Companies Act, 2013, and applicable law, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members.

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

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

Management's Discussion and Analysis

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

Corporate Governance Report

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

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

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

Business Responsibility Reporting

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

Acknowledgements and Appreciation

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

For and on behalf of the Board

Arvind Kajaria
Managing Director
(DIN 00106901)

Sharad Kajaria
Whole-time Director
(DIN 00108036)

Place: Kolkata
Date: 30 May 2022

Registered Office:
CIN: L24133MH1996PLC197857
A-502, Prathamesh, Raghuvanshi Mills Ltd. Compound,
Senapati Bapat Marg, Lower Parel (W),
Mumbai – 400 013
Tel: 022 4004-0008 Fax: 022 2490 3123
Email: intrasoft@itlindia.com Website: www.itlindia.com

ANNEXURE I

Form AOC-1

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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

Part A Subsidiaries

(Amount ₹ in Lacs)

1	Name of the subsidiary	**123 Greetings.com, Inc.**	**Intrasoft Ventures Pte. Ltd. (Standalone)**	**One Two Three Greetings (India) Private Limited**	**123Stores, Inc.* (Consolidated)**
2	Date since when Subsidiary was acquired (DOA)	27 May 1999	12 April 2007	31 January 2007	05 September 2015
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	USD, 1 USD = 75.79	SGD, 1 SGD = 55.94	INR	USD, 1 USD = 75.79
5	Share capital	75.79	811.07	200.00	757.88
6	Reserves and Surplus	105.71	(45.69)	8.78	5,064.45
7	Total Assets	218.22	767.62	224.95	21,717.17
8	Total Liabilities	36.72	2.24	16.17	15,894.84
9	Investments	-	756.57	-	-
10	Turnover	1042.99	-	63.34	41,059.67
11	Profit before taxation	5.50	(2.17)	0.09	920.94
12	Provision for taxation	1.19	-	0.05	(42.72)
13	Profit after taxation	4.31	(2.17)	0.04	963.66
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100	100	100	100
16	Contribution to the overall performance of the Company during the period under report (%)	0.34%	(0.17%)	0.00%	74.02%

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

Part B Associates and Joint Ventures

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

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

Note:

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

ANNEXURE II

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

I. Conservation of Energy

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

II. Research and Development

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

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

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

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

3. **Future Plan of action:**

   To enable to make its website much more customer-centric, the Company is continuously working on findings and evaluating new technologies, processes, frameworks and methodologies.

4. **Expenditure on R&D:**

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

III. Technology absorption, adaptation and innovation

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

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

2. **Information regarding technology imported during last 5 years:**

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

3. **Foreign Exchange Earnings and Outgo:**

   i) Activities relating to exports:

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

   ii) Total foreign earnings used and earned:

   Information on foreign exchange earnings and outgo is furnished below:

	Year Ended 31 March 2022 (₹ in Lacs)
Earnings:	
IT Enabled Services	748.07
Expenditure:	
Travelling	7.18
Subscription and Membership Fee	4.51
Others	0.03

ANNEXURE III

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (appointment and remuneration of managerial personnel) rules, 2014.

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP	% increase in remuneration in the FY 2021-22.	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Arvind Kajaria Managing Director	Nil	6.13	PAT increased by 2.20% from FY 2020-21.
2	Mr. Sharad Kajaria Whole-time Director	Nil	5.75	
3	Mr. Rupinder Singh Independent Director #	Nil	0.25	NA
4	Mr. Anil Agarwal Independent Director #	Nil	0.25	NA
5	Ms. Savita Agarwal Independent Director #	Nil	0.19	NA
6	Mr. Ashok Bhandari Independent Director #$	Nil	0.25	NA
7	Mr. Ashish Arun Independent Director #@	Nil	0.02	NA
8	Mr. Mohit Kumar Jha Chief Financial Officer	(-) 4.86	3.49	PAT increased by 2.20% from FY 2020-21.
9	Mr. Pranvesh Tripathi Company Secretary	2.79	2.43	

Only sitting fees is paid to the Independent Directors.

$ Last Date as Director is 17 March 2022.

@ Appointed on 14 March 2022.

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

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

Sr. No.	Name	Designation	Date of Joining	Remuneration (in ₹ lacs)	Age (years)	Experience (Years)	Qualification	Last employment and designation held
1.	Mukesh Kumar Goel	General Manager	01 April 1997	74.73	54	31	Master's Degree in Commerce	Cieco Securities Ltd, Accounts Executive
2.	Arvind Kajaria	Managing Director	26 June 1998	72.11	57	32	Degree in Business Administration	NA
3.	Sharad Kajaria	Whole-time Director	27 February 1996	67.61	46	23	Bachelor's Degree in Commerce	NA
4.	Mohit Kumar Jha	CFO	18 February 2013	41.10	44	19	Chartered Accountant	HDFC Bank Ltd, Sr. Manager
5.	Sajal Kumar Basu	Technical Head	22 December 2003	34.30	40	18	Master of Science in Information Technology	NA
6.	Pranvesh Tripathi	Company Secretary & Compliance Officer	10 May 2016	28.54	47	21	Company Secretary	Gabriel India Limited - Company Secretary & Legal Head
7.	Pratha Pratim Sarkar	Sr. Specialist - Technology	04 October 2004	19.64	44	22	MCA (Computers), B. Com.	CMC Limited- Senior Faculty and Software Programmer
8.	S Pradeep	Sr. Specialist - Technology	17 February 2005	19.54	38	17	Bachelor's Degree in Science	NA
9.	Sudipto Das	Sr. Specialist - Technology	30 June 2004	18.11	41	18	Bachelor's Degree in Science	NA
10.	Vishal Gupta	Manager – Finance & Compliance	14 February 2012	17.30	43	18	Chartered Accountant	Goenka Suresh & Associates, Chartered Accountants – Audit Manager

iv) Employees employed for the part of the year and drawn remuneration during the financial year 2021-22 at a rate which in aggregate was not less than ₹8.50 lacs per month: NA

v) The median remuneration of the employees of the Company during the financial year was ₹11.77 lacs.

vi) In the financial year 2021-22, there was an increase of 12.91% in the median remuneration of employees.

vii) There were 33 permanent employees on the rolls of the Company as on 31 March 2022.

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

As compared to the Profit of the Company for the FY 2021-22 which was increased by 2.20%, the average increase in remuneration was 2.91%.

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

The total remuneration of KMP was decreased by 0.63% compared to PAT which was increased by 2.20%.

x) Variations in the market capitalisation of the Company: The market capitalisation as on 31 March 2022 was ₹277.18 Cr. (₹98.03 Cr. as on 31 March 2021)

xi) Price Earnings ratio of the Company as at 31 March 2022 was 83.47 as against 30.39 as at 31 March 2021.

xii) Percent increase over decrease in the market quotation of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:

Particulars	31 March 2022	12 April 2010 (Date of Listing)	% increase/ (Decrease)
Market Price (BSE)	₹187.80	₹ 159.35	17.85
Market Price (NSE)	₹188.15	₹ 159.10	18.26

xiii) Average percentage increase made in the salaries of employees other than the KMP in the FY 2021-22 was 5.09% whereas the decrease in the KMP remuneration for the same FY was 0.63.

xiv) There are no variable component of remuneration availed by the directors.

xv) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 96.49%

xvi) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company for its Directors, Key Managerial Personnel and other Employees.

For IntraSoft Technologies Ltd

Arvind Kajaria	**Sharad Kajaria**
Managing Director	Whole-time Director
DIN: 00106901	DIN: 00108036

ANNEXURE- IV

Secretarial Audit Report

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

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

To
The Members
INTRASOFT TECHNOLOGIES LIMITED
502A, Prathamesh, Raghuvanshi Mills Compound
Senapati Bapat Marg, Lower Parel,
Mumbai– 400013

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;

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

      i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and

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

      iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent of proposed raising of funds through issue of equity shares on rights basis.

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

   i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   ii. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

   iii. 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;

iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

v. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2014.

3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company, vis.

   a. Software Technology Park of India;

   b. Foreign Exchange Management (Export of Goods and Services) Regulations, 2000;

   c. West Bengal Policy on Information and Communication Technology, 2012;

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the financial year under report were carried out in compliance with the provisions of the Act.

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

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

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

We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except announcement of raising funds through issue of equity shares on rights basis.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH M. SHAH
PARTNER
MEM No. FCS: 5637
COP No. 2535
UDIN: F005637D000398557

Date: 30 May 2022
Place: Mumbai

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

Annexure- A

To
The Members
INTRASOFT TECHNOLOGIES LIMITED
502A, Prathamesh, Raghuvanshi Mills Compound
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013

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

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

For RATHI &ASSOCIATES
COMPANYSECRETARIES

JAYESH SHAH
PARTNER
MEM No. FCS 5637
COP. No.2535

Place: Mumbai
Date: 30 May 2022

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance

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

2. Board of Directors

a) Composition of the Board:

The Board has an ideal combination of Executive and Non-Executive Independent Directors, which is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31 March 2022, the Board comprises of 6 (Six) Directors of which 2 (Two) are Executive Directors representing promoters and 4 (Four) are Non-Executive Independent Directors including one Woman Independent Director. Both the Executive Directors are liable to retire by rotation.

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

None of the non-executive Directors on the Board of the Company has attained the age of 75 years and is subject to re-appointment in the financial year 2022-23.

The Company has received disclosures from all the directors about their Directorship and membership on the Board & Committees of other companies. As per disclosure received from Director(s), none of the Directors hold Directorship in more than 7 (seven) listed Companies. None of the Directors holds membership in more than 10 (Ten) Committees and Chairmanship in more than 5 (Five) Committees. The composition of the Board during the year ended 31 March 2022 and other relevant details relating to Directors are given below:

Name of the Director	Designation	Category of Directorship	Other Companies		
			Board Directorship**	Committee Membership#	Committee Chairmanship#
Mr. Arvind Kajaria DIN: 00106901	Managing Director	Promoter; Executive	-	-	-
Mr. Sharad Kajaria DIN:00108036	Whole-time Director	Promoter; Executive	-	-	-
Mrs. Savita Agarwal DIN: 00062183	Director	Non-Executive; Independent	-	-	-
Mr. Rupinder Singh DIN:02815733	Director	Non-Executive; Independent	-	-	-
Mr. Anil Agarwal DIN:00122053	Director	Non-Executive; Independent	-	-	-
Mr. Ashish Arun^ DIN: 06431791	Director	Non-Executive; Independent	-	-	-
Mr. Ashok Bhandari^^ DIN: 00012210	Director	Non-Executive; Independent	7	8	1

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

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

^ Appointed as an Additional Director in the category of Non-Executive Independent Director wef 14 March 2022 subject to approval of the Shareholders within three(3) Months.

^^ Ceased to a Director of the Company wef 18 March 2022 on his Retirement on completion of tenure of five (5) years.

Directorships held by the Directors in the other Listed Entities:

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

* Mr. Ashish Arun appointed as an Additional Director in the category of an Independent Director wef 14 March 2022 subject to approval of shareholders within three (3) months.

** Mr. Ashok Bhandari Ceased to be a Director of the Company wef 18 March 2022 on his Retirement on completion of term of five (5) years. And he is not serving as a Managing Director or a Whole-time Director in any listed entity.

Declaration by the Independent Directors:

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

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

During the Year under review, The Board of Director in their Meeting held on 14 March 2022 appointed Mr. Ashish Arun as an Additional Director in the category of an Independent Director subject to approval of the shareholders within three (3) months.

During the Year under review, Mr. Ashok Bhandari ceased to be an Independent Director of the Company wef 18 March 2022 on his retirement due to completion of tenure of five (5) years on 17 March 2022 and he chose not to seek re-appointment for a second consecutive term of five (5) years.

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

b) Appointment/Re-appointment of Directors:

The Board in its Meeting held on 14 March 2022 appointed Mr. Ashish Arun as an Additional Director in the category of an Independent Director for a term of five (5) years subject to approval of the Shareholders within three (3) months of the appointment.

The Board in its Meeting held on 07 May 2022 has approved the Notice of Postal ballot to be sent to the Shareholders for taking their approval for the appointment of Mr Ashish Arun as an Independent Director of the Company for a term of five (5) years wef 14 March 2022 in terms of the provisions of the Companies Act, 2013 and rules thereunder and SEBI LODR 2015. The Notice of the Postal Ballot has also been sent to the shareholders on 09 May 2022 for taking their approval through the mode of E-voting / physical ballot as may be applicable

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

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

c) Board Meetings and Annual General Meeting:

During the financial year 2021-22, 5 (Five) Board Meetings were held on 28 June 2021, 12 August 2021, 12 November 2021, 11 February 2022 and 14 March 2022. The previous Annual General Meeting of the Company was held on 28 September 2021. The details of attendance of Directors in Board Meetings and the previous Annual General Meeting are as follows;

Name of the Director	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Arvind Kajaria	4	Yes
Mr. Sharad Kajaria	5	No
Ms. Savita Agarwal	5	Yes
Mr. Rupinder Singh	5	Yes
Mr. Anil Agarwal	5	No
Mr. Ashish Arun	1	NA
Mr. Ashok Bhandari*	5	Yes

* Mr. Ashok Bhandari ceased to be an Independent Director Wef 18 March 2022 on his retirement.

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

The gap between any two meetings was not in excess of one hundred twenty days. The necessary quorum was present in all the meetings.

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

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

d) Code of Conduct:

The Board has laid down a Code of Conduct for all the Board Members and the Senior Management Personnel of the Company. The said Code is posted on the website of the Company at http://www.itlindia.com/investor relations/corporate governance report. All the Board Members and the Senior Management personnel have affirmed compliance to the Code as on 31 March 2022. The declaration on compliance of the Company's Code of Conduct duly signed by Mr. Arvind Kajaria, Managing Director of the Company, is annexed to and forms part of this Annual Report.

e) Familiarisation Programme

The Independent Directors of the Company are made familiar with their roles, responsibilities and duties towards the Company, nature of industry in which the Company operates, business model of the Company etc. on need basis or whenever there is induction of a new director. The recent familiarisation programme was held on 14 March 2022. The detail of the familiarisation programme are available on the web link at http://www.itlindia.com/docs/Familiarisation_Programme.pdf.

f) A Chart setting out the Skills/Expertise/competence of the Board of Directors:

Skills/Expertise/ Competence	Definitions of Directors Qualification	Name of the Director possessing the requisite Qualification
Financial	Leadership of a financial firm or management of the finance functions of an enterprise, resulting in proficiency in complex financial management, capital allocation, Treasury Operations, financial reporting processes, Chartered Accountant, Auditor.	Mrs. Savita Agarwal,
Gender diversity with independent views and judgement	Representation of gender that expand the Board's understanding of the needs and viewpoints of Company's different stakeholders having an account and finance background with management and leadership qualities.	Mrs. Savita Agarwal
Global Business	Experience in driving business success in different markets in the world, particularly in United States. Regulatory framework and broad perspective on global market opportunities.	Mr. Arvind Kajaria, Mr. Sharad Kajaria

Skills/Expertise/ Competence	Definitions of Directors Qualification	Name of the Director possessing the requisite Qualification
Leadership, Board Services and Governance	Leadership experience of significant enterprise/organisation its operations, business expansion, strategic planning and risk management. A management professional with experience of driving business growth. Experience of Board Management and as well managing shareholders' interests.	Mr. Arvind Kajaria
Technology	A significant background in technology including internet and new technology, resulting in knowledge of general disruptive innovations in internet technology and E-commerce business. Responsible for taking new technology initiatives in the Company.	Mr. Sharad Kajaria
Sales and Marketing	Experience in developing strategies to grow sales and market, vendor relations and negotiations, contracts management, enhance business and reputation of the organisation.	Mr. Sharad Kajaria, Mr. Arvind Kajaria.
Public Relations and Brand awareness	Build brand awareness through events management, marketing programmes, media management and enhance business and reputation of the organisation. Having experience to have worked in Public Relations area.	Mr. Rupinder Singh, Mr. Arvind Kajaria.
Capital Market Expertise	Experience of Capital markets and stock exchange operations and knowledge of regulatory framework and compliances of laws and regulations related to SEBI and capital market.	Mr. Anil Agarwal, Mr. Arvind Kajaria.
Restructuring (M&A) and Legal Advisory	Experience of leading growth through restructuring of businesses, acquisitions and other business combinations in line with Company's strategy and culture, knowledge of FEMA and RBI Laws. Legal Advisory in relation to applicable laws.	Mr. Arvind Kajaria, Mr. Ashish Arun

3. Audit Committee

a) Constitution of Audit Committee:

As on 31 March 2022, the Audit Committee comprise of 4 (four) Non-Executive Independent Directors and Managing Director. All the members of the Audit Committee are financially literate. The Chairperson of the Committee is Mrs. Savita Agarwal, Independent Director, a member of the Institute of Chartered Accountants of India.

The Company Secretary acts as Secretary of the Committee.

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

The Audit Committee of the Company is constituted as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. During the Financial Year 2021-22, Mr. Ashish Arun appointed as a member of the Committee wef 14 March 2022. During the Financial Year 2021-22, 4 (four) Meetings of the Audit Committee were held on: 28 June 2021, 12 August 2021, 12 November 2021 and 11 February 2022. The composition of the Audit Committee during the year ended 31 March 2022 and the details of number of meetings attended by members of the Committee are as under:

Committee Members	Designation	No. of Meetings Attended
Ms. Savita Agarwal	Chairperson	4
Mr. Rupinder Singh	Member	4
Mr. Anil Agarwal	Member	4
Mr. Arvind Kajaria	Member	3
Mr. Ashish Arun	Member	-

c) Attendees:

Mr. Pranvesh Tripathi, Company Secretary and Mr. Mohit Kumar Jha, Chief Financial Officer were in attendance in all the 4 (four) Audit Committee Meetings held during the financial year 2021-22. The Audit Committee invited such other executives and personnel, as it considered appropriate to be present at its meetings. The necessary quorum was present at all the Meetings.

d) The Terms of Reference of the Audit Committee:

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and it inter alia includes:

i) To interact with the auditors periodically about internal control systems, the scope of audit including the observations of auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.

ii) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

iii) Recommending to the Board, the appointment, re-appointment and, removal of the statutory auditors, fixation of their remuneration and other terms of reference of their appointment

iv) Approve payment for any other services rendered by the statutory auditors.

v) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any Related party transactions; and

   (g) Qualifications in the draft audit report.

vi) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

vii) Reviewing, with the management, the statement of uses/application of fund raised through an Initial Public Offer (IPO) on a quarterly basis as a part of quarterly review of financial results.

viii) Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

ix) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

x) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

xi) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

xii) Approval or any subsequent modifications of transactions with the related parties.

xiii) Scrutiny of inter-corporate loans and investments.

xiv) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

xv) Valuation of undertakings or assets of the Company, wherever it is necessary.

xvi) Evaluation of internal financial controls and risk management systems.

xvii) Reviewing the functioning of whistle blower mechanism.

xviii) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & Background etc. of the candidate

xix) Reviewing the utilisation of loans and/or advances from/investment by the Holding Company in the Subsidiary Company exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

xx) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

xxi) Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors.

e) Powers of Audit Committee:

The Audit Committee has the following powers:

I. To investigate any activity within its terms of reference as above.

II. To seek information from any employee.

III. To obtain outside legal and professional advice, if necessary.

IV. To secure attendance of outsiders with relevant expertise, if considered necessary.

4. Nomination and Remuneration Committee

a) Constitution and Composition:

The Company has constituted Nomination and Remuneration Committee as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of four Non-Executive Independent Directors as its members. Mr. Rupinder Singh, Independent Director, Chairman of the Committee and Mr. Anil Agarwal, Ms. Savita Agarwal and Mr. Ashish Arun members of the Committee. Mr. Ashish Arun appointed as member of the Committee wef 14 March 2022. Mr. Ashok Bhandari ceased to be a member of the Committee wef 18 March 2022.The Committee recommends policy relating to the appointment and remuneration for the directors, key managerial personnel and other senior level employees. The said Policy is approved by the Board and the same is placed on the Company's website at http://www.itlindia.com/corporate.html. During the FY 2021-22, 1 (One) meeting was held on 14 March 2022.

Committee Members	Designation	No. of Meetings Attended
Mr. Rupinder Singh	Chairman	1
Ms. Savita Agarwal	Member	1
Mr. Anil Agarwal	Member	1
Mr. Ashok Bhandari	Member	1
Mr. Ashish Arun	Member	-

b) Terms of reference:

The terms of reference of the Committee inter alia includes;

i) Identifying and selection of candidates for appointment as Directors / Independent Directors based on criteria fixed by the Committee;

For every appointment of an independent director, the Nomination and Remuneration Committee shall 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. 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:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard

c. consider the time commitments of the candidates.

ii) Identifying potential individual for appointment as Key Managerial Personnel and to other Senior Management positions, if any;

iii) Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration;

iv) Formulate the criteria and Specify the manner for effective evaluation of performance of Board, its Committees, individual directors and independent directors to be carried out either by the Board, by the Nomination and Remuneration Committee, or by an Independent external agency and review its implementation and compliance.

v) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management."

vi) Board Diversity and criteria for the independence, positive attributes, qualifications and experience of directors

c) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Meeting is held on 14 March 2022 to carry out annual performance evaluation of its own performance and as well as that of its Committees and individual Directors including the Independent Directors and the Chairman of the Company.

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

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

During the FY 2021-22, separate Meetings of the Independent Directors also held on 14 March 2022.

d) Remuneration Policy:

I. The Committee formulates and recommends to the Board a policy relating to the remuneration for the directors, key managerial personnel, senior management and other employees and while formulating the Policy, the Committee ensured that :

   a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Companyand its goals:

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

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

(a) annual base salary,

(b) annual incentive bonus, including the specific goals and amount,

(c) equity compensation, if any

(d) employment agreements, severance arrangements, and change in control agreements/ provisions, and

(e) any other benefits, compensation or arrangements, based on this evaluation.

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

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

Details of remuneration paid to Executive Directors for the year ended 31 March 2022 are given below:

(₹ in Lacs)

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

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

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

III. **Non-Executive Directors:**

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

Details of the Sitting fees paid during the year 2021-22 for attending the Board Meetings and Committee Meetings are as under:

Name of the Non-Executive Director	Sitting Fees paid (₹ in Lacs)
Mrs. Savita Agarwal	2.20
Mr. Rupinder Singh	3.00
Mr. Anil Agarwal	3.00
Mr. Ashish Arun	0.20
Mr. Ashok Bhandari	3.00
Total	**11.40**

5. Stakeholders' Relationship Committee

a) Constitution and Composition

The Company has constituted Stakeholders' Relationship Committee as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Stakeholders' Relationship Committee comprises of four directors of which majority of them are Independent Directors and the Chairman of the Committee is Mr. Anil Agarwal, an Independent Director. Mr. Arvind Kajaria, Managing Director, Mr. Rupinder Singh and Mr. Ashish Arun, Independent Directors are the other members of the Committee. During the Financial Year 2021-22, Mr. Ashish Arun appointed as member of the Committee wef 14 March 2022. During the Financial Year 2021-22, Mr. Ashok Bhandari ceased to be a member of the Committee wef 18 March 2022 due to his retirement from the Board. The said Committee primarily looks into various issues relating to shareholders vis. transfer and transmission of shares, non-receipt of dividend and any other grievances of the investors and take necessary steps for redressal thereof.

During the year under review, 4 (Four) meetings of Stakeholders' Relationship Committee were held on, 28 June 2021, 12 August 2021, 12 November 2021 and 11 February 2022. The composition of the Stakeholders' Relationship Committee and details of number of meeting attended by the members of the Committee are as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Anil Agarwal	Chairman	4
Mr. Rupinder Singh	Member	4
Mr. Arvind Kajaria	Member	3
Mr. Ashish Arun	Member	-
Mr. Ashok Bhandari	Member	4

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

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

c) The details of complaints received, complaints resolved during the year 2021-22 and pending as at the end of the year is as follows:

Nature of Requests/ Grievances/Complaints	Opening Balance as on 1 April 2021	Received during the year	Resolved during the year	Closing Balance as on 31 March 2022
Transfer/Transmission/ Dividend	0	1	1	0
Total				0

d) Terms of Reference:

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

6. Corporate Social Responsibility Committee

a) Constitution and Composition

The Company has a constituted Corporate Social Responsibility Committee also. The Committee formed by the Company formulates the policy and recommends to the Board to undertake various activities mentioned under Schedule VII of the Companies Act, 2013 as may be applicable in case of Company has required Net Profit in terms of the Section 135 of the Companies Act, 2013 and applicability of other provisions as per the Act and the CSR Rules made thereunder. However, the Company was not required to spend any amount towards CSR activities, no meeting of the Corporate Social Responsibility Committee was held during the financial year 2021-22. There are also no unspent CSR Amounts of the any of the previous financial years or any ongoing projects undertaken by the Company. The composition of the Corporate Social Responsibility as at the end of the Financial Year 2021-22 is as under:

Name of Director	Designation	No. of Meeting Attended
Mr. Arvind Kajaria	Chairman	_
Mr. Rupinder Singh	Member	_
Mr. Anil Agarwal	Member	_
Mr. Ashish Arun	Member	_

b) **Terms of Reference:**

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

ii) The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-

(a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

(b) the manner of execution of such projects or programmes as specified in sub-rule (1) of Rule 4;

(c,) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company

iii) To ensure implementation and monitoring of the CSR activities as per the approved policy, plans and budget.

iv) To ensure the compliance with the laws, rules & regulations governing the CSR.

v) To monitor the amount spent under CSR and transfer of unspent amount to the special account or specified funds under Sch VII of the CSR Rules as may be applicable.

7. Business Advisory Committee

a) Constitution and Composition

The Board has constituted a Business Advisory Committee with Mr. Arvind Kajaria, Managing Director of the Company, as its Chairman and Mr. Ashok Bhandari, Independent Director as the member of the Committee to look after and facilitate day to day business related decisions and also to monitor and guide the matters in between the two Board Meetings which are required to be reported to the Board. During the FY 2021-22, 4 (Four) meetings were held. I.e. on 28 June 2021, 12 August 2021, 12 November 2021 and 15 February 2022. The Constitution of the Business Advisory Committee is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Arvind Kajaria	Chairman	4
Mr. Ashok Bhandari* (Ceased to be a Member wef 18 March 2022)	Member	4

* Mr. Ashok Bhandari ceased to be a member of the Committee on his retirement from the Board wef 18 March 2022.

b) Terms of reference:

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

i) To advise on Business matters of the Company

ii) To guide the management on fortnightly/monthly basis business decisions and concerned matters.

iii) To foresee monthly budgets and updates.

iv) To foresee treasury related issues on fortnightly/ monthly basis.

8. Independent Directors' Meeting

During the FY 2021-22, One (1) separate Meetings of the Independent Directors, were held on 14 March 2022.

8. General Body Meetings

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

Financial Year	Date	Time	Location of the Meeting
2018-19	10 September 2019	3.00 P.M.	Orchid Room, Sunville, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018
2019-20	29 October 2020	3.00 P.M.	The Meeting was held in Video Conferencing (VC) /Other Audio Visual Means (OAVM)
2020-21	28 September 2021	3.00 P.M.	The Meeting was held in Video Conferencing (VC) /Other Audio Visual Means (OAVM)

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

Financial Year	Particulars of Special Resolution Passed
2018-19	1. Re-appointment of Mrs. Savita Agarwal as Woman Independent Director for 2nd consecutive term of 5 years w.e.f. 29 June 2019.
	2. Re-appointment of Mr. Rupinder Singh as Independent Director for 2nd consecutive term of 5 years w.e.f. 28 August 2019.
	3. Re-appointment of Mr. Anil Agarwal as Independent Director for 2nd consecutive term of 5 years w.e.f. 28 August 2019.
2019-20	1. Re-appointment of Mr. Arvind Kajaria as Managing Director w.e.f. 1 April 2020; and
	2. Re-appointment of Mr. Sharad Kajaria as Whole-time Director of the Company w.e.f. 1 April 2020.
2020-21	No Special Resolution

iii) Resolutions through Postal Ballot:

During the financial year 2021-22 no resolutions were passed by way of Postal Ballot process in terms of the provisions of Section 108, 110 and other applicable provisions, if any of the Companies Act, 2013 read with rules made thereunder.

9. Other Disclosures

a. Related Party transactions:

All the transactions entered into during the financial year ended 31 March 2022 with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were in the ordinary course of business and on arm's length pricing basis. All the Related Party Contracts were entered into with its Wholly Owned Subsidiaries. The details in respect of transactions entered into with related parties are included in the Notes to financial statements of the Annual Report. There were no materially significant transactions with related parties during the financial year ended 31 March 2022 that may have potential conflict with the interests of the Company.

Policy on Related party transaction is reviewed by the Board of Directors at least once in every three (3) years. The Board of Directors in their Meeting held on 14 March 2022 reviewed the Related Party Transaction Policy and approved the amendments in the policy in terms of the amendments in SEBI LODR 2015 which are effective 01 April 2022.

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

The Board, has also approved and adopted a policy for determining material subsidiaries in their Meeting held on 30 March 2019 which is available on the Company's website.http://www.itlindia.com/docs/Policy_on_Material_Subsidiaries.pdf

b. Whistle Blower Policy / Vigil Mechanism:

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

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

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

c. Shareholdings of the Non-Executive Directors as on 31 March 2022 is as under;

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

d. The Company has complied with the requirements of Regulatory Authorities on Capital Markets and no strictures or penalties were imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority during the last three years.

e. The Company has complied with all the mandatory requirements under Part A of Schedule II of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereto pertaining to Corporate Governance compliances.

f. The Company has complied, wherever applicable, with the corporate governance requirements specified in

Regulations 17 to 27 and clauses (a) to (z) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the requirement of Regulation 24 (1) in respect to the appointment of an Independent Director on the Board of the material subsidiary, i.e. 123Stores, Inc.

g. Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risks and commodity hedging activities are not applicable.

h. During the FY 2021-22, no complaints were filed and disposed of and no complaints were pending as on the end of the financial year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

i. A Certificate from M/s. Rathi & Associates, Company Secretaries, is annexed to the report certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j. During the financial year 2021-22 no such recommendations of any Committees of the Board were made, which was mandatorily required and which had not been accepted by the Board of the Company.

k. During the financial year 2021-22, the Company paid a total fees amounting to ₹19.80 Lacs to the Statutory Auditors M/S. Singhi & Co., Chartered Accountants, Statutory Auditors (appointed w.e.f. 11 September 2020) for all services rendered to the Company and its Subsidiaries, on a consolidated basis,

l. During the financial year 2021-22, the Company had not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (LODR).

m. During the financial year 2021-22, the Company has filed a Draft Letter of Offer with the Stock Exchanges for raising funds up to ₹49.96 Crores by issue and allotment of Equity shares on Rights basis to the existing equity shareholders of the Company. The Company has also received the In-principle approval from NSE on 21 March 2022 and from BSE on 29 March 2022.

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

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

A. **Shareholders' Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

B. **Statement on Impact of Audit Qualifications in Auditors Report/ Modified opinion(s):** The Company's financial statement for the year 2021-22 does not contain any Audit qualifications or a modified audit opinion.

11. Means of Communication:

(i) The quarterly results of the Company are published in English newspaper-"The MINT" having nationwide circulation and "SAMNA" regional language (Marathi) newspaper. The quarterly results are submitted to the BSE Limited and the National Stock Exchange of India Limited immediately after the conclusion of the Board Meeting. The Company also displays all financial results and other information as required on its website www.itlindia.com. Also, as and when the Company publishes a press release; the stock exchanges are intimated accordingly.

(ii) No presentations were made to institutional investors or to the analysts during the financial year 2021-22.

(iii) The Management Discussion and Analysis Report pursuant to SEBI Listing Regulations is attached and forms part of this Annual Report.

12. General Shareholder Information

i. Annual General Meeting:

Day, Date and Time: Tuesday, 13 September 2022 at 3:00 P.M.

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

ii. **Financial Calendar:**

The Company follows April-March as its financial year.

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

30 June 2022	:	By 14 August 2022
30 September 2022	:	By 14 November 2022
31 December 2022	:	By 14 February 2023
31 March 2022	:	By 30 May 2023

AGM for the year ending

31 March 2023	:	By 30 September 2023

iii. **Book Closure:**

07 September 2022 to 13 September 2022. (both days inclusive)

iv. The Payment date of dividend for the year 2021-22, if declared at the meeting will be on or after 14 September 2022 but latest by 13 October 2022.

v. **Listing on Stock Exchanges:**

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

Note: Annual Listing fees for the year 2022-23 has been paid to both the Stock Exchanges as aforementioned.

vi. **Stock Code/Symbol:**

BSE – 533181 NSE – ISFT

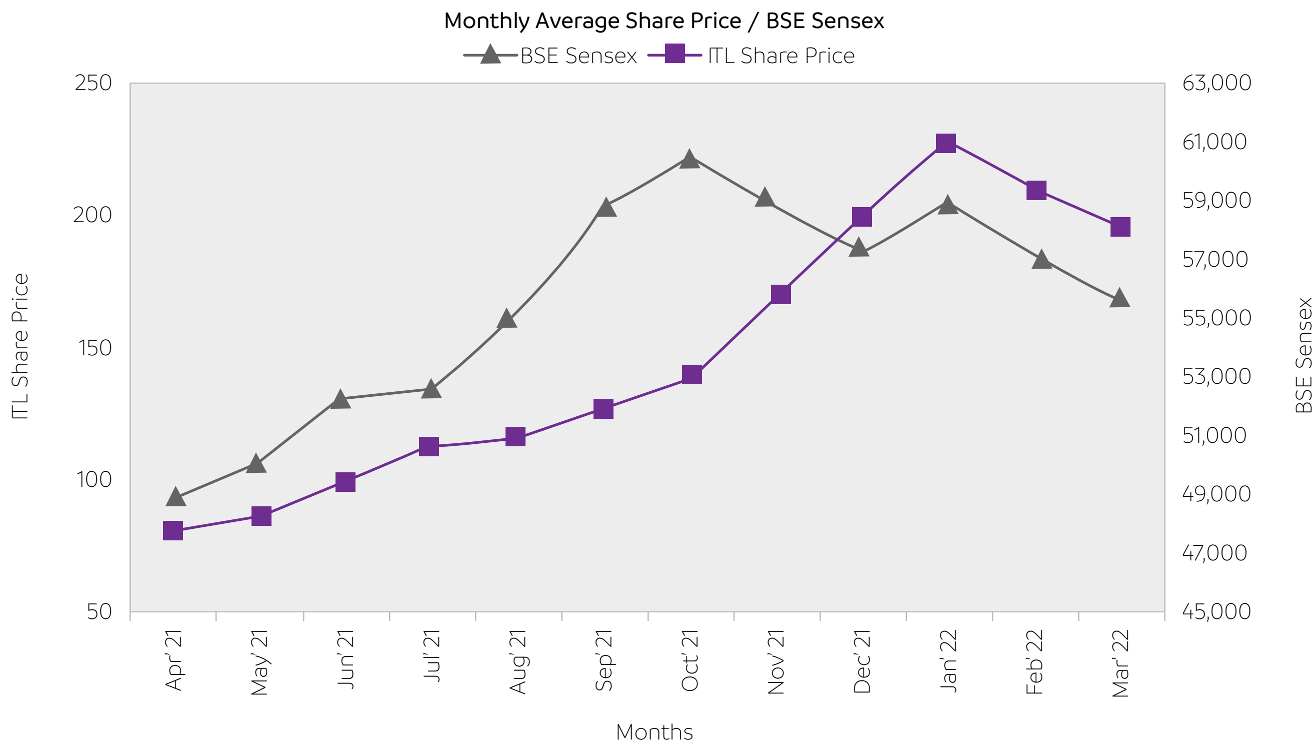
vii. **Market Price Data:**

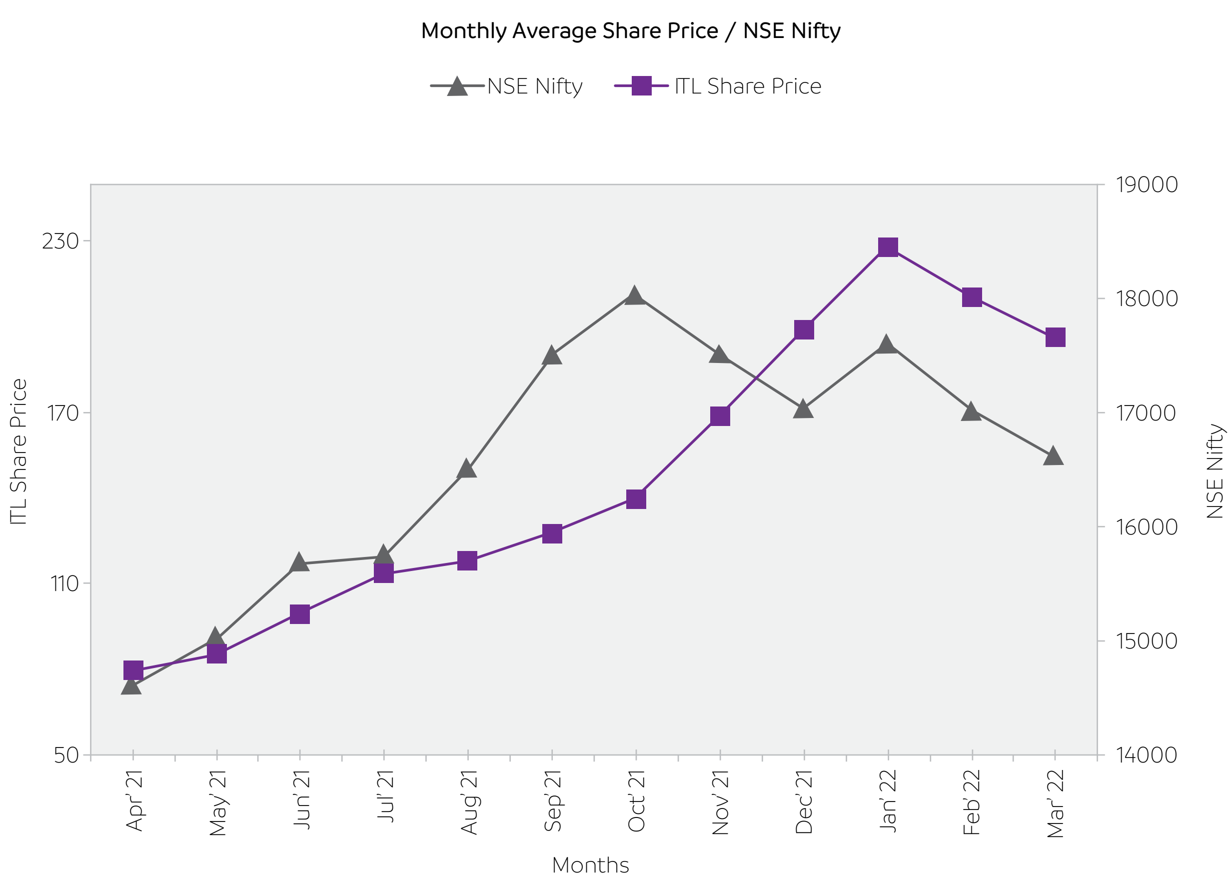
Monthly High and Low of the closing price and trading volume on BSE/ NSE depicting liquidity of the Company's Equity Shares on the said Exchanges is given herewith:

(₹)

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
Apr-21	95.40	65.00	189515	92.50	66.65	1422775
May-21	92.90	79.00	90948	92.95	78.30	657945
Jun-21	118.00	80.40	517741	117.95	80.70	2717131
Jul-21	124.00	102.50	271465	124.00	102.08	1577749
Aug-21	136.45	95.35	259035	137.00	100.03	2069096
Sep-21	148.80	104.00	890765	148.15	106.85	5361336
Oct-21	158.80	118.00	302385	157.60	121.55	2101810
Nov-21	201.35	135.00	282592	202.10	135.30	3023608
Dec-21	236.00	164.25	324681	234.45	163.55	2830802
Jan-22	259.00	197.40	147605	258.80	197.00	1419518
Feb-22	232.85	187.00	112378	233.35	187.10	947991
Mar-22	220.80	170.30	106037	222.00	170.00	781170

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





*ITL represents IntraSoft Technologies Limited

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

x. **Share Transfer System:**

Transfer of shares held in demat form is done through the depositories without any involvement of the Company. There were no shares received during the year for physical transfers. As processing and registering Transfers of shares in physical mode is not allowed wef the transfer requests received after 31 March 2019. The Company obtains a half-yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of SEBI Listing Regulations, 2015 and the same is filed with the Stock Exchanges. In terms of requirements to amendments to Regulation 40 of SEBI Listing Regulations, 2015 w.e.f. 01 April 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed unless the securities are held in the dematerialised form with a depository.

xi. **Category wise Shareholding as at 31 March 2022:**

Sr. No.	Category	No. of Shares held	% of Total Shares
1.	Promoter and Promoter Group	7024297	47.68
2.	Financial Institutions (NBFCs Registered with RBI)	21418	0.14
3.	Mutual Fund	0.00	0.00
4.	Insurance Companies	114	0.00
5.	Investor Education and Protection Fund (IEPF Authority)	8798	0.06
6.	Foreign Portfolio Investors	121597	0.83
7.	Bodies Corporate (LLP)	65646	0.45
8.	Bodies Corporate	1550972	10.53
9.	Clearing Members	240916	1.63
10.	NRIs/NRNs	315875	2.14
11.	Trusts	0.00	0.00
12.	Others	5382045	36.54
	Total	**14731678**	**100.00**

xii. **Distribution of Shareholding as at 31 March 2022:**

No. of Shares	No. of Shareholders	% of Total Shareholders	Shares Held	% of Total Shares
1 - 500	9921	91.51	747097	5.07
501 - 1000	398	3.67	315064	2.14
1001 - 5000	371	3.42	814358	5.53
5001 - 10000	65	0.60	485376	3.29
10001 and above	87	0.80	12369783	83.97
TOTAL	10842	100.00	14731678	100.00

xiii. **Dematerialisation of Shares and Liquidity:**

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

Equity Shares of the Company representing 99.86 % of the Company's share capital are under demat mode as on 31 March 2022. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE566K01011.

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

The Company has neither issued any such instruments nor are they outstanding during the financial year 2021-22.

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

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

xvi. **Secretarial Audit for Reconciliation of Capital**

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

xvii. List of credit ratings obtained by the Entity along with any revisions thereto during the financial year 2021-22.

During the financial year 2021-22, there have been no revisions in Credit Rating obtained by the Company.

xviii. Unclaimed Dividend:

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

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

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

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 the Company has transferred in two tranches 260 shares and 482 shares during the financial year 2021-22 of the shareholders on whose shares dividend was unclaimed/unpaid for a period of seven (7) consecutive years from the year of its declaration in financial year 2012-13 to IEPF Authority's Account. There are 150 shares, the transfer of which to IEPF Account, was in transit as on 31 March 2022 and it was actually transferred on 1 April 2022. Company had earlier transferred 2682 shares to IEPF Authority in financial year 2020-21, 895 shares to IEPF Authority in financial year 2019-20, 582 equity shares to IEPF Authority in the financial year 2018-19 and 4379 equity shares in the financial year 2017-18.

As on end of the Financial Year 31 March 2022 there are 9280 equity shares are lying with IEPF Authority Account and there are no shareholders whose share certificates are lying in physical form with our Registrar.

i. Registrar and Share Transfer Agents:

Link Intime India Private Limited
C-101, '247 Park',
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel.: 022-49186270
Fax: 022-49186060

ii. Plant Locations:

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

iii. Address for Correspondence:

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Link Intime India Private Limited
C-101, '247 Park',
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel.: 022-49186270
Fax: 022-49186060
Email: rnt.helpdesk@linkintime.co.in

For general correspondence:

IntraSoft Technologies Limited
A-502, Prathamesh,
Raghuvanshi Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013
Tel No. 022-24912123
Fax No. 022- 24903123

Certificate on Corporate Governance

To
The Members
INTRASOFT TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Intrasoft Technologies Limited ('the Company') based on the documents provided by the Company to us online, due to Covid-19 and subsequent lockdown situation, for issue of the certificate for the year ended 31 March 2022, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Companyhas complied with the conditions of Corporate Governance as stipulated in Chapter IV , except for the appointment of Independent Director on the Board of its Material Subsidiary pursuant to Regulation 24 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For RATHI & ASSOCIATES
COMPANY SECRETARIES

Sd/-
JAYESH M. SHAH
PARTNER
CP No. 2535
UDIN. F005637D000399052

Place: Mumbai
Date: 26 May 2022

Code Of Conduct Declaration

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

Sd/-
Arvind Kajaria
Managing Director

Place: Kolkata
Date: 07 May 2022

Independent Auditor's Report

To

The Members of

Intrasoft Technologies Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IntraSoft Technologies Limited ('the Parent Company') and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in equity for the year then ended, the notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information (herein referred to as the "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements , give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) Credit: (as described in Note 27(e) to the consolidated financial statements)	
As at March 31, 2022, the Parent Company has recognised Minimum Alternate Tax (MAT) credit amounting to Rs.1,926.84 Lacs, within deferred tax assets. On that date, the Parent Company also has unabsorbed depreciation amounting to Rs.163.44 Lacs. The recognition of a deferred tax asset in the form of MAT credit is based on management's estimate of taxable and accounting profits in future, which are underpinned by the Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgements, including the timing of reversals of unabsorbed business losses and depreciation.	Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following: ➢ Obtained and updated understanding of the management's process of computation of future accounting and taxable profits of the Company, and expected utilization of available MAT credit within specified time period as per provision of the IT Act. ➢ Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end. ➢ Reconciled the business results projections to the future business plans approved by the Company's board of directors.

Key audit matters	How our audit addressed the key audit matter
Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgement involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter.	➢ Evaluated the management's assessment of underlying assumptions used for the business results projections including implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business. Tested such growth rates used in the forecast by comparing them to past trends and to economic and industry forecasts, where appropriate. ➢ Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and unabsorbed business losses and utilisation of MAT credit. ➢ Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act. ➢ Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations. ➢ Tested the mathematical accuracy of management's projections and tax computations. ➢ Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act. ➢ Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the financial statements in accordance with the applicable accounting standards.

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

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

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

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

Responsibilities of Management and those charged with Governance

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent

auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements / financial information of one subsidiary and one step down subsidiary whose financial statements / financial information reflects total assets of Rs. 785.58 lacs and net assets of Rs. 539.07 lacs as at March 31, 2022 and total revenue of Rs. 1332.04 Lacs, total net profit of Rs. 45 Lacs, total comprehensive income of Rs. 42.55 Lacs for the year ended March 31, 2022 and net cash inflows amounting to Rs. 208.79 Lacs for the year then ended, respectively as considered in the consolidated financial statements. These financial statement have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors.

The financial statements of two subsidiaries and one step down subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 22,627.11 Lacs and net assets of Rs. 6515.92 Lacs as at March 31, 2022, total revenue of Rs 42,107.16 Lacs, net profit of Rs. 922.84 Lacs, total comprehensive income of Rs. 922.84 Lacs for the year ended March 31, 2022 and net cash outflows amounting to Rs. (-) 138.94 Lacs for the year then ended, have been prepared in accordance with accounting principles generally accepted in its country and have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management.

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

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 sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the Subsidiary Companies incorporated in India, as noted in the "Other Matter" paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3 (xxi) of the order.

2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of Subsidiaries as noted in the "Other Matter" paragraph we report, to the extent applicable, that:

a. We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion proper books of account as required by law relating to the aforesaid consolidated financial statements have been kept so far as it appears from examination of those books and reports of other Auditors;

c. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the consolidated financial statements;

d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Indian Accounting standard of the Companies (Accounts) Rules, 2015 (as amended);

e. On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent company and the reports of the statutory auditors of its Subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31st March 2022 from being appointed as a director of that company in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting with reference to the consolidated financial statement of the Parent Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B', and

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the remuneration paid by the Parent Company and its subsidiaries incorporated in India to their directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other matter" paragraph:

   i. The Consolidated Financial Statements has disclosed the impact of pending litigation on its Consolidated financial position in its financial statement. Refer Note 29 to the Consolidated financial statements;

   ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies incorporated in India during the year ended 31 March 2022.

   iv. a. The respective Managements of the Parent Company and its Subsidiaries 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 its subsidiaries to or in any other person or entity, 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 its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the year.

b. The respective Managements of the Company and its Subsidiaries 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 its joint venture from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its joint venture 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 during the year.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act, 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 Note 34 to the consolidated financial statements:-

The dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN: 22067330ANJSHT8987

Place: Kolkata
Date : May 30, 2022

ANNEXURE – A

ANNEXURE – A referred to in paragraph 1 under the heading " Report on Other Legal and Regulatory Requirements" of our report of even date

Re: IntraSoft Technologies Limited (the "Parent Company")

In terms of the information and explanations sought to us by and the given by the Parent Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of its subsidiary companies incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) order, 2020 of the Companies included in the Consolidated financial statements..

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN: 22067330ANJSHT8987

Place: Kolkata
Date : May 30, 2022

Annexure “B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of IntraSoft Technologies Limited (‘the Parent Company’) and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) as on 31st March 2022 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The respective board of Directors of the Parent company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the parent Company’s internal financial controls system over financial reporting.

Meaning of internal financial controls with reference to financial statements

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

Inherent limitations of internal financial controls with reference to financial statements

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

Opinion

In our opinion, the Group, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements and were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Parent Company, in so far as it relates to these two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN 22067330ANJSHT8987:

Place: Kolkata
Date : May 30, 2022

Consolidated Balance Sheet as at 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	1,484.88	1,523.25
Right of use assets	3 (b)	-	0.53
Other intangible assets	3 (c)	6.90	8.19
Other intangible assets under development	3 (d)	10,807.12	6,125.07
Financial assets			
(i) Investments	4(a)	326.76	433.44
(ii) Other financial assets	5	3.61	3.47
Deferred tax assets (net)	27(e)	1,926.84	1,932.77
Income tax assets (net)	27(d)	21.22	39.45
Other non-current assets	6(a)	49.06	71.79
Total non-current assets		**14,626.39**	**10,137.96**
Current assets			
Inventories	7	8,691.10	9,892.10
Financial assets:			
(i) Investments	4(b)	7,217.92	6,756.23
(ii) Trade receivables	8	345.04	196.13
(iii) Cash and cash equivalents	9(a)	866.02	1,033.39
(iv) Other bank balances	9(b)	53.08	57.51
Income tax assets (net)	27(d)	5.91	-
Other current assets	6(b)	1,255.04	263.73
Total current assets		**18,434.11**	**18,199.09**
Total Assets		**33,060.50**	**28,337.05**
Equity and Liabilities			
Equity			
Equity share capital	10	1,473.17	1,473.17
Other equity	11	15,191.72	13,872.72
Total equity		**16,664.89**	**15,345.89**
Liabilities			
Non-current liabilities			
Financial liabilities:			
(i) Borrowings	12(a)	11,267.22	9,804.02
(ii) Other financial liabilities	15(a)	-	2.01
Provisions	16(a)	146.00	134.47
Deferred tax liabilities (net)	27(f)	1,064.21	92.55
Other non-current liabilities	17(a)	97.50	99.50
Total non-current liabilities		**12,574.93**	**10,132.55**
Current liabilities			
Financial liabilities			
(i) Borrowings	12(b)	7.04	-
(ii) Trade payables			
Due to micro and small enterprises	14	-	-
Due to others	14	3,076.93	2,161.01
(iii) Lease liability	13	-	0.63
(iv) Other financial liabilities	15(b)	283.69	228.19
Other current liabilities	17(b)	445.78	444.79
Provisions	16(b)	7.24	6.18
Income tax Liabilities (net)	27(d)	-	17.81
Total current liabilities		**3,820.68**	**2,858.61**
Total liabilities		**16,395.61**	**12,991.16**
Total Equity and Liabilities		**33,060.50**	**28,337.05**

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

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

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenues			
Revenue from operations	18	42,166.01	61,313.38
Other income	19	478.37	635.16
Total income		**42,644.38**	**61,948.54**
Expenses			
Cost of goods sold	20	27,034.66	42,507.25
Shipping and handling expenses	21	5,055.88	7,234.64
Sales and marketing expenses	22	5,686.80	7,860.08
Employee benefits expense	23	1,882.39	1,677.32
Finance costs	24	352.05	325.14
Depreciation and amortisation expense	25	137.55	281.65
Other expenses	26	1,244.82	1,194.51
Total expenses		**41,394.15**	**61,080.59**
Profit before tax		**1,250.23**	**867.95**
Tax expense:			
-Current tax	27(a)	82.46	67.33
-Deferred tax	27(a)	963.50	27.75
-Income tax (earlier years)	27(a)	(1,078.01)	(61.40)
Total tax expense		**(32.05)**	**33.68**
Profit for the year		**1,282.28**	**834.27**
Other comprehensive income:			
(a) Items that will not be reclassified subsequently to profit or loss:			
- Remeasurements of post-employment benefit obligations		1.65	0.07
- Tax relating to these items	27(b)	(0.52)	(0.07)
(b) Items to be reclassified to profit or loss in:			
- Fair value changes on investment in debt instruments through OCI		(5.16)	21.68
- Exchange differences on translation of financial statements of foreign operations		186.62	(146.09)
- Tax relating to these items	27(b)	1.44	(6.03)
Total other comprehensive income for the year (net of tax)		**184.03**	**(130.44)**
Total comprehensive income for the year		**1,466.31**	**703.83**
Earnings per equity share:			
Basic and diluted earnings per share (₹)	28	8.70	5.66

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.

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

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

(1) Current reporting period

Balance as at 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
1,473.17	-	-	-	1,473.17

(2) Previous reporting period

Balance as at 1 April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
1,473.17	-	-	-	1,473.17

B. Other equity

	Reserves and Surplus				Other comprehensive income (OCI)		Total
	Securities premium account	General reserve	Capital reserve	Retained earnings	Foreign currency translation difference	Debt instruments through OCI	
As at 1 April 2020	**5,527.11**	**169.15**	**96.14**	**6,905.56**	**625.30**	**(7.08)**	**13,316.18**
Profit for the year	-	-	-	834.27	-	-	834.27
Foreign currency translation difference for the year	-	-	-	-	(146.09)	-	(146.09)
Items of other comprehensive income, net of tax:							
Remeasurements benefit of post-employment benefit obligations	-	-	-	-	-	-	-
Net gain in debt instruments through other comprehensive income	-	-	-	-	-	15.65	15.65
Dividends paid	-	-	-	(147.29)	-	-	(147.29)
As at 31 March 2021	**5,527.11**	**169.15**	**96.14**	**7,592.54**	**479.21**	**8.57**	**13,872.72**
Changes in equity for the year ended 31 March 2022							
Profit for the year	**-**	**-**	**-**	**1,282.28**	**-**	**-**	**1,282.28**
Foreign currency translation difference for the year	-	-	-	-	186.62	-	186.62
Items of other comprehensive income, net of tax:							
Remeasurements benefit of post-employment benefit obligations	-	-	-	1.13	-	-	1.13
Net loss in debt instruments through other comprehensive income	-	-	-	-	-	(3.72)	(3.72)
Dividends paid	-	-	-	(147.31)	-	-	(147.31)
As at 31 March 2022	**5,527.11**	**169.15**	**96.14**	**8,728.64**	**665.83**	**4.85**	**15,191.72**

The accompanying notes 1 to 37 form an integral part of these consolidated financial statements.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Consolidated Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	1,250.23	867.95
Adjustments for:		
Depreciation and amortisation expense	137.55	281.65
Loss on sale of property, plant and equipment	0.05	10.60
Impairment of non convertible debenture	-	5.00
Dividend income	(203.80)	(28.87)
Net gain on sale of investments measured at FVTPL	(160.43)	(429.33)
Net gain arising on remeasurement of investments measured at FVTPL	(18.61)	-
Net gain on lease modification	-	(57.19)
Profit on sale of NCD	(1.96)	-
Gain on reversal of Impairment Loss	(11.36)	-
Foreign exchange loss/(gain) (net)	(6.11)	15.19
Finance costs	352.05	325.14
Interest income	(74.11)	(105.07)
Operating profit before working capital changes	**1,263.50**	**885.07**
Adjustments for working capital changes:		
Decrease/(increase) in trade receivables	(142.80)	56.19
Decrease in inventories	1,201.00	2,386.39
Decrease in loans	-	4.35
Decrease in financial assets	5.42	59.99
Decrease in other assets	92.71	239.84
Increase in provisions	14.24	5.35
Increase/(decrease) in financial liabilities	53.91	(138.50)
Decrease in other liabilities	(1.01)	(362.46)
Increase in trade payables	915.92	310.88
Cash generated from operating activities	**3,402.89**	**3,447.10**
Income tax paid (net of refunds)	(60.22)	48.76
Net cash generated from operating activities (A)	**3,342.67**	**3,495.86**
B. Cash flow from investing activities:		
Purchase of investments	(3,487.20)	(3,843.65)
Sale of investments	3,319.51	4,163.03
Purchase of property, plant and equipment	(94.09)	(35.60)
Purchase of other intangible assets	(4,683.46)	(4,079.56)
Proceeds from sale of property, plant and equipment	2.10	73.93
Interest received	74.11	105.07
Dividend received	203.80	28.87
Investment in fixed deposits (net)	(1.12)	(1.35)
Net cash used in investing activities (B)	**(4,666.35)**	**(3,589.26)**
C. Cash flow from financing activities:		
Proceeds from long-term borrowings	1,471.36	92.33
Repayment of borrowings	(1.12)	-
Dividend paid	(147.74)	(147.72)
Repayment of lease liabilities (net)	(0.78)	(152.07)
Interest paid	(352.03)	(288.81)
Net cash generated from/(used in) financing activities (C)	**969.69**	**(496.27)**
Net decrease in cash and cash equivalents (A+B+C)	**(353.99)**	**(589.67)**
Cash and cash equivalents at the beginning of the year [Refer note 9(a)]	1,033.39	1,769.15
Effect of currency translation on cash and cash equivalents	186.62	(146.09)
Cash and cash equivalents at the end of the year [Refer note 9(a)]	**866.02**	**1,033.39**
Components of cash and cash equivalents:		
Cash on hand	0.48	0.50
Balances with banks	865.54	1,032.89
	866.02	**1,033.39**

Consolidated Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

Notes:

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

(ii) Reconciliation of long term borrowings:

Particulars	Balance as at 31 March 2022	Balance as at 31 March 2021
Long term borrowings:		
- Opening balance	9,804.02	9,711.69
- Received during the year	1,471.36	92.33
- Repayment made during the year	(1.12)	-
	11,274.26	**9,804.02**
Long term borrowings at the end of the year	**11,274.26**	**9,804.02**

(iii) Reconciliation of lease liability:

Particulars	As at 1st April 2021	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities on lease modification	Effect due to Foreign exchange translation	As at 31st March 2022
Lease Liability	0.63	(0.78)	0.02	0.13	-	-

Particulars	As at 1st April 2020	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities on lease modification	Lease liabilities reversed on termination	As at 31st March 2021
Lease Liability	1,234.52	(152.07)	38.77	(1,094.68)	(25.91)	0.63

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

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

1 Group's information

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

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

Name of the subsidiary or step-down subsidiary	Country of incorporation	% holding as on 31 March 2022
Intrasoft Ventures Pte. Limited	Singapore	100%
123Greetings.com, Inc.	United States of America	100%
One Two Three Greetings (India) Private Limited	India	100%
123Stores, Inc.	United States of America	100%
123Stores E Commerce Private Limited	India	100%

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

The consolidated financial statements of the Group for the year ended 31 March 2022 were approved for issue in accordance with the resolution of the Board of Directors on 30 May 2022.

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

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statement.

(i) Principles of consolidation

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

- Power over the investee;

- Is exposed or has rights to variable returns from its involvement with the investee, and

- Has the ability to use its power over the investee to affects its return.

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

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

(ii) Consolidation procedure

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

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

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

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

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

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

(iii) Use of estimates

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

b) Critical accounting estimates

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

Evaluation of indicators for impairment of assets

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

Income taxes

The Group's two major tax jurisdiction are India and the U.S., though the Group also files tax returns in other jurisdictions. Significant judgements are involved in determining the provision for income taxes including amounts expected to be paid or recovered for uncertain tax positions. Refer note 27.

Useful lives of depreciable or amortisable assets

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

Measurement of defined benefit obligation (DBO)

The costs of providing post-employment benefits are charged to the consolidated Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 23.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Fair value measurements

When the fair value of financials assets and financial liabilities recorded in the consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Refer note 32 for details.

Provisions and liabilities

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

Contingencies

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

(iv) Recent accounting pronouncements

New and amended standards adopted by the Company

The company has adopted the following amendments for the first time for their annual reporting period commencing 1 April 2021:

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

Balance Sheet

-Lease liabilities should be separately disclosed under the head "financial liabilities", duly distinguished as current or non-current.

-Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

-Specified format for disclosure of shareholding of promoters.

-Specified format for ageing schedule of trade receivables, trade payables, capital work in progress and intangible asset under development.

-If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

-Specific disclosure under 'additional regulatory requirements' such as compliance with approved schemes of arrangements, compliance with the number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, certain specified ratios etc.

Statement of Profit and Loss

-Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

ii) Extension of COVID-19 related concessions- amendments to Ind AS 116.

iii) Interest rate benchmark reform-amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

New Pronouncement issued but not yet effective up to the date of issuance of the Company's Financial Statement:
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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below-

i) Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

ii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

iii) Ind AS 103 – Reference to Conceptual Framework -The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

iv) Ind AS 109 – Annual Improvements to Ind AS (2021)-The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v) Ind AS 116 – Annual Improvements to Ind AS (2021)-The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

2 Summary of significant accounting policies

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

(a) Overall considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases that are in effect at 31 March 2022, as summarised below.

(b) Current versus non-current classification

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

An asset is classified as current when:

- it is expected to realise the asset, or intends to sell or consume it, in its normal operating cycle;

- it is held the asset primarily for the purpose of trading;

- it is expected to realise the asset within twelve months after the reporting period; or

- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it expects to settle the liability in its normal operating cycle;

- it holds the liability primarily for the purpose of trading;

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

- the liability is due to be settled within twelve months after the reporting period; or

- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

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

(c) Foreign currency transactions and translations

Functional currency

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

Transaction and translation

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

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

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

(d) Fair value measurements

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

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

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

• Level 3 inputs are unobservable inputs for the asset or liability.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(e) Revenue recognition

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

Sale of services

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

Sale of goods

Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally on delivery for domestic sales and on dispatch/ delivery for export sales. The Group recognizes revenues on the sale of products, net of returns, discounts (sales incentives/rebates), amounts collected on behalf of third parties (such as GST) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

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

Interest income:

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

Dividend income:

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

(f) Property, plant and equipment

Recognition:

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

Subsequent measurement (depreciation and useful lives):

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

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

Advances paid towards the acquisition of property, plant and equipment outstanding as at each balance sheet date is classified as capital advance under other non-current assets and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that the future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the consolidated statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or upon retirement of the asset and resultant gains or losses are recognized in the consolidated statement of Profit and Loss.

Property, plant and equipment (cont'd)

De-recognition:

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

(g) Other Intangible assets

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

Intangible assets – internal-use software

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

(h) Leases

Group as a lessee:

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

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

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Leases previously accounted for as operating leases

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

The Group has applied the available practical expedients wherein it:

• Used a single discount rate to a portfolio of leases with reasonably similar characteristics.

• Relied on its assessment of whether leases are onerous immediately before the date of initial application.

• Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

• Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

• Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

(i) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Financial instruments:

Classification:

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

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

(ii) those subsequently measured at amortized cost.

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

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

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

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

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

- The Group's business model for managing the financial asset and,

- The contractual cash flow characteristics of the financial asset.

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

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

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

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

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

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

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

De-recognition of financial assets
A financial asset is de-recognized when:

(i) Contractual right to receive cash flows from such financial asset expires;

(ii) Group transfers the contractual right to receive cash flows from the financial asset; or

(iii) Group retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

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

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

Impairment of financial assets

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

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

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

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

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

Other financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

(k) Inventories

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

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

(l) Taxation

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

Current tax

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

Current income tax for current and prior periods is recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

Minimum alternate tax (MAT)

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets (including MAT credits) are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(m) Employee benefits expense

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

Defined contribution plan:

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

Defined benefit plans:

Gratuity

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

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

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

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

Other long-term employee benefits:

Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

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

(n) Cash and cash equivalents

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

(o) Provisions and contingent liabilities and contingent assets.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets

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

(p) Earnings per equity share (EPS)

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

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

(q) Government grants and subsidies

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

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

(r) Borrowings

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

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

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

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

(t) Dividends

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

(u) Events after reporting date

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

(v) Segment reporting

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

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

3 (a) Property, plant and equipment

	Buildings (#)	Furniture and fixtures	Computer equipment	Leasehold Improvements	Office equipment	Vehicles	Total
Gross block							
Balance as at 1 April 2020	**1,282.79**	**531.18**	**129.40**	**15.00**	**216.28**	**105.16**	**2,279.81**
Additions	-	8.19	25.82	-	1.59	-	35.60
Disposals	-	11.31	5.52	15.00	7.37	-	39.20
Translation difference	-	6.99	0.37	-	0.63	-	7.99
Balance as at 31 March 2021	**1,282.79**	**521.07**	**149.33**	**-**	**209.87**	**105.16**	**2,268.22**
Additions	-	0.33	49.83	-	-	43.93	94.09
Disposals	-	1.51	2.47	-	9.59	11.16	24.73
Translation difference	-	(7.85)	(0.45)	-	(0.68)	-	(8.98)
Balance as at 31 March 2022	**1,282.79**	**527.74**	**197.14**	**-**	**200.96**	**137.93**	**2,346.56**
Accumulated depreciation							
Balance as at 1 April 2020	**86.84**	**212.51**	**109.67**	**6.73**	**147.32**	**70.32**	**633.39**
Depreciation charge for the year	21.71	68.15	9.93	3.57	29.79	9.56	142.71
Disposals	-	5.44	5.25	10.30	6.80	-	27.79
Translation difference	-	2.78	0.26	-	0.30	-	3.34
Balance as at 31 March 2021	**108.55**	**272.44**	**114.09**	**-**	**170.01**	**79.88**	**744.97**
Depreciation charge for the year	21.71	67.35	19.10	-	18.23	8.34	134.73
Disposals	-	1.35	2.33	-	8.89	10.42	22.99
Translation difference	-	(4.20)	(0.34)	-	(0.43)	-	(4.97)
Balance as at 31 March 2022	**130.26**	**342.64**	**131.20**	**-**	**179.78**	**77.80**	**861.68**
Net block							
Balance as at 31 March 2021	**1,174.24**	**248.63**	**35.24**	**-**	**39.86**	**25.28**	**1,523.25**
Balance as at 31 March 2022	**1,152.53**	**185.10**	**65.94**	**-**	**21.18**	**60.13**	**1,484.88**

(#) Immovable properties are held in the name of the parent Company during the year ended 31 March 2022 and also for the year ended 31 March 2021 respectively.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

3 (b) Right-of-use assets

	Buildings	Total
Gross block		
Balance as at 1 April 2020	1,444.64	1,444.64
Additions	-	-
Disposals	1,442.68	1,442.68
Balance as at 31 March 2021	1.96	1.96
Additions	-	-
Disposals	-	-
Balance as at 31 March 2022	1.96	1.96
Accumulated amortisation		
Balance as at 1 April 2020	264.32	264.32
Charge for the year	131.43	131.43
Disposals	394.32	394.32
Balance as at 31 March 2021	1.43	1.43
Charge for the year	0.53	0.53
Disposals	-	-
Balance as at 31 March 2022	1.96	1.96
Net block		
Balance as at 31 March 2021	0.53	0.53
Balance as at 31 March 2022	-	-

Lease liabilities

Particulars	Amount
Balance as on 1 April, 2021	0.63
Add: Interest expense accrued on lease liabilities	0.02
Add: Lease liabilities on lease modification	0.13
Less: Lease liabilities paid	(0.78)
Closing balance as at 31 March 2022	-
Current	-
Non current	-

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

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

Particulars	Amount
Depreciation/amortisation on right to use asset	0.53
Interest on lease liability	0.02
Expenses related to short term lease (included under other expenses)	20.39
Expenses related to low value lease (included under other expenses)	-
Total amount recognised in statement of profit and loss account	**20.94**

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

3 (c) Other intangible assets

	Softwares	Total
Gross block		
Balance as at 1 April 2020	74.92	74.92
Additions	-	-
Disposals	1.06	1.06
Balance as at 31 March 2021	**73.86**	**73.86**
Additions	1.41	1.41
Disposals	46.42	46.42
Balance as at 31 March 2022	**28.85**	**28.85**
Accumulated amortisation		
Balance as at 1 April 2020	59.16	59.16
Charge for the year	7.51	7.51
Disposals	1.00	1.00
Balance as at 31 March 2021	**65.67**	**65.67**
Charge for the year	2.29	2.29
Disposals	46.01	46.01
Balance as at 31 March 2022	**21.95**	**21.95**
Net block		
Balance as at 31 March 2021	**8.19**	**8.19**
Balance as at 31 March 2022	**6.90**	**6.90**

3 (d) Other Intangible assets under development

	Softwares	Total
Balance as at 1 April 2020	2,113.92	2,113.92
Additions (#)	4,011.15	4,011.15
Disposals	-	-
Balance as at 31 March 2021	**6,125.07**	**6,125.07**
Additions (#)	4,682.05	4,682.05
Disposals	-	-
Balance as at 31 March 2022	**10,807.12**	**10,807.12**

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Intangible assets under development ageing schedule :

As at March 31, 2022

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	4,457.30	4,229.25	729.33	1,391.24	10,807.12
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

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	4,079.56	703.52	998.03	343.96	6,125.07
Projects temporarily suspended	-	-	-	-	-

Note : The Group has not revalued its property, plant and equipment, Right of use assets and intangible assets during the year ended 31st March 2022 and 31st March 2021 respectively.

4 Investments

	As at 31 March 2022	As at 31 March 2021
(a) Non-current investments		
Investments in bonds and debentures		
I Non-convertible debentures		
Quoted		
(Designated at Amortised Cost)		
(i) Piramal Capital & Housing Finance Limited (6.75% NCD) (620 units having face value of ₹ 975 each fully paid-up)	6.05	-
III Investments in perpetual bonds		
Quoted		
(Designated at Fair Value Through Other Comprehensive Income)		
(i) State Bank of India (8.15% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each)	-	213.07
(ii) State Bank of India (8.75% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each) (#)	217.05	-
(iii) State Bank of India (7.73% AT1 Bond Issue Series IV) (10 units having face value of ₹ 1,000,000 each)	103.66	-
(iv) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18) (20 units having face value of ₹ 1,000,000 each)	-	220.37
Total non-current investments	326.76	433.44
(#) Pledged in favor of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.		
Other disclosures for non-current investments:		
Aggregate amount of quoted investments	326.76	433.44
Aggregate amount of unquoted investments	-	-

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

4 Investments *(contd...)*

	As at 31 March 2022	As at 31 March 2021
(b) Current investments		
I Investments in non-convertible debentures		
Quoted		
(Designated at Amortised Cost)		
(i) ECL Finance Limited (9.45% NCD) (5,000 units having face value of ₹ 1,000 each fully paid-up)	-	53.08
	-	**53.08**
II Investments in perpetual bonds (#)		
Quoted		
(Designated at Fair Value Through Other Comprehensive Income)		
(i) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26) (20 units having face value of ₹ 1,000,000 each)	-	203.63
(iii) State Bank of India (8.15% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each)	212.21	-
(ii) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18) (20 units having face value of ₹ 1,000,000 each)	216.01	-
	428.22	**203.63**
(#) Pledged in favour of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.		
III Investments in mutual funds:		
Quoted		
(Measured at Fair Value Through Profit and Loss)		
Debt Mutual funds (refer details below)	6,789.70	6,499.52
Total current investments	**6,789.70**	**6,499.52**
Other disclosures for current investments:		
Aggregate amount of quoted investments, and	7,217.92	6,756.23
Aggregate amount of impairment in value of investments	-	-

Investments in Mutual Funds

(a) Balance as at 31 March 2022 :

Particulars	Units	Amount
Aditya Birla Sun Life Credit Risk Fund - (Seg Port1)-Direct-Growth	77,06,265	13.09
Aditya Birla Sun Life Short Term Fund Dir-Qtly IDCW (#)	36,53,887	400.61
Axis Strategic Bond Fund - Direct- Qtly. IDCW	28,84,665	296.10
Franklin India Credit Risk Fund-Regular-Growth	77,600	18.47
Franklin India Credit Risk Fund - Seg. Portfolio 2-Regular-Growth	8,37,914	4.30
Franklin India Credit Risk Fund - Seg. Portfolio 3-Regular-Growth	9,97,571	-
HDFC Corporate Bond Fund-Direct-Qtly Dividend (#)	63,07,360	645.09
HDFC Income Fund-Direct-Qtly Dividend (#)	26,07,607	316.76
HDFC Medium Term Debt Fund-Direct-Normal Dividend (#)	32,50,971	590.94

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

4 Investments *(contd...)*

(a) Balance as at 31 March 2022 :

Particulars	Units	Amount
HDFC Medium Term Debt Fund-Direct Plan-Growth (#)	2,14,018	103.93
ICICI Prudential Bond Fund-DP-Qtly IDCW (#)	17,43,030	200.30
ICICI Prudential Medium Term Bond Fund-Direct-Growth (#)	17,24,523	663.10
ICICI Prudential Short Term Fund-Direct Plan-Growth (#)	8,78,818	448.59
ICICI Prudential Ultra Short Term Fund-Direct-Growth	10,99,802	262.97
IDFC Bond Fund-Short Term Plan-Direct-Growth	8,84,141	433.20
Kotak Bond Fund-Short Term-Direct-Growth (#)	9,66,843	441.81
L&T Resurgent India Bond Fund-Direct-Growth (#)	29,56,703	520.85
Nippon India Low Duration Fund-Regular-Growth	9,816	299.07
Nippon India Strategic Debt Fund-Regular-Growth	37,41,818	471.34
SBI Magnum Income Fund - Direct- Qly. IDCW (#)	11,46,751	200.23
SBI Short Term Debt Fund-Direct-Growth	16,85,486	458.95
		6,789.70

(#) Ear-marked for pledge in favor of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.

(b) Balance as at 31 March 2021 :

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	2,53,811	30.36
Axis Corporate Debt Fund - Regular Plan-Monthly Dividend	19,59,284	199.99
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	77,06,265	32.04
Franklin India Credit Risk Fund - Growth	7,46,535	154.51
Franklin India Credit Risk Fund - Growth (Seg. Port2)	9,18,464	0.00
Franklin India Credit Risk Fund - Growth (Seg. Port3)	9,97,571	-
HDFC Corporate Bond Fund - Direct Plan - Quarterly dividend	63,07,360	652.66
HDFC Medium Term Debt Fund - Direct Plan - fortnightly dividend	32,50,971	555.71
HDFC Income Fund- Direct Plan -Quarterly dividend	26,07,607	313.38
HDFC Money Market Fund - Direct Plan - Growth Option	7,840	350.75
ICICI Prudential Long Term Bond Fund-Regular-Qtly Dividend	24,99,375	299.76
ICICI Prudential Medium Term Bond Fund -Direct-Qly-Dividend	50,52,513	559.56
ICICI Prudential Short Term Fund - DP - Monthly Dividend	35,24,893	446.76
IDFC Bond Fund-Short Term Plan - Direct-Qtly Dividend	41,60,761	434.74
Kotak Bond Short Term-Direct-Monthly Div. Reinvestment	32,32,676	440.42
L&T Resurgent India Bond Fund - Direct - Annual Dividend	35,40,024	425.44
Nippon India Strategic Debt Fund - Regular-Quarterly Dividend	50,73,313	399.98
Nippon India Low Duration Fund - Regular-Quarterly Dividend	29,516	300.17
SBI Magnum Medium Duration Fund - Direct - Annual Dividend	27,23,728	439.44
SBI Short Term Debt Fund - Direct - Monthly Dividend	30,16,557	438.70
TRUSTMF Banking & PSU Debt Fund - Direct - Growth	2,510	25.15
		6,499.52

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 Other financial assets

	As at 31 March 2022	As at 31 March 2021
Non-current:		
(Unsecured, considered good)		
Security deposits	3.61	3.47
	3.61	**3.47**

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

6 Other assets

(a) Non-current

	As at 31 March 2022	As at 31 March 2021
Balances with Government Authorities (Refer note below)	44.22	66.48
Prepaid expenses	4.84	5.31
	49.06	**71.79**

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

(b) Current *(Unsecured, considered good)*

	As at 31 March 2022	As at 31 March 2021
Advance to suppliers	0.33	0.06
Prepaid expenses	81.02	66.70
Receivable from Government Authorities	53.83	124.79
Other advances	52.61	66.22
Income Tax Refund Receivable	1,067.25	5.96
	1,255.04	**263.73**

7 Inventories

(valued at lower of cost and net realisable value)

	As at 31 March 2022	As at 31 March 2021
Stock-in-trade (*) (#)	8,691.10	9,892.10
(*) Includes ₹ 2,160.82 (31 March 2021: ₹ 3,194.29) in transit.		
	8,691.10	**9,892.10**

(#) The Company has provided for a valuation allowance ₹ 112.12 lacs (31 March 2021: ₹ 108.10 lacs) in respect of diminution in the value of inventory.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

8 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good	345.04	196.13
	345.04	**196.13**

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

Trade Receivables ageing schedule as on 31 March 2022 :

Particulars	Not due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	330.95	14.09	-	-	-	-	345.04
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31 March 2021 :

Particulars	Not due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	196.13	-	-	-	-	-	196.13
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

9 Cash and bank balances

	As at 31 March 2022	As at 31 March 2021
(a) Cash and cash equivalents		
Balances with banks:		
- In current accounts	660.44	787.23
- Deposits of original maturity of less than 3 months	205.10	243.91
Remittance in transit	-	1.75
Cash on hand	0.48	0.50
	866.02	**1,033.39**
(b) Other bank balances		
Unpaid dividend account [refer note (i) below]	4.69	5.11
Balances with payment gateways	9.92	15.06
Commitment deposits	2.01	2.01
Deposits with maturity more than 3 months but less than 12 months (refer note (ii) below)	36.46	35.33
	53.08	**57.51**

Notes:

(i) The Company has transferred an amount of ₹0.42 lacs & ₹0.30 lacs of unpaid dividend to the Investor Education and Protection Fund for the financial year 2013-14 & 2014-15 (interim dividend) respectively.

(ii) The Parent Company has deposited ₹ 30 Lacs against fixed deposit with HDFC Bank for bank guarantee issued in favor of Santosh Promoters Pvt. Ltd. as per the order of Supreme Court dated 01 May 2017.

10 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹ 10 each	2,52,50,000	2,525.00	2,52,50,000	2,525.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,47,31,678	1,473.17	1,47,31,678	1,473.17
	1,47,31,678	**1,473.17**	**1,47,31,678**	**1,473.17**

(a) Reconciliation of equity share capital

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

(b) Terms and rights attached to equity shares

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

10 Equity share capital *(contd...)*

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

Name of the shareholders	As at 31 March 2022		As at 31 March 2021	
	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹ 10 each:				
Arvind Kajaria	28,11,797	19.09%	28,11,797	19.09%
Sharad Kajaria	28,12,500	19.09%	28,12,500	19.09%
Padma Kajaria	14,00,000	9.50%	14,00,000	9.50%
University of Notre Dame Du Lac	-	0.00%	10,85,015	7.37%

(e) Shareholding of Promoters

Sl. No.	Promoter's name	As at 31 March 2022			As at 31 March 2021		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
1	Arvind Kajaria	28,11,797	19.09	-	28,11,797	19.09	-
2	Sharad Kajaria	28,12,500	19.09	-	28,12,500	19.09	-
3	Padma Kajaria (#)	14,00,000	9.50	-	14,00,000	9.50	-

(#) Padma Kajaria is a relative of Promoters and falls under Promoter's group.

(f) The Board of Directors at its meeting held on 30 May 2022 proposed a dividend of ₹ 1 per equity share (31 March 2021: ₹ 1 per equity share) amounting to ₹ 147.31 lacs (31 March 2021: ₹ 147.31 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

11 Other equity

	As at 31 March 2022	As at 31 March 2021
(a) Capital reserve	96.14	96.14
(b) General reserve	169.15	169.15
(c) Securities premium	5,527.11	5,527.11
(d) Retained earnings		
Opening balance	7,592.54	6,905.56
Profit for the year	1,282.28	834.27
Remeasurements of post-employment benefit obligations, net of tax	1.13	-
Less-: Appropriations		
Dividend on equity shares	(147.31)	(147.29)
Closing balance	**8,728.64**	**7,592.54**
(e) Foreign currency translation difference		
Opening balance	479.21	625.30
Change during the year (net)	186.62	(146.09)
	665.83	**479.21**
(f) Debt instruments through OCI		
Opening balance	8.57	(7.08)
Net fair value gain / (loss) on investment in debt instruments through OCI, net of tax	(3.72)	15.65
Closing balance	**4.85**	**8.57**
	15,191.72	**13,872.72**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

11 Other equity *(contd...)*

(a) Nature and purpose of reserves

Capital reserve

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

General reserve

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

Securities premium

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

Foreign exchange translation difference

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

Debt Instruments through Other Comprehensive Income:

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

12 Borrowings

(a) Non-current *(Secured)*

	As at 31 March 2022	As at 31 March 2021
Term loans		
Loan from bank [refer note A (i) below]	5,684.06	5,482.87
Loan from others [refer note B below]	32.34	-
Working capital facility		
Loan from others [refer note A (ii) below]	5,550.82	4,321.15
	11,267.22	**9,804.02**

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

A. Foreign currency loan

(i) The foreign currency loan is in the nature of a senior secured committed revolving line of credit, obtained from Citi bank N.A., with a limit of USD 7.5 million. The credit facility has been obtained at an interest rate of LIBOR plus 1.25% (LIBOR index being one month, floating daily) and has a maturity of twelve months from the closing date renewable annually. The credit facility is supported by a stand-by Letter of Credit Facility (SBLC), of ₹ 5,700 lacs issued by Citi Bank, N.A., India branch. The credit facility has been availed for meeting short-term working capital needs.

(ii) The working capital facility in the form of revolving line of credit availed from Citi Bank, N.A., having maturity of 12 months from the closure date, is intended to be refinanced by a long-term debt obligation from UPS Capital Corporation. The Company obtained a revolving line of credit from UPS Capital Corporation, with a limit of US$ 11,000,000, which was subsequently changed to US$ 7,500,000 on Jan 25th 2022. The credit facility has been obtained at an agreed upon interest rate of Base Rate plus 1.25%, with the base rate linked to US prime rate as shown in The Wall Street Journal in US and has a maturity of three years from the closing date. The credit facility is supported by a lien on inventories and accounts receivables. The same has been classified as long-term debt.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

12 Borrowings *(contd...)*

B. Vehicle loan of Rs. 40.50 lacs taken from BMW India Financial Services Pvt Ltd, @7.36% repayable in 60 monthly installments.

(b) Current *(Secured)*

	As at 31 March 2022	As at 31 March 2021
Term loans		
Current maturities of long term debt	7.04	-
	7.04	**-**

13 Lease liability

	As at 31 March 2022	As at 31 March 2021
Current		
Lease liability [refer note 3(b)]	-	0.63
	-	0.63

14 Trade payables

	As at 31 March 2022	As at 31 March 2021
Due to micro and small enterprises	-	-
Due to others	3,076.93	2,161.01
	3,076.93	**2,161.01**

Trade Payables ageing schedule as on 31 March 2022 :

Particulars	Unbilled/ Not Due	Outstanding for following periods from the due date of payment				Total
		less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,076.93	-	-	-	-	3,076.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	3,076.93	-	-	-	-	3,076.93

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

14 Trade payables

Trade Payables ageing schedule as on 31 March 2021 :

Particulars	Unbilled/ Not Due	Outstanding for following periods from the due date of payment				Total
		less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,161.01	-	-	-	-	2,161.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**2,161.01**	**-**	**-**	**-**	**-**	**2,161.01**

15 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Deposit from employees	-	2.01
	-	**2.01**
(b) Current		
Accrued expenses	71.98	72.91
Dues to employees	205.83	150.17
Deposit from employees	1.19	-
Unpaid dividend*	4.69	5.11
	283.69	**228.19**

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

16 Provisions

	As at 31 March 2022	As at 31 March 2021
(a) Non-current:		
Provision for employee benefits:		
- Provision for gratuity (refer note 23)	109.69	103.26
- Provision for compensated absences	36.31	31.21
	146.00	**134.47**
(b) Current:		
Provision for employee benefits:		
- Provision for gratuity (refer note 23)	4.68	4.25
- Provision for compensated absences	2.56	1.93
	7.24	**6.18**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

17 Other liabilities

	As at 31 March 2022	As at 31 March 2021
(a) Non-current:		
Deferred revenue arising from government grant	97.50	99.50
	97.50	**99.50**
(b) Current:		
Advances		
- Advance from customers	4.90	2.92
- Unearned revenues	-	10.57
Others		
- Statutory dues	53.61	50.31
- Other liabilities	385.27	378.99
- Deferred revenue arising from government grant	2.00	2.00
	445.78	**444.79**

18 Revenue from operations

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products (net)	42,166.01	61,313.38
	42,166.01	**61,313.38**
Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers		
a) Revenue streams		
The Group generates revenue primarily from a single business segment of internet based online delivery of goods and services.		
b) Reconciliation of revenue from sale of goods and services with the contracted price		
Contracted price	42,166.01	61,313.38
Less: Trade discounts, volume rebates, etc.	-	-
Sale of goods and services	**42,166.01**	**61,313.38**
c) Timing of revenue recognition		
Goods and services rendered at a point in time when performance obligation is satisfied	42,166.01	61,313.38
	42,166.01	**61,313.38**
d) Geographical information		
Geographical information of the Group's revenue from operation has been disclosed below:		
United States of America	42,102.67	61,302.66
Singapore	63.34	10.72
	42,166.01	**61,313.38**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

18 Revenue from operations *(contd...)*

e) Contract balance

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

	As at 31 March 2022	As at 31 March 2021
Receivables	345.04	196.13
Contract assets	-	-
Contract liabilities	-	-

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

19 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income:		
- Investments in debt instruments	70.37	77.56
- Others	3.74	27.51
Dividend income:		
- Dividends from mutual funds	203.80	28.87
Other gains and losses:		
- Net gain on sale of investments measured at FVTPL	160.43	429.33
- Net gain arising on remeasurement of investments measured at FVTPL	18.61	-
- Gain on reversal of Impairment Loss	11.36	-
- Profit on sale of bonds	1.96	-
- Net gain on lease modification	-	57.19
Others		
- Net foreign exchange gain	6.11	-
- Other miscellaneous income	1.99	14.70
	478.37	**635.16**

20 Cost of goods sold

	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock	9,892.10	12,278.49
Add-: Purchases	25,833.66	40,120.86
Less-: Closing stock	8,691.10	9,892.10
Cost of goods sold	**27,034.66**	**42,507.25**

21 Shipping and handling expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Shipping and handling expenses	5,055.88	7,234.64
	5,055.88	**7,234.64**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

22 Sales and marketing expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Marketplace, marketing and referral fees	5,686.80	7,860.08
	5,686.80	**7,860.08**

23 Employee benefits expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and allowances	1,808.25	1,605.19
Contribution to provident and other funds [refer note (a) below]	34.45	42.10
Staff welfare expenses	39.69	30.03
	1,882.39	**1,677.32**

(a) Defined contribution plans

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

The Hon'ble Supreme Court of India by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. The Group has given effect of the above judgement effective March 1, 2019. This does not have any material impact on the Financial Statements.

(b) Defined benefits plans

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

(i) Defined benefits obligations recognised:

	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Present value of obligation:		
- Current	4.68	4.25
- Non-current	109.69	103.27
	114.37	**107.52**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Employee benefits expenses *(contd...)*

(ii) Movement in the present value of defined benefit obligations:

	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	107.52	100.96
Current service cost	19.11	15.87
Past service cost	-	-
Interest cost	7.36	6.67
Actuarial loss arising from assumption changes	(4.93)	(3.69)
Actuarial gain arising from experience adjustments	3.29	3.62
Benefits paid	(17.98)	(15.91)
Obligations at the end of the year	**114.37**	**107.52**

(iii) Components of the net cost charged to the Statement of Profit and Loss:

	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	19.11	15.87
Past service cost	-	-
Interest cost	7.36	6.67
	26.47	**22.54**

(iv) Remeasurement of the net defined benefit plans

	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial loss arising from assumption changes	(4.93)	(3.69)
Actuarial gain arising from experience adjustments	3.29	3.62
	(1.64)	**(0.07)**

(v) Assumptions

	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate (refer note below)	7.33%	6.93%
Salary escalation rate	6.00%	6.00%
Withdrawal rate per annum	2.00%	2.00%
Expected average remaining working lives of employees (years)	16.53	17.23
Mortality rate	IALM 12-14 Ultimate	IALM 12-14 Ultimate
Retirement age	58 years	58 years

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

23 Employee benefits expenses *(contd...)*

(vi) Sensitivity analysis

	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate - Decrease by 1%	124.65	117.93
Discount rate - Increase by 1%	105.34	98.43
Salary escalation rate - Decrease by 1%	107.25	100.07
Salary escalation rate - Increase by 1%	122.65	115.44

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

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

(vii) Maturity analysis of the benefit payments:

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

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Year 1	4.68	4.25
2 to 5 years	37.30	35.22
6 to 10 years	28.92	21.34
More than 10 years	125.21	123.86

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

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

24 Finance cost

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on financial liabilities measured at amortised cost	273.48	302.34
Other borrowing costs	78.57	22.80
	352.05	**325.14**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Depreciation and amortisation expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property plant and equipment [refer note 3 (a)]	134.73	142.71
Amortisation of right-of-use assets[refer note 3 (b)]	0.53	131.43
Amortisation of other intangible assets[refer note 3 (c)]	2.29	7.51
	137.55	**281.65**

26 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Electricity charges	14.49	27.82
Rent	20.39	(31.09)
Repairs and maintenance		
- Others	130.85	101.12
Insurance	5.46	20.25
Rates and taxes	20.45	15.33
Travelling expenses	22.83	10.66
Office expenses	29.31	35.23
Legal and professional charges	359.52	356.84
Technology expenses	411.14	453.46
Auditor's remuneration	34.52	39.72
Director's sitting fees	11.40	13.40
Telephone and other communication expenses	8.70	12.78
Statutory release and publications	4.21	-
Impairment of non convertible debenture	-	5.00
Loss on disposal of property, plant and equipment, net	0.05	10.60
Net foreign exchange loss (other than considered as finance cost)	-	15.19
Miscellaneous expenses	171.50	108.20
	1,244.82	**1,194.51**

27 Tax expenses

(a) Income tax in the Consolidated Statement of Profit and Loss:

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	82.46	67.33
Deferred taxes:		
- Deferred tax charge/(credit)	1,026.83	82.78
- MAT Credit entitlement	(63.33)	(55.03)
Tax adjustments pertaining to previous years	(1,078.01)	(61.40)
	(32.05)	**33.68**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expenses *(contd...)*

(b) Income tax recognised in other comprehensive income:

	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax on remeasurement of post-employment benefit obligations	(0.52)	(0.07)
Deferred tax on fair value gains on investments in debt instruments through OCI	1.44	(6.03)
	0.92	**(6.10)**

(c) Reconciliation of income tax expense and the accounting profit for the year:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	1,250.23	867.95
Enacted tax rates (%)	27.82%	27.82%
Computed expected tax expense	347.81	241.46
Difference in tax rates of subsidiary companies	(51.76)	(32.25)
Effect due to non-deductible expenses	(437.02)	(164.57)
Effect due to allowable expenses/income not taxable	137.04	126.26
Change due to adjustment of deferred tax expense/(income)	(1,013.46)	(93.88)
Effect due to adjustment of unabsorbed losses	(92.91)	(106.55)
Adjustment for tax relating to earlier years	1,078.06	62.09
Others	0.19	1.12
Total income tax expense as per the consolidated Statement of Profit and Loss	**(32.05)**	**33.68**

(d) Income tax balances

	As at 31 March 2022	As at 31 March 2021
Non-current tax assets		
Opening balance	39.45	52.91
Add: Taxes paid	1.59	2.53
Less: Current tax payable for the year	(2.60)	(1.85)
Less: Re-classification to Income Tax Refund Receivable	(16.97)	(17.77)
Add/(less): Re-classification from/to current tax liabilities/assets	(0.25)	3.63
Closing balance	**21.22**	**39.45**
Current tax assets		
Opening balance	-	13.58
Add: Taxes paid	103.79	0.70
Less: Current tax payable for the year	(79.97)	-
Add/(less): Re-classification from/to non-current tax assets/current tax liabilities	(17.56)	(14.28)
Less: Income tax refund received	(0.35)	-
Closing balance	**5.91**	**-**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expenses *(contd...)*

(d) Income tax balances *(contd...)*

	As at 31 March 2022	As at 31 March 2021
Current tax liabilities		
Opening balance	17.81	2.33
Add: Provision for tax	-	65.41
Less: Re-classification to/from non current tax assets/current tax assets	(17.81)	-
Add-: Income tax refund received	-	3.27
Less: Taxes paid	-	(53.20)
Closing balance	**(0.00)**	**17.81**

Deferred taxes

(e) Deferred tax assets, net

	Year ended 31 March 2022	Year ended 31 March 2021
Unutilised MAT Credit	1,926.84	1,863.52
Unabsorbed losses of foreign subsidiary (net)	-	69.25
	1,926.84	**1,932.77**

(f) Deferred tax liabilities, net

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities arising on account of:		
"- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961"	1,103.53	131.57
- Fair valuation on debt instruments through OCI	1.47	2.91
- Fair valuation on mutual fund investments measured at FVTPL	5.18	(0.20)
	1,110.18	**134.28**
Deferred Tax asset arising on account of:		
- Provision for employee benefits	45.97	41.70
- Fair valuation of lease rentals	-	0.03
	45.97	**41.73**
Deferred tax liabilities, net	**1,064.21**	**92.55**

Note:

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Tax expenses *(contd...)*

(g) Movement in deferred taxes

As on 31 March 2022

Particulars	As at 01 April 2021	Statement of Profit or Loss	Other Comprehensive Income	Translation difference	As at 31 March 2022
Deferred tax assets, net					
Unutilised MAT credit	1,863.52	63.32	-	-	1,926.84
Unabsorbed losses of foreign subsidiary (net)	69.25	(69.25)	-	-	-
	1,932.77	**(5.93)**	**-**	**-**	**1,926.84**
Deferred tax liabilities for taxable temporary differences on:					
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	131.57	956.95	-	15.01	1,103.53
- Fair valuation on debt instruments through OCI	2.91	-	(1.44)	-	1.47
- Fair valuation on mutual fund investments measured at FVTPL	(0.20)	5.38	-	-	5.18
Total deferred tax liabilities	**134.28**	**962.33**	**(1.44)**	**15.01**	**1,110.18**
Deferred tax assets for deductible temporary differences on:					
- Provision for employee benefits	41.70	4.79	(0.52)	-	45.97
- Fair valuation of lease rentals	0.03	(0.03)	-	-	-
Total deferred tax assets	**41.73**	**4.76**	**(0.52)**	**-**	**45.97**

(h) Movement in deferred taxes

As on 31 March 2021

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other Comprehensive Income	Translation difference	As at 31 March 2021
Deferred tax assets, net					
Unutilised MAT credit	1,809.86	53.66	-	-	1,863.52
Unabsorbed losses of foreign subsidiary (net)	202.33	(111.00)	-	(22.08)	69.25
	2,012.19	**(57.34)**	**-**	**(22.08)**	**1,932.77**
Deferred tax liabilities for taxable temporary differences on:					
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	130.12	1.45	-	-	131.57
- Fair valuation on debt instruments through OCI	(2.24)	(0.88)	6.03	-	2.91
- Fair valuation on mutual fund investments measured at FVTPL	30.17	(30.37)	-	-	(0.20)
Total deferred tax liabilities	**158.05**	**(29.80)**	**6.03**	**-**	**134.28**
Deferred tax assets for deductible temporary differences on:					
- Fair valuation of security deposits	0.44	(0.44)	-	-	-
- Provision for employee benefits	40.91	0.86	(0.07)	-	41.70
- Fair valuation of lease rentals	0.66	(0.63)	-	-	0.03
Total deferred tax assets	**42.01**	**(0.21)**	**(0.07)**	**-**	**41.73**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Earnings per equity share (EPS)

	Year ended 31 March 2022	Year ended 31 March 2021
Net profit attributable to equity shareholders	1,282.28	834.27
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	1,47,31,678	1,47,31,678
Earnings per share (in ₹)		
-Basic earnings per share (₹)	8.70	5.66
-Diluted earnings per share (₹)	8.70	5.66

29 Contingent liabilities and commitments

(a) Contingent liabilities

	As at 31 March 2022	As at 31 March 2021
Guarantees given [refer note (i) below]	1.25	31.25
Claims against Company, not acknowledged as debt [refer note (ii) below]	12.19	17.72
	13.44	**48.97**

Notes:

(i) Guarantee given to Customs Authority for bonded warehouse ₹1.25 lacs.

(ii) Claim for Service Tax and Maintenance Charges ₹12.19 lacs.

(b) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its Indian subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

(a) Other information :

	Year ended 31 March 2022		
	Within India	Outside India	Total
(i) Segment revenue	-	42,166.01	42,166.01

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

	Year ended 31 March 2022		
	Within India	Outside India	Total
(ii) Non-current assets	1,446.03	10,923.15	12,369.18

	Year ended 31 March 2021		
	Within India	Outside India	Total
(ii) Non-current assets	1,495.15	6,273.13	7,768.28

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

31 Related party disclosures

Information on related party transactions as required by Ind AS - 24 for the year ended 31 March 2022.

(a) List of related parties

(i) Key management personnel

Name of the related party	Relationship
Arvind Kajaria	Managing Director
Sharad Kajaria	Whole-time Director
Mohit Kumar Jha	Chief Financial Officer
Ashok Bhandari (tenure ceased on 17th March 2022)	Non- executive Independent Director
Rupinder Singh	Non- executive Independent Director
Savita Agarwal	Non- executive Independent Director
Anil Agrawal	Non- executive Independent Director
Ashish Arun (appointed w.e.f. 14th March 2022)	Non- executive Independent Director
Pranvesh Tripathi	Company Secretary

(ii) Relative of Key management personnel

Name of the related party	Relationship
Padma Kajaria	Relative of Director

(b) Transactions with related parties

Name of the party	Year ended 31 March 2022	Year ended 31 March 2021
Transactions with key management personnel		
Short-term benefits (#)	212.47	213.74
Dividend paid during the year	70.25	70.25
Sitting fees paid during the year	11.40	13.40

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

(c) Balances of related parties

Name of the party	Nature of transaction	As at 31 March 2022	As at 31 March 2021
Short-term benefits	Payable	14.84	16.32

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

32 Fair value measurements

(a) Financial instruments by category

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

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in non-convertible debentures (refer note 4)	6.05	-	-	6.05	6.05
Investments in perpetual bonds (refer note 4)	-	-	748.93	748.93	748.93
Investments in debt mutual funds (refer note 4)	-	6,789.70	-	6,789.70	6,789.70
Trade receivables (refer note 8) (*)	345.04	-	-	345.04	345.04
Cash and cash equivalents (refer note 9) (*)	866.02	-	-	866.02	866.02
Other bank balances (refer note 9) (*)	53.08	-	-	53.08	53.08
Other financial assets					
Security deposits (refer note 5) (*)	3.61	-	-	3.61	3.61
	1,273.80	**6,789.70**	**748.93**	**8,812.43**	**8,812.43**
Liabilities:					
Borrowings (refer note 12) (*)	11,274.26	-	-	11,274.26	11,274.26
Trade payables (refer note 14) (*)	3,076.93	-	-	3,076.93	3,076.93
Other financial liabilities (refer note 15) (*)	283.69	-	-	283.69	283.69
	14,634.88	**-**	**-**	**14,634.88**	**14,634.88**

As at 31 March 2021 :

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

Notes:

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

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

(b) Fair value hierarchy

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

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

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

Level 3: unobservable inputs for the asset or liability

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

As at 31 March 2022	Level 1	Level 2	Level 3	Total
(i) Measured at fair value through OCI (FVTOCI)				
Investments in perpetual bonds (refer note 4)	748.93	-	-	748.93
(ii) Measured at fair value through profit or loss (FVTPL)				
Investments in debt mutual funds (refer note 4)	6,789.70	-	-	6,789.70
	7,538.63	**-**	**-**	**7,538.63**

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

(c) Computation of fair values

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

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

33 Financial risk management

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

(a) Credit risk

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

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Trade receivables

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

Financial instruments and cash deposits

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

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

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at 31 March 2022 and 31 March 2021 was as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables (refer note 8)	345.04	196.13
Investments (refer note 4)	7,544.68	7,189.67
Cash and cash equivalents (refer note 9)	866.02	1,033.39
Other bank balances (refer note 9)	53.08	57.51
Other financial assets		
Security deposits (refer note 5)	3.61	3.47
	8,812.43	**8,480.17**

Trade Receivables as at 31 March 2022:

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 months	6 to 12 months	Above 12 months	
Secured	-	-	-	-	-
Unsecured	330.95	14.09	-	-	345.04
Gross Total	**330.95**	**14.09**	**-**	**-**	**345.04**
Provision for doubtful receivables	-	-	-	-	-
Net Total	**330.95**	**14.09**	**-**	**-**	**345.04**

Trade Receivables as at 31 March 2021:

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 months	6 to 12 months	Above 12 months	
Secured	-	-	-	-	-
Unsecured	196.13	-	-	-	196.13
Gross Total	**196.13**	**-**	**-**	**-**	**196.13**
Provision for doubtful receivables	-	-	-	-	-
Net Total	**196.13**	**-**	**-**	**-**	**196.13**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group has an established liquidity risk management framework for managing its short term, medium term and long-term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Maturities of financial liabilities

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

As at 31 March 2022:

Particulars	Upto 1 year	1 year to 3 year	3 year to 8 year	Total
Borrowings (refer note 12)	5,691.10	5,566.56	16.60	11,274.26
Trade payables (refer note 14)	3,076.93	-	-	3,076.93
Other financial liabilities (refer note 15)	283.69	-	-	283.69
	9,051.72	**5,566.56**	**16.60**	**14,634.88**

As at 31 March 2021:

Particulars	Upto 1 year	1 year to 3 year	3 year to 8 year	Total
Borrowings (refer note 12)	5,482.87	4,321.15	-	9,804.02
Trade payables (refer note 14)	2,161.01	-	-	2,161.01
Lease liability (refer note 13)	0.63	-	-	0.63
Other financial liabilities (refer note 15)	228.19	2.01	-	230.20
	7,872.70	**4,323.16**	**-**	**12,195.86**

(c) Market risk

Market risk is the risk of potential adverse change in the group's income and the value of group net worth arising from movement in foreign exchange rates, interest rates or other market prices. The group recognises that the effective management of market risk is essential to the maintenance of stable earnings and preservation of shareholder value. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the overall returns.

i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Group operates internationally and a major portion of the business is transacted in US$ and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States, and purchases from within United States and overseas suppliers. The exchange between Indian Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/depreciates against US$.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Foreign currency risk exposure:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Assets		
Trade receivables	345.04	196.13
Financial Liabilities		
Borrowings	11,234.88	9,804.02
Trade payables	3,076.93	2,161.01

Sensitivity analysis:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
USD sensitivity:		
INR/USD - increase by 5% (31 March 2021 - 5%)	698.34	588.45
INR/USD - decrease by 5% (31 March 2021 - 5%)	(698.34)	(588.45)

ii) Price risk

The Group is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The investments in mutual funds have been disclosed in Note 4.

The Group is also exposed to the price risk for its investment in bonds and debentures. These being debt instruments, the exposure to risk of changes in market rates is minimal. The details of such investments in bonds are given in Note 4.

The Group is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

The Group has laid policies and guidelines which it adheres to in order to minimise pricing risk arising from investments in debt mutual funds.

Sensitivity analysis:

Particulars	As at 31 March 2022	As at 31 March 2021
Price increase by (1%) - Investments measured at FVTPL	67.90	65.00
Price decrease by (1%) - Investments measured at FVTPL	(67.90)	(65.00)

(iii) Interest rate risk

Liabilities:

The Group's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	11,234.88	9,804.02
Total borrowings	**11,234.88**	**9,804.02**

Profit or loss and equity is sensitive to higher / lower interest expense from borrowings as a result of change in interest rates.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest sensitivity:		
Interest rates - increase by 0.5% (31 March 2021 - 0.5%)	(56.17)	(49.02)
Interest rates - decrease by 0.5% (31 March 2021 - 0.5%)	56.17	49.02

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Assets

The Group's fixed deposits, interest bearing security deposits and loans are carrying at fixed rate. Therefore these instruments are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(d) Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at 31 March 2022	As at 31 March 2021
Net debts (*)	10,355.16	8,713.12
Total equity	16,568.75	15,249.75
Net debt to equity ratio	**0.62**	**0.57**

(*) Net debt = non current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and bank balances

34 Dividends

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend on equity shares paid during the year:		
Final dividend for FY 2020-21 [₹ 1 (Previous year ₹ 1) per equity share of ₹10 each]	147.31	147.29

Proposed Dividend

The Board of Directors at its meeting held on 30 May 2022 proposed a dividend of ₹ 1 per equity share (31 March 2021: ₹ 1 per equity share) amounting to ₹ 147.31 lacs (31 March 2021: ₹ 147.31 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

35 Additional information pursuant to the guidance note on division II- Ind AS Schedule III to the Companies Act 2013 :

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31 March 2022	As % of consolidated profit or loss	Year ended 31 March 2022	As % of consolidated profit or loss	Year ended 31 March 2022	As % of consolidated profit or loss	Year ended 31 March 2022
(a) Parent:								
IntraSoft Technologies Limited	69.26%	11,542.36	25.82%	331.04	-0.08%	(0.15)	22.57%	330.89
(b) Subsidiaries								
Indian subsidiary								
One Two Three Greetings (India) Private Limited	0.05%	8.78	0.00%	-	0.00%	-	0.00%	-
Foreign subsidiary								
123Greetings.com, Inc.	0.63%	105.71	0.34%	4.31	15.15%	27.88	2.20%	32.19
Intrasoft Ventures Pte. Limited	-0.27%	(45.69)	-0.17%	(2.17)	-16.32%	(30.04)	-2.20%	(32.21)
123Stores, Inc. consolidated (*)	30.33%	5,053.73	74.02%	949.10	101.26%	186.34	77.44%	1,135.44
Minority interests in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	100%	16,664.89	100%	1,282.28	100%	184.03	100%	1,466.31

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Additional information pursuant to the guidance note on division II- Ind AS Schedule III to the Companies Act 2013 :

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021	As % of consolidated profit or loss	Year ended 31 March 2021
(a) Parent:								
IntraSoft Technologies Limited	74.02%	11,358.78	38.83%	323.92	-13.62%	17.76	48.55%	341.68
(b) Subsidiaries								
Indian subsidiary								
One Two Three Greetings (India) Private Limited	0.06%	8.74	0.06%	0.50	0.00%	-	0.07%	0.50
Foreign subsidiary								
123Greetings.com, Inc.	0.64%	97.74	0.56%	4.69	-18.57%	24.22	4.11%	28.91
Intrasoft Ventures Pte. Limited	-0.28%	(42.28)	0.18%	1.52	22.07%	(28.79)	-3.87%	(27.27)
123Stores, Inc. consolidated (*)	25.56%	3,922.91	60.37%	503.64	110.11%	(143.63)	51.15%	360.01
Minority interests in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	100%	15,345.89	100%	834.27	100%	(130.44)	100%	703.83

(*) 123Stores, Inc. consolidated consists of 123Stores, Inc. and its wholly owned Indian subsidiary 123Stores E Commerce Private Limited.

36 Other Additional Regulatory Information as required by amended Schedule III :

(a) Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons : During the period ending 31st March, 2022 the Group did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on 31st March, 2021).

(b) Details of Crypto Currency or Virtual Currency : The Group have not traded or invested in Crypto currency or Virtual Currency during the period ending 31st March, 2022 and also for the period ending 31st March, 2021.

(c) Utilisation of Borrowed Fund :

I. The Group have 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 to or on behalf of the Ultimate Beneficiaries during the year.

II. The Group have 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 (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries during the year.

37 Previous period figures have been re-grouped/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021.

As per our report of even date

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To

The Members of

Intrasoft Technologies Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of IntraSoft Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) Credit: (as described in Note 25 (d) to the standalone financial statements)	
As at 31 March 2022, the Company has recognised Minimum Alternate Tax (MAT) credit amounting to Rs.1926.74 Lacs, within deferred tax assets. On that date, the Company also has unabsorbed depreciation amounting to Rs.163.44 Lacs. The recognition of a deferred tax asset in the form of MAT credit is based on management's estimate of taxable and accounting profits in future, which are underpinned by the Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgements, including the timing of reversals of unabsorbed business losses and depreciation.	Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following: ➢ Obtained and updated understanding of the management's process of computation of future accounting and taxable profits of the Company, and expected utilization of available MAT credit within specified time period as per provision of the IT Act. ➢ Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end. ➢ Reconciled the business results projections to the future business plans approved by the Company's board of directors;

Key audit matters	How our audit addressed the key audit matter
Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgement involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter.	➢ Evaluated the management's assessment of underlying assumptions used for the business results projections including implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business. Tested such growth rates used in the forecast by comparing them to past trends and to economic and industry forecasts, where appropriate; ➢ Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and unabsorbed business losses and utilisation of MAT credit; ➢ Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act; ➢ Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations; ➢ Tested the mathematical accuracy of management's projections and tax computations; ➢ Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act; ➢ Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the financial statements in accordance with the applicable accounting standards.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone financial statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 27 to the financial statement

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

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31,2022

      iv. (a) The management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person 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 during the year (refer note – 35 (g) to the financial statements);

(b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds 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 during the year (refer note – 35 (g) to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. As stated in Note 36 to the standalone financial statements:-

The dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN: 22067330ANJSHT8987

Place: Kolkata
Date : May 30, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IntraSoft Technologies Limited of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone financial statements

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

Limitations of Internal Financial Controls Over with reference to Standalone financial statements

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

Opinion

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

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN: 22067330ANJSHT8987

Place: Kolkata
Date : May 30, 2022

Annexure "B" to the Independent Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, we report that:

We report that:

1. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

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

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

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

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

ii. (a) The Company is a service company, primarily rendering internet based delivery of services. Accordingly, it does not hold any physical inventory. Accordingly, clause 3(ii)(a) of the Order is not applicable.

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

iii. (a) The Company has provided guarantee on behalf of a subsidiary company during the year, in respect of which the requisite information is as below. The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has stood guarantee, or provided security to the entity as below:

Amount (Rs.in lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year		Nil		
- Subsidiaries	150			
Balance outstanding as at balance sheet date		Nil		
- Subsidiaries	5,700			

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

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited

Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

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

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

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues, have been regularly deposited by the Company with the appropriate authorities;

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute as on March 31, 2022.

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

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us by the management, the Company has not raised funds on short term basis during the year. Accordingly, clause 3(ix)(d) of the Order is not applicable.

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

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

x. (a) In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under Section 143(12) of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

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

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in Compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

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

xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him hence provisions of Section 192 of the Act are not applicable to the Company. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking / housing finance activities during the year and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CIC's, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

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

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

xix. According to the information and explanations given to us and on the basis of the financial ratios (refer note – 34 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

(Rahul Bothra)
Partner
Membership No. 067330
UDIN: 22067330ANJSHT8987

Place: Kolkata
Date : May 30, 2022

Balance Sheet as at 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	5(a)	1,309.45	1,339.49
Right of use assets	5(b)	-	0.53
Other intangible assets	5(c)	5.88	8.06
Financial assets			
(i) Investments	6(a)	1,507.35	1,586.27
(ii) Other financial assets	7	3.61	3.47
Deferred tax assets (net)	25(e)	1,738.00	1,698.10
Income tax assets (net)	25(c)	-	13.12
Other non-current assets	9(a)	32.84	58.83
Total non-current assets		**4,597.13**	**4,707.87**
Current assets			
Financial assets			
(i) Investments	6(b)	7,217.92	6,756.23
(ii) Trade receivables	10	15.85	-
(iii) Cash and cash equivalents	11(a)	9.95	280.44
(iv) Other bank balances	11(b)	41.14	40.45
(v) Loans	8	-	60.00
Other current assets	9(b)	55.90	125.17
Total current assets		**7,340.76**	**7,262.29**
Total Assets		**11,937.89**	**11,970.16**
Equity and Liabilities			
Equity			
Equity share capital	12	1,473.17	1,473.17
Other equity	13	10,069.19	9,885.61
Total equity		**11,542.36**	**11,358.78**
Liabilities			
Non-current liabilities			
Financial liabilities:			
(i) Borrowings	14(a)	32.34	-
Provisions	17(a)	80.54	76.68
Income tax liabilities (net)	25(c)	0.25	-
Other non-current liabilities	18(a)	97.50	372.22
Total non-current liabilities		**210.63**	**448.90**
Current liabilities			
Financial liabilities			
(i) Borrowings	14(b)	7.04	-
(ii) Lease liability	15	-	0.63
(iii) Other financial liabilities	16	110.86	121.67
Other current liabilities	18(b)	61.98	22.23
Provisions	17(b)	2.94	2.71
Income tax liabilities (net)	25(c)	2.08	15.24
Total current liabilities		**184.90**	**162.48**
Total liabilities		**395.53**	**611.38**
Total Equity and Liabilities		**11,937.89**	**11,970.16**

The accompanying notes 1 to 37 form an integral part of these standalone financial statements.
This is the Balance Sheet referred to in our report of even date.

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	19	806.50	703.34
Other income	20	499.54	597.74
Total income		**1,306.04**	**1,301.08**
Expenses			
Employee benefits expenses	21	621.22	659.02
Finance costs	22	5.24	2.58
Depreciation and amortisation expense	23	74.53	95.53
Other expenses	24	250.49	241.84
Total expenses		**951.48**	**998.97**
Profit before tax		**354.56**	**302.11**
Tax expense:	25(a)		
Current tax		63.36	54.26
Deferred tax		(39.84)	(78.29)
Income tax (earlier years)		-	2.22
		23.52	**(21.81)**
Profit after tax		**331.04**	**323.92**
Other comprehensive income:			
(a) Items that will not be reclassified to profit or loss:			
- Remeasurements of defined benefit obligations		4.95	2.92
- Income tax effect on above	25(b)	(1.38)	(0.81)
(b) Items that will be reclassified subsequently to profit or loss:			
- Fair value gain/(loss) on investment in debt instruments through OCI		(5.16)	21.68
- Income tax effect on above	25(b)	1.44	(6.03)
Total other comprehensive income for the year (net of tax)		**(0.15)**	**17.76**
Total comprehensive income for the year		**330.89**	**341.68**
Earnings per equity share:			
Basic and diluted earnings per share (₹)	26	2.25	2.20

The accompanying notes 1 to 37 form an integral part of these standalone financial statements.

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

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Statement of Changes in Equity for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

(1) Current reporting period

Balance as at 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
1,473.17	-	-	-	1,473.17

(2) Previous reporting period

Balance as at 1 April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
1,473.17	-	-	-	1,473.17

B. Other equity

	Reserves and Surplus				Other comprehensive income (OCI)	Total
	Securities premium account	General reserve	Capital reserve	Retained earnings	Debt instruments through OCI	
As at 1 April 2020	5,527.11	169.15	96.14	3,905.91	(7.10)	9,691.21
Profit for the year	-	-	-	323.92	-	323.92
Items of other comprehensive income, net of tax:						
Remeasurements of post-employment benefit obligations, net of tax	-	-	-	2.11	-	2.11
Fair value changes on investments in debt instruments through OCI	-	-	-	-	15.65	15.65
Dividends paid	-	-	-	(147.28)	-	(147.28)
As at 31 March 2021	5,527.11	169.15	96.14	4,084.66	8.55	9,885.61
Changes in equity for the period ended 31 March 2022						
As at 31 March 2021	5,527.11	169.15	96.14	4,084.66	8.55	9,885.61
Profit for the year	-	-	-	331.04	-	331.04
Items of other comprehensive income, net of tax:						
Remeasurements of post-employment benefit obligations, net of tax	-	-	-	3.57	-	3.57
Fair value changes on investments in debt instruments through OCI	-	-	-	-	(3.72)	(3.72)
Dividends paid	-	-	-	(147.31)	-	(147.31)
As at 31 March 2022	5,527.11	169.15	96.14	4,271.96	4.83	10,069.19

The accompanying notes 1 to 37 form an integral part of these standalone financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	354.56	302.11
Adjustments for:		
Depreciation and amortisation expense	74.53	95.53
Loss on disposal of property, plant and equipment	0.05	10.60
Dividend income	(203.80)	(28.87)
Net gain on sale of investments measured at FVTPL	(160.43)	(429.33)
Net gain arising on remeasurement of investments measured at FVTPL	(18.61)	-
Profit on sale of NCD	(1.96)	-
Gain on reversal of Impairment Loss	(11.36)	-
Foreign exchange loss	1.70	4.22
Finance costs	5.24	2.58
Interest income	(73.64)	(104.73)
Unwinding of financial guarantee	(27.75)	(27.75)
Operating loss before working capital changes	**(61.47)**	**(175.64)**
Adjustments for changes in working capital		
Increase in trade receivables	(17.55)	(2.73)
Decrease in loans	60.00	14.35
Decrease in other financial assets	0.29	0.42
Decrease in other assets	106.43	110.48
Increase/(decrease) in provisions	9.04	(2.66)
Increase/(decrease) in non current liabilities	(274.72)	3.36
Increase/(decrease) in financial liabilities	(10.38)	7.24
Increase in current liabilities	39.75	1.68
Cash used in operating activities	**(148.61)**	**(43.50)**
Income tax paid (net of refunds)	(74.32)	(16.47)
Net cash used in operating activities (A)	**(222.93)**	**(59.97)**
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(43.93)	(1.53)
Proceeds from sale of property, plant and equipment	2.10	0.81
Investments in fixed deposits (net)	(1.12)	(1.35)
Interest received	73.64	104.73
Dividend received	203.80	28.87
Purchase of investments	(3,487.20)	(3,843.65)
Sale of investments	3,319.51	4,163.03
Net cash generated from investing activities (B)	**66.80**	**450.91**
C. Cash flow from financing activities:		
Proceeds from long term borrowings	40.50	-
Repayment of borrowings	(1.12)	-
Dividend paid	(147.74)	(147.72)
Repayment of lease liabilities (net)	(0.78)	(5.28)
Interest paid	(5.22)	(0.07)
Net cash used in financing activities (C)	**(114.36)**	**(153.07)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(270.49)**	**237.87**
Cash and cash equivalents at the beginning of the year	280.44	42.57
Cash and cash equivalents at the end of the year	**9.95**	**280.44**
Components of cash and cash equivalents:		
Cash and bank balances	9.95	280.44
	9.95	**280.44**

Statement of cash flows for the year ended 31 March 2022

(All amounts in ₹ lacs, unless otherwise stated)

Notes:

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

(ii) Reconciliation of long term borrowings:

Particulars	Balance as at 31 March 2022	Balance as at 31 March 2021
Long term borrowings:		
- Opening balance	-	-
- Received during the year	40.50	-
- Repayment made during the year	(1.12)	-
	39.38	**-**
Long term borrowings at the end of the year	**39.38**	**-**

(iii) Reconciliation of lease liability:

Particulars	As at 31st March 2021	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities on lease modification	As at 31st March 2022
Lease Liability	0.63	(0.78)	0.02	0.13	-

Particulars	As at 31st March 2020	Cash Flow	Interest Expenses on Lease Liabilities	Lease liabilities reversed on termination	As at 31st March 2021
Lease Liability	39.94	(5.28)	2.51	(36.54)	0.63

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

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

1 Corporate information

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

The standalone financial statements for the year ended 31 March 2022 were authorized and approved for issue by the Board of Directors on 30 May 2022.

b) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the Standalone Financial Statement.

2 Significant Accounting policies

a) Basis of preparation

These standalone financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

b) Recent accounting pronouncements

New and amended standards adopted by the Company

The company has adopted the following amendments for the first time for their annual reporting period commencing 1 April 2021:

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

Balance Sheet

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

Statement of Profit and Loss

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

ii) Extension of COVID-19 related concessions- amendments to Ind AS 116.

iii) Interest rate benchmark reform-amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New Pronouncement issued but not yet effective up to the date of issuance of the Company's Financial Statement:

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 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below-

i) Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

ii) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

iii) Ind AS 103 – Reference to Conceptual Framework -The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

iv) Ind AS 109 – Annual Improvements to Ind AS (2021)-The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

v) Ind AS 116 – Annual Improvements to Ind AS (2021)-The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

3 Use of estimates

a) The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the standalone financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for income taxes, classification of assets and liabilities into current and non-current and the useful lives of tangible and intangible assets. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

b) Critical accounting estimates and judgements

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

Evaluation of indicators for impairment of assets

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Income taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes including amounts expected to be paid or recovered for uncertain tax positions. Refer note 25.

Useful lives of depreciable or amortisable assets

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

Measurement of defined benefit obligation (DBO)

The costs of post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in note 21.

Fair value measurements

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Refer note 30 for details.

Provisions and liabilities

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

Contingencies

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

4 The standalone financial statements have been prepared using the accounting policies and measurement basis summarized below.

(a) Foreign currency

Functional and presentation currency

The standalone financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of returns and discounts to customers. Revenue from the sale of services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Sale of services

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

Interest income

Interest income is recorded using the effective interest rate (EIR) for all debt instruments measured either at amortised cost. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Dividend income

Dividend income is recognized when the right to receive payment is established.

(c) Property, plant and equipment

Recognition:

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

Subsequent measurement (depreciation and useful lives):

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

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

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

Advances paid towards the acquisition of property, plant and equipment outstanding as at each balance sheet date is classified as capital advance under other non-current assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that the future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or upon retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss.

De-recognition:

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(d) Other intangible assets

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

(e) Leases

Company as a lessee:

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

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

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

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

Leases previously accounted for as operating leases

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

The Company has applied the available practical expedients wherein it:

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

(f) Impairment of non-financial assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Financial instruments

Classification:

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

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

(ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the Statement of Profit and Loss or other comprehensive income. Investments in debt instruments are classified depending on the business model managing such investments. The Company re-classifies the debt investments when and only when there is a change in business model managing those assets.

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

Measurement:

At initial recognition, the Company measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss as and when they are incurred.

Financial assets

Initial recognition and measurement:

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Subsequent measurement:

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

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

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

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

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

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

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

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

De-recognition of financial assets

A financial asset is de-recognized when:

(i) Contractual right to receive cash flows from such financial asset expires;

(ii) Company transfers the contractual right to receive cash flows from the financial asset; or

(iii) Company retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

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

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

Impairment of financial assets

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

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

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

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

Financial assets

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

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

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

De-recognition of financial liability

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

Financial guarantee

Financial guarantee contracts are initially measured at fair value and subsequently measured at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)

- The amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with principles of Ind AS.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Offsetting of financial instruments

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

(h) Investments in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. On disposal of the investments, the difference between net disposal proceeds and the carrying amount is recognized in the Statement of Profit and Loss.

(i) Taxation

Tax expense recognized in the Statement of Profit or Loss comprises the sum of deferred tax and current tax except the ones recognized in Other Comprehensive Income or directly in Equity.

Current tax

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

Current income tax for current and prior periods is recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

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

Minimum alternate tax

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

Deferred tax

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

(j) Employee benefits expense:

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Defined contribution plan:

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

Defined benefit plans:

Gratuity

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

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

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

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

Other long-term employee benefits:

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

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

(k) Cash and cash equivalents

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

(l) Provisions, contingent liabilities and contingent assets

Provisions

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

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

Contingent assets

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

(m) Earnings per equity share (EPS)

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

Diluted earnings per equity share is calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(n) Government grant

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

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

(o) Fair value

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

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

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

(p) Borrowing costs

Interest on borrowing is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing. Ancillary expenditure incurred in connection with the arrangement of borrowings is amortized over the tenure of the respective borrowings. An unamortized borrowing cost remaining, if any, is fully expensed off as and when the related borrowing is prepaid or cancelled.

(q) Dividends

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(r) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(s) Segment reporting

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

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

(t) Transfer pricing

In accordance with international transfer pricing regulations of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain documentation in this respect. These regulations require that such information and documentation be to contemporaneous, including conducting a benchmark study to determine whether any transactions with associated enterprises undertaken are on an "arm's length basis". The Company is in the process of updating its transfer pricing study for the financial year ended 31 March 2022. Management is of the opinion that the Company's international transactions are at arm's length. Consequently, no adjustments, if any, that may arise from this study are presently recorded in the standalone financial statements.

5 (a) Property, plant and equipment

Property, plant and equipment	Buildings (#)	Furniture and fixtures	Computer equipment	Office equipment	Leasehold Improvements	Vehicles	Total
Gross block							
Balance as at 01 April 2020	**1,282.79**	**288.02**	**38.44**	**142.43**	**15.00**	**105.16**	**1,871.84**
Additions	-	-	0.95	0.58	-	-	1.53
Disposals	-	11.31	5.52	7.37	15.00	-	39.20
Balance as at 31 March 2021	1,282.79	276.71	33.87	135.64	-	105.16	1,834.17
Additions	-	-	-	-	-	43.93	43.93
Disposals	-	1.51	2.47	9.59	-	11.16	24.73
Balance as at 31 March 2022	**1,282.79**	**275.20**	**31.40**	**126.05**	**-**	**137.93**	**1,853.37**
Accumulated depreciation							
Balance as at 01 April 2020	86.84	132.02	32.95	105.95	6.73	70.31	434.80
Depreciation charge for the year	21.71	34.33	0.68	17.82	3.57	9.56	87.67
Disposals	-	5.44	5.25	6.80	10.30	-	27.79
Balance as at 31 March 2021	108.55	160.91	28.38	116.97	-	79.87	494.68
Depreciation charge for the year	21.71	33.35	0.42	8.41	-	8.34	72.23
Disposals	-	1.35	2.33	8.89	-	10.42	22.99
Balance as at 31 March 2022	**130.26**	**192.91**	**26.47**	**116.49**	**-**	**77.79**	**543.92**
Net block							
Balance as at 31 March 2021	**1,174.24**	**115.80**	**5.49**	**18.67**	**-**	**25.29**	**1,339.49**
Balance as at 31 March 2022	**1,152.53**	**82.29**	**4.93**	**9.56**	**-**	**60.14**	**1,309.45**

(#) Immovable properties are held in the name of the Company during the year ended 31 March 2022 and also for the year ended 31 March 2021 respectively.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

5 (b) Right-of-use assets

Particulars	Buildings	Total
Gross block		
Balance as at 01 April 2020	43.15	43.15
Additions	-	-
Disposals	41.18	41.18
Balance as at 31 March 2021	**1.97**	**1.97**
Additions	-	-
Disposals	-	-
Balance as at 31 March 2022	**1.97**	**1.97**
Accumulated amortisation		
Balance as at 01 April 2020	5.59	5.59
Charge for the year	4.37	4.37
Disposals	8.52	8.52
Balance as at 31 March 2021	**1.44**	**1.44**
Charge for the year	0.53	0.53
Disposals	-	-
Balance as at 31 March 2022	**1.97**	**1.97**
Net block		
Balance as at 31 March 2021	**0.53**	**0.53**
Balance as at 31 March 2022	**-**	**-**

Lease liabilities

Particulars	Amount
Balance as on 1 April, 2021	0.63
Add: Interest expense accrued on lease liabilities	0.02
Add: Lease liabilities on lease modification	0.13
Less: Lease liabilities paid	(0.78)
Closing balance as at 31 March 2022	**-**
Current	-
Non current	-

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

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

Particulars	Amount
Depreciation/amortisation on right to use asset	0.53
Interest on lease liability	0.02
Expenses related to short term lease (included under other expenses)	17.71
Expenses related to low value lease (included under other expenses)	-
Total amount recognised in statement of profit and loss account	**18.26**

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

5 (c) Other intangible assets

Particulars	Softwares	Total
Gross block		
Balance as at 01 April 2020	48.58	48.58
Additions	-	-
Disposals	-	-
Balance as at 31 March 2021	**48.58**	**48.58**
Additions	-	-
Disposals	33.07	33.07
Balance as at 31 March 2022	**15.51**	**15.51**
Accumulated amortisation		
Balance as at 01 April 2020	37.03	37.03
Charge for the year	3.49	3.49
Disposals	-	-
Balance as at 31 March 2021	**40.52**	**40.52**
Charge for the year	1.77	1.77
Disposals	32.66	32.66
Balance as at 31 March 2022	**9.63**	**9.63**
Net block		
Balance as at 31 March 2021	**8.06**	**8.06**
Balance as at 31 March 2022	**5.88**	**5.88**

Note : The Company has not revalued its property, plant and equipment, Right of use assets and intangible assets during the year ended 31st March 2022 and 31st March 2021 respectively.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments

	As at 31 March 2022	As at 31 March 2021
(a) Non-current investments		
I Investments in Equity instruments (subsidiaries) [refer note (i) & (iii) for details]		
Unquoted		
(Carried at cost)		
(i) 123Greetings.com, Inc.	43.15	43.15
[10,000,000 (31 March 2021 - 10,000,000) common stock shares having face value of USD 0.01 each fully paid-up]		
(ii) One Two Three Greetings (India) Private Limited	200.00	200.00
[2,000,000 (31 March 2021 - 2,000,000) equity shares having face value of ₹ 10 each fully paid-up]		
(iii) Intrasoft Ventures Pte. Limited	641.10	641.10
[1,450,000 (31 March 2021 - 1,450,000) shares having face value of SGD 1.00 each fully paid-up]		
II Investments in non-convertible debentures		
Quoted		
(Designated at Amortised Cost)		
(i) Piramal Capital & Housing Finance Limited (6.75% NCD)	6.05	-
(620 units having face value of ₹ 975 each fully paid-up)		
III Investments in perpetual bonds		
Quoted		
(Designated at Fair Value Through Other Comprehensive Income)		
(i) State Bank of India (8.15% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each)"	-	213.07
(ii) State Bank of India (8.75% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each) (#)"	217.05	-
(iii) State Bank of India (7.73% AT1 Bond Issue Series IV) (10 units having face value of ₹ 1,000,000 each)"	103.66	-
(iv) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18) (20 units having face value of ₹ 1,000,000 each)	-	220.37
(#) Pledged in favour of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.		
IV Deemed investments		
(measured at fair value)		
123Stores, Inc. [refer note (ii) below]	296.34	268.58
Total non-current investments	1,507.35	1,586.27
Other disclosures for non-current investments:		
Aggregate amount of quoted investments	326.76	433.44
Aggregate amount of unquoted investments	884.25	884.25

Notes:

i) As at the Balance Sheet date, none of the investments in equity instruments have been impaired.

ii) The Company has given a corporate guarantee to CITI Bank N.A, on behalf of its step-down subsidiary, 123Stores, Inc., amounting to ₹ 5,700 lacs in India, for a loan amounting to USD 7.5 million taken by its step-down subsidiary, 123Stores, Inc. The financial guarantee has been fair valued as per IND AS 109.

iii) The Company has measured its investment in subsidiaries at cost in accordance with Ind AS 27 - Separate Financial Statements.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments *(contd...)*

	As at 31 March 2022	As at 31 March 2021
(b) Current investments		
I Investments in non-convertible debentures		
Quoted		
(Designated at Amortised Cost)		
(i) ECL Finance Limited (9.45% NCD)	-	53.08
(5,000 units having face value of ₹ 1,000 each fully paid-up)		
	-	**53.08**
II Investments in perpetual bonds (#)		
Quoted		
(Designated at Fair Value Through Other Comprehensive Income)		
(i) Axis Bank Limited (8.75% Additional Tier 1 Bonds Series 26) (20 units having face value of ₹ 1,000,000 each)	-	203.63
(ii) HDFC Bank Limited (8.85% Perpetual Bonds Series 1/2017-18) (20 units having face value of ₹ 1,000,000 each)	216.01	-
(iii) State Bank of India (8.15% AT1 Bond Issue Series IV) (20 units having face value of ₹ 1,000,000 each)	212.21	-
	428.22	**203.63**
ß(#) Pledged in favour of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.		
III Investments in mutual funds:		
Quoted		
(Measured at Fair Value Through Profit and Loss)		
Debt Mutual funds (refer details below)	6,789.70	6,499.52
	6,789.70	**6,499.52**
Other disclosures for current investments:		
Aggregate amount of quoted investments	7,217.92	6,756.23
Aggregate amount of impairment in value of investments	-	-

Investments in Mutual Funds

(a) Balance as at 31 March 2022 :

Particulars	Units	Amount
Aditya Birla Sun Life Credit Risk Fund - (Seg Port1)-Direct-Growth	77,06,265	13.09
Aditya Birla Sun Life Short Term Fund Dir-Qtly IDCW (#)	36,53,887	400.61
Axis Strategic Bond Fund - Direct- Qtly. IDCW	28,84,665	296.10
Franklin India Credit Risk Fund-Regular-Growth	77,600	18.47
Franklin India Credit Risk Fund - Seg. Portfolio 2-Regular-Growth	8,37,914	4.30
Franklin India Credit Risk Fund - Seg. Portfolio 3-Regular-Growth	9,97,571	-
HDFC Corporate Bond Fund-Direct-Qtly Dividend (#)	63,07,360	645.09
HDFC Income Fund-Direct-Qtly Dividend (#)	26,07,607	316.76
HDFC Medium Term Debt Fund-Direct-Normal Dividend (#)	32,50,971	590.94

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

6 Investments *(contd...)*

(a) Balance as at 31 March 2022 :

Particulars	Units	Amount
HDFC Medium Term Debt Fund-Direct Plan-Growth (#)	2,14,018	103.93
ICICI Prudential Bond Fund-DP-Qtly IDCW (#)	17,43,030	200.30
ICICI Prudential Medium Term Bond Fund-Direct-Growth (#)	17,24,523	663.10
ICICI Prudential Short Term Fund-Direct Plan-Growth (#)	8,78,818	448.59
ICICI Prudential Ultra Short Term Fund-Direct-Growth	10,99,802	262.97
IDFC Bond Fund-Short Term Plan-Direct-Growth	8,84,141	433.20
Kotak Bond Fund-Short Term-Direct-Growth (#)	9,66,843	441.81
L&T Resurgent India Bond Fund-Direct-Growth (#)	29,56,703	520.85
Nippon India Low Duration Fund-Regular-Growth	9,816	299.07
Nippon India Strategic Debt Fund-Regular-Growth	37,41,818	471.34
SBI Magnum Income Fund - Direct- Qly. IDCW (#)	11,46,751	200.23
SBI Short Term Debt Fund-Direct-Growth	16,85,486	458.95
		6,789.70

(#) Ear-marked for pledge in favour of Citi Bank N.A. against SBLC amounting ₹ 5,700 lacs.

(b) Balance as at 31 March 2021 :

Particulars	Units	Amount
Axis Ultra Short Term Fund - Direct Growth	2,53,811	30.36
Axis Corporate Debt Fund - Regular Plan-Monthly Dividend	19,59,284	199.99
Aditya Birla Sun Life Credit Risk Fund -Growth-Direct Plan (Seg. Port1)	77,06,265	32.04
Franklin India Credit Risk Fund - Growth	7,46,535	154.51
Franklin India Credit Risk Fund - Growth (Seg. Port2)	9,18,464	0.00
Franklin India Credit Risk Fund - Growth (Seg. Port3)	9,97,571	-
HDFC Corporate Bond Fund - Direct Plan - Quarterly dividend	63,07,360	652.66
HDFC Medium Term Debt Fund - Direct Plan - fortnightly dividend	32,50,971	555.71
HDFC Income Fund- Direct Plan -Quarterly dividend	26,07,607	313.38
HDFC Money Market Fund - Direct Plan - Growth Option	7,840	350.75
ICICI Prudential Long Term Bond Fund-Regular-Qtly Dividend	24,99,375	299.76
ICICI Prudential Medium Term Bond Fund -Direct-Qly-Dividend	50,52,513	559.56
ICICI Prudential Short Term Fund - DP - Monthly Dividend	35,24,893	446.76
IDFC Bond Fund-Short Term Plan - Direct-Qtly Dividend	41,60,761	434.74
Kotak Bond Short Term-Direct-Monthly Div. Reinvestment	32,32,676	440.42
L&T Resurgent India Bond Fund - Direct - Annual Dividend	35,40,024	425.44
Nippon India Strategic Debt Fund - Regular-Quarterly Dividend	50,73,313	399.98
Nippon India Low Duration Fund - Regular-Quarterly Dividend	29,516	300.17
SBI Magnum Medium Duration Fund - Direct - Annual Dividend	27,23,728	439.44
SBI Short Term Debt Fund - Direct - Monthly Dividend	30,16,557	438.70
TRUSTMF Banking & PSU Debt Fund - Direct - Growth	2,510	25.15
		6,499.52

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

7 Other financial assets

	As at 31 March 2022	As at 31 March 2021
Non-current:		
(Unsecured, considered good)		
Security deposits	3.61	3.47
	3.61	**3.47**

8 Loans

	As at 31 March 2022	As at 31 March 2021
Current:		
(Unsecured, considered good)		
Loan to subsidiaries (refer note below)	-	60.00
	-	**60.00**

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

The Company had given an interest free, unsecured loan to One Two Three Greetings (India) Private Limited for working capital requirement, which was repayable on demand.

Type of Borrower	Current Period		Previous Period	
	Amount outstanding	% of Total	Amount outstanding	% of Total
Related Party	-	-	60.00	100.00

Disclosure as per clause 34(3), clause 53 (f) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the company	Amount outstanding as at 31 March 2022	Maximum balance outstanding during the year ended 31 March 2022	Amount outstanding as at 31 March 2021	Maximum balance outstanding during the year ended 31 March 2021
One Two Three Greetings (India) Pvt. Limited	-	60.00	60.00	70.00

9 Other assets

(a) Non-current

	As at 31 March 2022	As at 31 March 2021
Balances with Government Authorities (Refer note below)	28.00	53.51
Prepaid expenses	4.84	5.32
	32.84	**58.83**

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

9 Other assets (contd...)

(b) Current

	As at 31 March 2022	As at 31 March 2021
Other advances	0.97	0.61
Income Tax refund receivable	17.13	5.96
GST refund receivable	32.70	113.40
Prepaid expenses	5.10	5.20
	55.90	**125.17**

10 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good	15.85	-
	15.85	**-**

The Company does not have any receivables which have been credit impaired or significant increase in credit risk.

The receivable amount is due from a related party.

Trade Receivables ageing schedule as on 31 March 2022 :

Particulars	Not due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	15.85	-	-	-	-	-	15.85
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31 March 2021 :

Particulars	Not due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

11 Cash and bank balances

	As at 31 March 2022	As at 31 March 2021
(a) Cash and cash equivalents		
Balances with banks		
- In current account	9.50	34.31
- Cheques in hand	-	1.75
- Deposits of original maturity of less than 3 months	-	243.91
Cash in hand	0.45	0.47
	9.95	**280.44**
(b) Other bank balances		
Unpaid dividend account [refer note (i) below]	4.69	5.12
Deposits with maturity of more than 3 months but less than 12 months [refer note (ii) below]	36.45	35.33
	41.14	**40.45**

Notes:

(i) The Company has transferred an amount of ₹0.42 lacs & ₹0.30 lacs of unpaid dividend to the Investor Education and Protection Fund for the financial year 2013-14 & 2014-15 (interim dividend) respectively.

(ii) The Company has deposited ₹30 Lacs against fixed deposit with HDFC Bank for bank guarantee issued in favour of Santosh Promoters Pvt. Ltd. as per the order of Supreme Court dated 01 May 2017.

12 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹ 10 each	2,52,50,000	2,525.00	2,52,50,000	2,525.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,47,31,678	1,473.17	1,47,31,678	1,473.17
	1,47,31,678	**1,473.17**	**1,47,31,678**	**1,473.17**

(a) Reconciliation of equity share capital

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

(b) Terms and rights attached to equity shares

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

12 Equity share capital *(contd...)*

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

Name of the shareholders	As at 31 March 2022		As at 31 March 2021	
	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹ 10 each:				
Arvind Kajaria	28,11,797	19.09%	28,11,797	19.09%
Sharad Kajaria	28,12,500	19.09%	28,12,500	19.09%
Padma Kajaria	14,00,000	9.50%	14,00,000	9.50%
University of Notre Dame Du Lac	-	0.00%	10,85,015	7.37%

(e) Shareholding of Promoters

Sl. No.	Promoter's name	As at 31 March 2022			As at 31 March 2021		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
1	Arvind Kajaria	28,11,797	19.09	-	28,11,797	19.09	-
2	Sharad Kajaria	28,12,500	19.09	-	28,12,500	19.09	-
3	Padma Kajaria (#)	14,00,000	9.50	-	14,00,000	9.50	-

(#) Padma Kajaria is a relative of Promoters and falls under Promoter's group.

(f) The Board of Directors at its meeting held on 30 May 2022 proposed a dividend of ₹ 1 per equity share (31 March 2021: ₹ 1 per equity share) amounting to ₹ 147.31 lacs (31 March 2021: ₹ 147.31 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

13 Other equity

	As at 31 March 2022	As at 31 March 2021
(a) Capital reserve	96.14	96.14
(b) General reserve	169.15	169.15
(c) Securities premium	5,527.11	5,527.11
(d) Retained earnings		
Opening balance	4,084.66	3,905.91
Profit for the year	331.04	323.92
Remeasurements of post-employment benefit obligations, net of tax	3.57	2.11
Less-: Appropriations		
Dividend on equity shares *	(147.31)	(147.28)
Closing balance	**4,271.96**	**4,084.66**
(e) Debt instruments through OCI		
Opening balance	8.55	(7.10)
Net fair value gain / (loss) on investment in debt instruments through OCI, net of tax	(3.72)	15.65
Closing balance	**4.83**	**8.55**
	10,069.19	**9,885.61**

*Paid to shareholders during the financial year 2021-22.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

13 Other equity *(contd...)*

(f) Nature and purpose of reserves

Capital reserve

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

General reserve

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

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

Debt instruments through Other Comprehensive Income:

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

14 Borrowings

(a) Non-current *(Secured)*

	As at 31 March 2022	As at 31 March 2021
Term loan from others (#)		
Balance as at 31 March 2022	39.38	-
Less : Current maturities of long term debt	7.04	-
	32.34	**-**

(#) Vehicle loan of Rs. 40.50 lacs taken from BMW India Financial Services Pvt Ltd, @7.36% repayable in 60 monthly installments.

(b) Current *(Secured)*

	As at 31 March 2022	As at 31 March 2021
Term loan from others		
Current maturities of long term debt	7.04	-
	7.04	**-**

15 Lease liability

	As at 31 March 2022	As at 31 March 2021
Current		
Lease liability	-	0.63
	-	**0.63**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

16 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Current		
Liabilities for expenses	21.75	30.05
Dues to employees	70.54	72.62
Liability for financial guarantee to subsidiary	13.88	13.88
Unpaid dividend	4.69	5.12
	110.86	121.67

17 Provisions

(a) Non-current

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits:		
- Provision for gratuity (refer note 21)	69.37	65.83
- Provision for compensated absences	11.17	10.85
	80.54	76.68

(b) Current

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits:		
- Provision for gratuity (refer note 21)	2.27	2.09
- Provision for compensated absences	0.67	0.62
	2.94	2.71

18 Other liabilities

(a) Non-current

	As at 31 March 2022	As at 31 March 2021
Advances:		
Advance from related parties (refer note 28)	-	272.72
Others:		
Deferred revenue arising from government grant	97.50	99.50
	97.50	372.22

(b) Current

	As at 31 March 2022	As at 31 March 2021
Advances:		
Advance from related parties (refer note 28)	37.45	-
Others		
Statutory dues	22.53	20.23
Deferred revenue arising from government grant	2.00	2.00
	61.98	22.23

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

19 Revenue from operations

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services	806.50	703.34
	806.50	**703.34**
Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers		
a) Revenue streams		
The Company generates revenue primarily from a single business segment of internet based delivery of services.		
b) Reconciliation of revenue from sale of services with the contracted price		
Contracted price	806.50	703.34
Less: Trade discounts, volume rebates, etc.	-	-
Sale of services	**806.50**	**703.34**
c) Timing of revenue recognition		
Services rendered at a point in time when performance obligation is satisfied	806.50	703.34
	806.50	**703.34**
d) Geographical information		
Geographical information of the Company's revenue from operation has been disclosed below:		
United States of America	748.07	694.09
India	58.43	9.25
	806.50	**703.34**

e) Contract balance

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

	As at 31 March 2022	As at 31 March 2021
Receivables	15.85	-
Contract assets	-	-
Contract liabilities	37.45	16.26

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

20 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income:		
- Investments in debt instruments	70.37	77.56
- Others	3.27	27.17
Dividend income:		
- Dividends from mutual funds	203.80	28.87
Other gains and losses:		
- Net gain on sale of investments measured at FVTPL	160.43	429.33
- Net gain arising on remeasurement of investments measured at FVTPL	18.61	-
- Profit on Sale of NCD	1.96	-
- Gain on reversal of Impairment Loss	11.36	-
Others		
- Other miscellaneous income	1.99	4.46
- Gain on lease modification	-	2.60
- Unwinding of financial guarantee	27.75	27.75
	499.54	**597.74**

21 Employee benefits expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and allowances	602.46	639.29
Contribution to provident and other funds [refer note (a) below]	16.31	18.73
Staff welfare expenses	2.45	1.00
	621.22	**659.02**

(a) Defined contribution plans

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

The Hon'ble Supreme Court of India by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. The Company has given effect of the above judgement effective March 1, 2019. This does not have any material impact on the Financial Statements.

(b) Defined benefits plan

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

21 Employee benefits expenses *(contd...)*

(b) Defined benefits plan *(contd...)*

(i) Defined benefits obligations recognised:

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Present value of obligation:		
- Current	2.27	2.09
- Non-current	69.37	65.83
	71.64	**67.92**

(ii) Movement in the present value of defined benefit obligations:

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	67.92	70.62
Current service cost	4.89	4.86
Past service cost	-	-
Interest cost	4.68	4.66
Actuarial (gain)/loss arising from assumption changes	(2.99)	(2.28)
Actuarial loss arising from experience adjustments	(1.96)	(0.64)
Benefits paid	(0.90)	(9.30)
Obligations at the end of the year	**71.64**	**67.92**

(iii) Components of the net cost charged to the Statement of Profit and Loss:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	4.89	4.86
Past service cost	-	-
Interest cost	4.68	4.66
	9.57	**9.52**

(iv) Remeasurement of the net defined benefit plans

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial loss arising from assumption changes	(2.99)	(2.28)
Actuarial loss arising from experience adjustments	(1.96)	(0.64)
	(4.95)	**(2.92)**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

21 Employee benefits expenses *(contd...)*

(v) Assumptions

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate (refer note below)	7.30%	6.90%
Salary escalation rate	5.00%	5.00%
Withdrawal rate per annum	2.00%	2.00%
Expected average remaining working lives of employees (years)	18.37	20.06
Mortality rate	IALM 12-14 Ultimate	IALM 12-14 Ultimate
Retirement age	58 years	58 years

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

(vi) Experience adjustments

Particulars	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
Defined benefit obligation at the end of the year	71.64	67.92	70.62	63.43	62.24
Experience gain/(loss) adjustments on plan liabilities	(1.96)	(0.64)	1.97	1.93	2.54

(vii) Sensitivity analysis

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate - Decrease by 1%	79.47	75.95
Discount rate - Increase by 1%	64.87	61.03
Salary escalation rate - Decrease by 1%	65.70	62.00
Salary escalation rate - Increase by 1%	78.39	74.71

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

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

(viii) Maturity analysis of the benefit payments:

Weighted average duration of gratuity plan is 11 years. Expected benefits payments for each such plans over the years is given in table below:

Particulars	Gratuity	
	Year ended 31 March 2022	Year ended 31 March 2021
Year 1	2.27	2.09
2 to 5 years	27.08	26.35
6 to 10 years	15.28	10.30
More than 10 years	125.21	123.86

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

21 Employee benefits expenses *(contd...)*

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

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

22 Finance cost

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on Income Tax	4.62	-
Other borrowing costs	0.12	0.07
Interest on lease liability	0.02	2.51
Interest on loan from others	0.48	-
	5.24	**2.58**

23 Depreciation and amortisation expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment [refer note 5(a)]	72.23	87.67
Amortisation of other intangible assets [refer note 5(c)]	1.77	3.49
Amortisation of right-of-use assets [refer note 5(b)]	0.53	4.37
	74.53	**95.53**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

24 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Electricity charges	14.49	17.53
Office expenses	4.37	12.84
Rent	17.71	17.84
Repairs and maintenance:		
- Others	15.75	15.58
Insurance	2.07	2.39
Rates and taxes	4.31	5.27
Travelling expenses	21.85	9.91
Legal and professional charges	99.89	73.11
Auditor's remuneration [refer note (a) below]	19.80	19.10
Director's sitting fees	11.40	13.40
Telephone and other communication expenses	3.45	5.00
Statutory release and publications	4.21	2.81
Net loss on disposal of property, plant and equipment	0.05	10.60
Net loss on foreign currency transactions and translation	1.70	4.22
Impairment of non convertible debenture	-	5.00
Miscellaneous expenses	29.44	27.24
	250.49	**241.84**
(a) Auditor's remuneration (excluding taxes)		
Statutory auditors		
-Statutory audit	9.00	9.00
-Limited review	9.00	9.00
-Other services	1.00	0.30
Tax auditors		
-Tax audit	0.80	0.80
	19.80	**19.10**

25 Tax expenses

(a) Income tax in the Statement of Profit and Loss:

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	63.36	54.26
Deferred tax:		
- Deferred tax charge / (credit)	23.47	(23.34)
- MAT credit entitlement	(63.36)	(54.26)
- MAT credit entitlement - pertaining to earlier years	0.05	(0.69)
Tax adjustments pertaining to earlier years	-	2.22
	23.52	**(21.81)**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Tax expenses *(contd...)*

(b) Income tax recognised in other comprehensive income comprises:

	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax on remeasurement of post-employment defined benefit obligations	1.38	(0.81)
Deferred tax on net gain in debt instruments through OCI	(1.44)	(6.03)
	(0.06)	**(6.84)**

Reconciliation of income tax expense and the accounting profit for the year:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	354.56	302.11
Enacted tax rates (%)	27.82%	27.82%
Computed expected tax expense	98.64	84.05
Effect due to non-deductible expenses	35.44	(68.64)
Effect due to allowable expenses / income not taxable	(40.53)	46.26
Effect due to adjustment of unabsorbed losses	(93.34)	(106.42)
Effect due to Deferred Taxes	23.47	23.34
Adjustment for tax relating to earlier years	0.05	(1.53)
Others	(0.20)	1.13
Total income tax expense as per the Statement of Profit and Loss	**23.52**	**(21.81)**

(c) Income tax balances

	As at 31 March 2022	As at 31 March 2021
Non-current tax assets/(liabilities):		
Opening balance	13.12	20.51
Add: Taxes paid	-	-
Less: Current tax payable for the year	-	-
Less: Re-classification to Income tax refund receivable	(13.12)	(17.77)
Add/(Less): Re-classification from/to current tax assets/(liabilities)	(0.25)	10.38
Closing balance	**(0.25)**	**13.12**
Current tax assets /(liabilities)		
Opening balance	(15.24)	9.69
Add: Taxes paid	76.27	39.71
Less: Current tax payable for the year	(63.36)	(54.26)
Less-: Re-classification to non-current tax assets	0.25	(10.38)
Less: Prior year tax adjustments	-	-
Closing balance	**(2.08)**	**(15.24)**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Tax expenses *(contd...)*

Deferred taxes

(d) Deferred tax assets

	Year ended 31 March 2022	Year ended 31 March 2021
Unutilised MAT Credit	1,926.74	1,863.43
	1,926.74	**1,863.43**

(e) Deferred tax liabilities

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities arising on account of:		
- Difference between written down value of property, plant and equipments as per books of accounts and Income tax Act, 1961	141.26	134.70
- Fair valuation on debt instruments through OCI	1.47	2.91
- Fair valuation on mutual fund investments measured at FVTPL	5.18	(0.20)
- Amortisation of financial guarantee	67.80	53.72
	215.71	**191.13**
Deferred Tax asset arising on account of:		
- Expenses allowable on payment basis	26.97	25.77
- Fair valuation of lease rentals	-	0.03
	26.97	**25.80**
Deferred tax liabilities	188.74	165.33
Deferred tax assets, net	1,738.00	1,698.10

Note:

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Tax expenses *(contd...)*

(f) Movement in deferred taxes

As on 31 March 2022

Particulars	As at 01 April 2021	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2022
Deferred tax assets				
Unutilised MAT credit	1,863.43	63.31	-	1,926.74
	1,863.43	**63.31**	**-**	**1,926.74**
Deferred tax liability for deductible temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	134.70	6.56	-	141.26
- Fair valuation on debt instruments through OCI	2.91	-	(1.44)	1.47
- Fair valuation on mutual fund investments measured at FVTPL	(0.20)	5.38	-	5.18
- Interest on unwinding (Financial guarantee)	53.72	14.08	-	67.80
Total deferred tax liabilities	**191.13**	**26.02**	**(1.44)**	**215.71**
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	25.77	2.58	(1.38)	26.97
- Fair value of lease rentals	0.03	(0.03)	-	-
Total deferred tax assets	**25.80**	**2.55**	**(1.38)**	**26.97**
Deferred tax liabilities	**165.33**	**23.47**	**(0.06)**	**188.74**
Deferred tax assets, net	**1,698.10**	**39.84**	**0.06**	**1,738.00**

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

25 Tax expenses *(contd...)*

(f) Movement in deferred taxes

As on 31 March 2021

Particulars	As at 01 April 2020	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2021
Deferred tax assets				
Unutilised MAT credit	1,809.86	53.57	-	1,863.43
	1,809.86	**53.57**	**-**	**1,863.43**
Deferred tax liability for deductible temporary differences on:				
- Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	133.11	1.59	-	134.70
- Fair valuation on debt instruments through OCI	(2.24)	-	5.15	2.91
- Fair valuation on mutual fund investments measured at FVTPL	30.17	(30.37)	-	(0.20)
- Interest on unwinding (Financial guarantee)	48.16	5.56	-	53.72
Total deferred tax liabilities	**209.20**	**(23.22)**	**5.15**	**191.13**
Deferred tax assets for deductible temporary differences on:				
- Expenses allowable on payment basis	27.81	(2.04)	-	25.77
- Fair valuation of security deposits	0.44	(0.44)	-	-
- Fair value of lease rentals	0.66	(0.63)	-	0.03
Total deferred tax assets	**28.91**	**(3.11)**	**-**	**25.80**
Deferred tax liabilities	**180.29**	**(20.11)**	**5.15**	**165.33**
Deferred tax assets, net	**1,629.57**	**73.68**	**(5.15)**	**1,698.10**

26 Earnings per equity share (EPS)

	Year ended 31 March 2022	Year ended 31 March 2021
Net profit attributable to equity shareholders	331.04	323.92
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	1,47,31,678	1,47,31,678
Earnings per share (in ₹):		
-Basic earnings per share (₹)	2.25	2.20
-Diluted earnings per share (₹)	2.25	2.20

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

27 Contingent liabilities and commitments

(a) Contingent liabilities

	As at 31 March 2022	As at 31 March 2021
Guarantees given [refer note (i) & (ii) below]	5,701.25	5,581.25
Claims against Company, not acknowledged as debt [refer note (iii) below]	12.19	17.72
	5,713.44	**5,598.97**

Notes:

(i) Guarantee given for step-down subsidiary 123Stores, Inc. ₹5,700 lacs.

(ii) Guarantee given to Customs Authority for bonded warehouse ₹1.25 lacs.

(iii) Claim for Service Tax and Maintenance Charges ₹12.19 lacs.

(b) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

28 Related party disclosures

Information on related party transactions as required by Ind AS - 24 for the year ended 31 March 2022.

(a) List of related parties

(i) Parties where control exists (subsidiaries)

Name of the Company	Country of incorporation	% of holding as on (direct/indirect)	
		31 March 2022	31 March 2021
Wholly owned subsidiaries			
- 123Greetings.com, Inc.	United States	100%	100%
- Intrasoft Ventures Pte. Limited	Singapore	100%	100%
- One Two Three Greetings (India) Private Limited	India	100%	100%
Step-down subsidiaries:			
- 123Stores, Inc.	United States	100%	100%
- 123Stores E Commerce Private Limited	India	100%	100%

(ii) Key management personnel

Name of the related party	Relationship
Arvind Kajaria	Managing Director
Sharad Kajaria	Whole-time Director
Mohit Kumar Jha	Chief Financial Officer
Ashok Bhandari (tenure ceased on 17th March 2022)	Non-executive Independent Director
Savita Agarwal	Non-executive Independent Director
Anil Agrawal	Non-executive Independent Director
Rupinder Singh	Non-executive Independent Director
Ashish Arun (appointed w.e.f. 14th March 2022)	Non-executive Independent Director
Pranvesh Tripathi	Company Secretary

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

28 Related party disclosures *(contd...)*

(iii) Relative of Key management personnel

Name of the related party	Relationship
Padma Kajaria	Relative of Director

(b) Transactions with related parties

Name of the party	Nature of transaction	Year ended 31 March 2022	Year ended 31 March 2021
Transactions with subsidiaries			
123Greetings.com, Inc.	Sale of services	748.07	694.09
One Two Three Greetings (India) Private Limited	Sale of services	58.43	9.25
	Loans given repaid	60.00	10.00
	Advance received repaid	203.36	-
Transactions with key management personnel			
Short-term benefits (#)		212.47	213.74
Dividend paid during the year		70.25	70.25
Sitting fees paid during the year		11.40	13.40

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

(c) Balances of related parties

Name of the party	Nature of transaction	As at 31 March 2022	As at 31 March 2021
123Greetings.com, Inc.	Receivable/(payable)	(37.45)	(16.26)
One Two Three Greetings (India) Pvt. Limited	Receivable/(payable)	15.85	(256.46)
	Loans recoverable	-	60.00
Short-term benefits	Payable	14.84	16.32

29 Segment Reporting

(a) As per the requirements of IND-AS 108 " Segment Reporting", no disclosures are required to be made since the Company's activities consist of a single business segment of internet based delivery of services.

(b) Other Information :

The Company does not have any revenue from external customers.

(c) The Company has entered into transaction with a single customer (related party), which amounts to 10% or more of the Company's total revenue from operations. (Refer note 28)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

30 Fair value measurements

(a) Financial instruments by category

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

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in equity instruments (refer note 6)	884.25	-	-	884.25	884.25
Investments in non-convertible debentures (refer note 6)	6.05	-	-	6.05	6.05
Investments in perpetual bonds (refer note 6)	-	-	748.93	748.93	748.93
Investments in debt mutual funds (refer note 6)	-	6,789.70	-	6,789.70	6,789.70
Trade receivables (refer note 10) (*)	15.85	-	-	15.85	15.85
Cash and cash equivalents (refer note 11(a)) (*)	9.95	-	-	9.95	9.95
Other bank balances (refer note 11(b)) (*)	41.14	-	-	41.14	41.14
Other financial assets (refer note 7)	3.61	-	-	3.61	3.61
	960.85	**6,789.70**	**748.93**	**8,499.48**	**8,499.48**
Liabilities:					
Borrowings (refer note 14)	39.38	-	-	39.38	39.38
Lease liability (refer note 15)	-	-	-	-	-
Other financial liabilities (refer note 16)	110.86	-	-	110.86	110.86
	150.24	**-**	**-**	**150.24**	**150.24**

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

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Total carrying value	Total fair value
Assets:					
Investments in equity instruments (refer note 6)	884.25	-	-	884.25	884.25
Investments in non-convertible debentures (refer note 6)	53.08	-	-	53.08	53.08
Investments in perpetual bonds (refer note 6)	-	-	637.07	637.07	637.07
Investments in debt mutual funds (refer note 6)	-	6,499.52	-	6,499.52	6,499.52
Trade receivables (refer note 10) (*)	-	-	-	-	-
Cash and cash equivalents (refer note 11(a)) (*)	280.44	-	-	280.44	280.44
Other bank balances (refer note 11(b)) (*)	40.45	-	-	40.45	40.45
Other financial assets (refer note 7)	3.47	-	-	3.47	3.47
Loans (refer note 8)	60.00	-	-	60.00	60.00
	1,321.69	**6,499.52**	**637.07**	**8,458.28**	**8,458.28**
Liabilities:					
Borrowings (refer note 14)	-	-	-	-	-
Lease liability (refer note 15)	0.63	-	-	0.63	0.63
Other financial liabilities (refer note 16)	121.67	-	-	121.67	121.67
	122.30	**-**	**-**	**122.30**	**122.30**

Notes:

(*) The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents,

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

other bank balances, bank deposits, loans to employees, trade receivables, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

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

(b) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the Statement of Profit and Loss are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

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

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

Level 3: Unobservable inputs for the asset or liability

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 March 2022 and 31 March 2021 :

As at 31 March 2022	Level 1	Level 2	Level 3	Total
(i) Measured at fair value through OCI (FVTOCI)				
Investments in perpetual bonds (refer note 6)	748.93	-	-	748.93
(ii) Measured at fair value through profit or loss (FVTPL)				
Investments in debt mutual funds (refer note 6)	6,789.70	-	-	6,789.70
	7,538.63	**-**	**-**	**7,538.63**

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

(c) Computation of fair values

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

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

31 Financial risk management

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

(a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortised cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

i) Trade receivables

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

As the Company does not hold any collateral, the maximum expense to credit risk for each class of financial instrument is the carrying amount of that class of financial instrument presented on the statement of financial position. Impairment of trade receivables is based on expected credit loss model (simplistic approach) depending upon the historical data, present financial conditions of customers and anticipated regulatory changes. Company does not hold any collateral in respect of such receivables.

ii) Financial instruments and cash deposits

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

Credit risk exposure

The Company is exposed to a concentration of credit risk with respect to its trade receivable balances from its subsidiary Company. At the reporting date, trade receivable balances from subsidiary Company represents 100% (31 March 2021 - 0%) of the total trade receivable balances, respectively.

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at 31 March 2022 and 31 March 2021 was as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables (refer note 10)	15.85	-
Investments (refer note 6)	8,725.27	8,342.50
Cash and cash equivalents (refer note 11(a))	9.95	280.44
Other bank balances (refer note 11(b))	41.14	40.45
Other financial assets		
Security deposits (refer note 7)	3.61	3.47
Loan given to subsidiaries (refer note 8)	-	60.00
	8,795.82	8,726.86

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long-term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Maturities of financial liabilities

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

As at 31 March 2022:

Particulars	Less than 1 year	1-2 years	2-4 years	4-8 years	Total
Borrowings (refer note 14)	7.04	7.58	16.94	7.82	39.38
Other financial liabilities (refer note 16)	110.86	-	-	-	110.86
	117.90	**7.58**	**16.94**	**7.82**	**150.24**

As at 31 March 2021:

Particulars	Less than 1 year	1-2 years	2-4 years	4-8 years	Total
Lease liability (refer note 15)	0.63	-	-	-	0.63
Other financial liabilities (refer note 16)	121.67	-	-	-	121.67
	122.30	**-**	**-**	**-**	**122.30**

(c) Market risk

Market risk is the risk of potential adverse change in the Company's income and the value of Company net worth arising from movement in foreign exchange rates, interest rates or other market prices. The Company recognises that the effective management of market risk is essential to the maintenance of stable earnings and preservation of shareholder value. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the overall returns.

i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises when transactions are denominated in foreign currencies.

The Company operates locally in INR and but is exposed to foreign exchange risk arising from foreign currency transactions (IT enabled services), primarily with respect to the US Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not hedge its foreign exchange receivables. The Company's foreign exchange receivables is Nil as at 31 March 2022 and as at 31 March 2021 respectively.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

ii) Price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The investments in mutual funds have been disclosed in Note 6.

The Company is also exposed to the price risk for its investment in bonds and debentures. These being debt instruments, the exposure to risk of changes in market rates is minimal. The details of such investments in bonds are given in Note 6.

The Company is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

The Company has laid policies and guidelines which it adheres to in order to minimise pricing risk arising from investments in debt mutual funds.

Sensitivity analysis:

Particulars	As at 31 March 2022	As at 31 March 2021
Price increase by (1%) - Investments measured at FVTPL	67.90	65.00
Price decrease by (1%) - Investments measured at FVTPL	(67.90)	(65.00)

32 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

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

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

34 Ratio Analysis and its elements :

Ratios	Numerator	Denominator	Current reporting period	Previous reporting period	Change in Ratio	
					% Change	Remarks
Current Ratio (in times)	Total current assets	Total current liabilities	39.70	44.70	-11.18%	-
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.0034	0.0001	6050.54%	Vehicle loan taken during the year
Debt Service Coverage Ratio (in times)	Earning for debt service = Net profit after taxes + non-cash operating expenses + interest + Other non-cash adjustments	Debt service = Interest and lease payments + principal repayments	160.97	76.68	109.92%	Leased property surrendered
Return on Equity Ratio (in %)	Profit for the year less preference dividend (if any)	Average total equity	2.92%	2.90%	0.50%	-
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	50.88	N.A.	N.A.	-
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. total current assets less total current liabilities)	0.11	0.10	13.77%	-
Net profit ratio (in %)	Profit for the year	Revenue from operations	41.05%	46.05%	-10.87%	-
Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	3.13%	2.71%	15.80%	-
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	6.24%	7.71%	-19.03%	-

35 Other Additional Regulatory Information as required by amended Schedule III :

(a) Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons : During the period ending 31st March,2022 the company did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on 31st March,2021).

(b) Disclosure in relation to undisclosed income : The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period ending 31st March,2022 and also for the period ending 31st March,2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Relationship with Struck off Companies : The Company do not have any transactions with company's struck off during the period ending 31st March,2022 and also for the period ending 31st March, 2021.

(d) Details of Benami Property held : The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company during the period ending 31st March,2022 and also for the period ending 31st March,2021 for holding any Benami property.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

(e) Registration of charges or satisfaction with Registrar of Companies (ROC) : The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period, during the period ending 31st March,2022 and also for the period ending 31st March,2021.

(f) Details of Crypto Currency or Virtual Currency : The Company have not traded or invested in Crypto currency or Virtual Currency during the period ending 31st March,2022 and also for the period ending 31st March,2021.

(g) Utilisation of Borrowed Fund & Share Premium :

I. The Company have 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 to or on behalf of the Ultimate Beneficiaries during the year.

II. The Company have 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 during the year.

36 Dividends

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend on equity shares paid during the year:		
Final dividend for FY 2020-21 [₹ 1 (Previous year ₹ 1) per equity share of ₹10 each]	147.31	147.28

Proposed Dividend

The Board of Directors at its meeting held on 30 May 2022 proposed a dividend of ₹ 1 per equity share (31 March 2021: ₹ 1 per equity share) amounting to ₹ 147.31 lacs (31 March 2021: ₹ 147.31 lacs). The proposed dividend by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

37 Previous period figures have been re-grouped/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021.

As per our report of even date

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

Rahul Bothra
Partner
Membership No. 067330

Place: Kolkata
Date: 30 May 2022

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

Arvind Kajaria
Managing Director
(DIN: 00106901)

Sharad Kajaria
Whole-time Director
(DIN: 00108036)

Mohit Kumar Jha
Chief Financial Officer
(PAN: AFQPJ3755G)

Pranvesh Tripathi
Company Secretary
(PAN: ACWPT9367K)

Place: Kolkata
Date: 30 May 2022

Notice

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of IntraSoft Technologies Limited will be held on 13 September 2022 at 3.00 P.M. through Video Conference ("VC") / Other Audio Visual Means ("OAVM") to transact the following business

The Venue of the Annual General Meeting be deemed as Registered Office of the Company at 502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai- 411013.

ORDINARY BUSINESS

1. To receive, consider and adopt:

    (a) the audited standalone financial statement of the Company for the financial year ended 31 March 2022, and the Reports of the Board of Directors and Auditors thereon; and

    (b) the audited consolidated financial statement for the year ended 31 March 2022 along with auditors report thereon.

2. To declare Dividend on Equity Shares for the financial year ended on 31 March 2022.

3. To appoint a Director in place of Mr. Arvind Kajaria (DIN: 00106901), who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

4. Re-appointment of Mr. Arvind Kajaria (DIN: 00106901), as Managing Director of the Company.

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

    "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, re-enactment or amendment thereof, for the time being in force) and as per the recommendation of Nomination and Remuneration Committee and the Board, consent of the Company be and is hereby accorded for re-appointment of Mr. Arvind Kajaria (DIN: 00106901) as Managing Director of the Company for a period of 3 (three) years with effect from 01 April 2023 on such terms and conditions detailed in the explanatory statement attached hereto, with the authority to the Board of Directors to revise, amend, alter or otherwise vary the terms and conditions, including remuneration, of the said appointment that may be agreed to between the Board of Directors and Mr. Arvind Kajaria.

    RESOLVED FURTHER THAT in the event of modification/ amendment/ alteration or revision in the limits of remuneration as prescribed under Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, re-enactment or amendment thereof), for the time being in force, during the currency of tenure of Mr. Arvind Kajaria as Managing Director of the Company, the consolidated remuneration payable to the said Managing Director shall automatically stand revised to the maximum permissible amount payable to him as Managerial Remuneration under the said statutory provisions based on the profits / effective capital of the Company.

    RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the currency of the tenure of Mr. Arvind Kajaria as Managing Director, the Company shall make payment of remuneration to Mr. Arvind Kajaria at the same substantive level as specified above and that such remuneration shall be considered as the Minimum Remuneration payable to the said Managing Director in accordance with the provisions of the Companies Act, 2013 including any statutory amendments or re-enactment thereof.

    RESOLVED FURTHER THAT any Director of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

5. Re-appointment of Mr. Sharad Kajaria (DIN: 00108036) as Whole-time Director of the Company.

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

    "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, re-enactment or amendment thereof, for the time being in force) and recommendation of Nomination and Remuneration Committee and the Board, consent of the Company be and is hereby accorded for the re-appointment of Mr. Sharad Kajaria (DIN: 00108036) as Whole-time Director of the Company for a period of 3 (three) years with effect from 01 April 2023 on such terms and conditions detailed in the explanatory statement attached hereto, with the authority to the Board of Directors to revise, amend, alter or otherwise vary the terms and conditions of the said appointment that may be agreed to between the Board of Directors and Mr. Sharad Kajaria.

RESOLVED FURTHER THAT in the event of modification/ amendment/ alteration or revision in the limits of remuneration as prescribed under Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, re-enactment or amendment thereof) , for the time being in force, during the currency of tenure of Mr. Sharad Kajaria as Whole-time Director of the Company, the consolidated remuneration payable to the said Whole-time Director shall automatically stand revised to the maximum permissible amount payable to him as Managerial Remuneration under the said statutory provisions based on the profits / effective capital of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year during the currency of the tenure of Mr. Sharad Kajaria as Whole-time Director, the Company shall make payment of remuneration to Mr. Sharad Kajaria at the same substantive level as specified above and that such remuneration shall be considered as the Minimum Remuneration payable to the said Whole-time Director in accordance with the provisions of the Companies Act, 2013 including any statutory amendments or re-enactment thereof.

RESOLVED FURTHER THAT any Director of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

By Order of the Board of Directors

Place: Kolkata
Date: 30 May 2022

Pranvesh Tripathi
Company Secretary

Registered Office:
CIN: L24133MH1996PLC197857
502A, Prathamesh, Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel (W),
Mumbai – 400 013
Tel: 022 2491 2123 Fax: 022 2490 3123
Email: intrasoft@itlindia.com Website: www.itlindia.com

Notes:

a) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated 05 May 2020 read with Circular No. 14 dated 08 April 2020 and Circular No. 17 dated 13 April 2020 read with other relevant circulars, including General Circular No. 10/2021 dated 23 June 2021, 20/2021 dated 8 December 2021 and 02 & 03/ 2022 dated 5 May 2022 (hereinafter collectively referred to as "MCA Circulars") and SEBI Circular dated 15 January 2021, 22 December 2021 and SEBI circular no. 62/2022 dated 13 May 2022 issued by the Securities and Exchange Board of India (SEBI) permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM Mode instead of physical presence of the Members at a common venue.

b) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the said Circulars through VC/OAVM mode, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

c) Members attending the AGM through VC / OAVM mode shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

The copies of Notice of 27th AGM and the Annual Report 2021-22 shall be available on the Website of the Company at www.itlindia.com in Financials- Annual Reports section.

Since the AGM is held through VC/ OAVM mode, no road map of the location for the venue of the AGM is annexed to the Notice.

d) The dividend on Equity Shares, as recommended by the Board of Directors, if approved by the shareholders, will be credited / dispatched on or after 14 September 2022 to those members whose names shall appear on the Company's Register of Members on 06 September 2022. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

e) Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 01 April 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to send the required documents in accordance with the provisions of the IT Act through email at intrasoft@itlindia.com or upload the required documents on LinkIntime India Pvt Limited's (RTA) web portal as mentioned hereinafter in the Notice.

The TDS provisions for various categories of shareholders along with required documents are provided below:

For Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositaries (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode). No deduction of taxes in the following cases – • If dividend income to a resident Individual shareholder during FY 2021-22 does not exceed ₹5,000/- • If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submitting Form 15G/ Form 15H	NIL	Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years) - provided that all the prescribed eligibility conditions are met.
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income.	NIL	Documentary evidence that the person is covered under section 196 of the Act.
New Pension System Trust	NIL	Documentary evidence that the Trust is established in India and are the beneficial owner of the share/shares held in the Company; and our income is exempt under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882; and we are submitting self-attested copy of the PAN card and registration certificate, as applicable.

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act and a self- declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested)
Alternative Investment fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 and a declaration that its income is exempt under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations. Copy of registration documents (self-attested) should be provided
Other resident shareholder without PAN/ Invalid PAN	20%	Where the PAN is either not available or is invalid, tax shall be deducted at the rate prescribed as per Section 206AA of the Act or 20%, whichever is higher.

A Valid Permanent Account Number ("PAN") will be mandatorily required. Shareholders who are required to link Aadhar number with PAN as required under section 139AA (2) read with Rule 114AAA, should compulsorily link the same. Any PAN is found to have not been linked with Aadhar then such PAN will be deemed invalid and TDS would be deducted at higher rates u/s 206AA of the Act. The Government has not prescribed the mechanism to verify the said Aadhar linking with PAN, hence in order to comply with the provisions of the Act, Company will proceed on assumption that all shareholders are in compliance with the aforesaid provisions of the Act. However, we request you to inform us well in advance, if you have not linked your Aadhar with PAN as provided in section 139AA (2) read with Rule 114AAA. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

For Non-Resident Shareholders:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Non-resident shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors)	20% (plus applicable surcharge and cess) or Double Taxation Avoidance Agreement ("Tax Treaty") rate whichever is lower	Non-resident shareholders may opt for tax rate under the Tax Treaty. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company
		i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities;
		ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident;
		iii. Self-declaration in Form 10F of the Act (refer format available on the Company's website), if all the details required in this form are not mentioned in the TRC;
		iv. Self-declaration (refer format available on the Company's website) by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the Act).
		v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
		vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).
		TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided or if document are not in order.
		The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Submitting Order under section 195(3) /197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

- The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts . Aforesaid rates will be subject to applicability of section 206AB of the Act.
- In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format available on the Company's website) with Company in the manner prescribed by the Rules.
- In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.
- For All Shareholders: The aforementioned documents (duly completed and signed) are required to be uploaded on the URL https://linkintime.co.in/formsreg/submission-of-form- 15g-15h.html. On this page the user shall be prompted to select / share the following information to register their request:
  - Select the company (Dropdown)
  - Folio / DP-Client ID
  - PAN
  - Financial year (Dropdown)
  - Form selection
  - Document attachment – 1 (PAN)
  - Document attachment – 2 (Forms)
  - Document attachment – 3 (Any other supporting document).

Section 206AB of the Act

Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from 01 July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

i. at twice the rate specified in the relevant provision of the Act; or

ii. at twice the rate or rates in force; or

iii. at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

i. A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under the IT Act has expired; and

ii. The aggregate of TDS and TCS in his case is ₹50,000 or more in each of these two previous years.

The non-resident who does not have the permanent establishment (PE) is excluded from the scope of a specified person.

Therefore, in order to comply with the provisions of the Act, and unless any mechanism is prescribed by the authorities in this regard, Company will proceed on the assumption that all shareholders are in compliance with the provisions of section 206AB of the Act. However, we request you to inform us well in advance and before cut-off date if you are covered under the definition of 'specified person' as provided in section 206AB of the Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

Please note that duly completed and signed documents need to be submitted on or before Saturday 27 August 2022, 6:00 p.m. IST in order to enable the Company to determine and deduct appropriate TDS/Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered after Saturday 27 August 2022 6:00 p.m. IST.

The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of all dividend related activities.

Shareholders shall also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at new e-filing portal www.incometax.gov.in.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall, however, lie against the Company for such deduction of TDS.

f) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM Mode on its behalf and authorization for voting through remote e-voting/electronic voting at AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to js@rathiandassociates.com with copy marked to the Company at intrasoft@itlindia.com.

g) **Registration of email ID / Bank Account details / Certificates:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

SEBI vide its Circular dated 21 March 2013 have asked all the listed companies that any payments to the investors shall be made through electronic mode.

In case, the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

(i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

(ii) In the case of Shares held in Demat mode:

Alternatively, the shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

h) The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated 12 May 2020, 15 January 2021 , 22 December 2021 and 13 May 2022. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website www.itlindia.com and websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.bseindia.com and www.nseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

i) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

j) Relevant documents referred to in the accompanying Notice and the Statement are to be available and open for inspection by the members on Company's website at www.itlindia.com up to the date of the Meeting.

k) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 07 September 2022 to Tuesday, 13 September 2022 (both days inclusive) for the purpose of payment of dividend, if declared at the Meeting.

Registers maintained under the Companies Act, 2013 and available for inspection shall be made electronically available for inspection of members during the AGM at – 'Statutory Documents' section of the website of the Company – www.itlindia.com.

l) Shareholders who have not encashed their dividend warrants for the dividends declared for the financial years 2014-15 (Final) to 2021-22 (Interim and/or Final Dividend) are requested to send a letter along with unclaimed dividend warrant, if any, or letter of undertaking for issue of duplicate dividend warrant / demand draft. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28 September 2021 (date of last Annual General Meeting) on the website of the Company (www.itlindia.com) and also on the website of the Ministry of Corporate Affairs.

In terms of Section 124 of Companies Act, 2013 (corresponding Section 205A and 205C of the Companies Act, 1956), any dividend remaining unpaid for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the "Investor Education & Protection Fund" (IEPF). Members are requested to encash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

m) **Instructions for Shareholders/Members to Attend the Annual General Meeting through Insta Meet:**

Instructions for Shareholders/Members to attend the Annual General Meeting through Insta Meet (VC/OAVM) are as under:

i) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes prior to the time scheduled of commencement of the Annual General Meeting and will be available to the Members on first come first serve basis.

ii) Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed 15 (fifteen) minutes after the conclusion of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

iii) Shareholders/ Members will be provided with Insta Meet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

Open the internet browser and launch the URL for Insta Meet <<https://instameet.linkintime.co.in>> and register with your following details:

Select the "Company" and 'Event Date' and register with your following details: -

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting"

iv) Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

v) Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

vi) Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at Company ID at intrasoft@itlindia.com from 08 September 2022 to 10 September 2022. Shareholders who have registered themselves as speakers will only be allowed to express their views/ask questions during the Meeting. Similarly, Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at intrasoft@itlinda.com. The same will be replied by the company suitably.

vii) The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting. The Shareholders will get confirmation on first cum first basis depending upon the provisions made by the Company. Shareholders will receive "Speaking Serial No.' once they mark attendance for the Meeting.

viii) Please reach out to Mr. Rajeev Ranjan at instameet@linkintime.co.in and/ or Mr. Pranvesh Tripathi at intrasoft@itlindia.com should you have any queries on video conferencing.

ix) The members are requested to contact on –Instameet Support Desk of Link Intime India Pvt. Ltd. at - instameet@linkintime.co.in or at the helpline number i.e. + 91 22 49186175 who need assistance for using the technology before or during the meeting.

x) Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: Insta MEET and for Speakers.

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. Instameet, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the path of the Links provided as under on the Website of the Company.

https://itlindia.com/docs/InstaMeet_Platform_Special_Instructions.pdf

https://itlindia.com/docs/InstaMeet_Software_Installation_Guide.pdf

n) **Information and other instructions relating to voting by electronic means:**

i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI Circular- SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed in this notice by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than at the time of AGM held through VC/ OAVM Mode, ("remote e-voting") will be provided by Link Intime India Pvt. Limited.

ii. However, pursuant to the SEBI Circular- SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020 on "e-Voting facility provided by listed companies", e-Voting process has been enabled to all the individual demat account holders, by way of single log-in credential, through their demat accounts/ websites of Depositories / DPs in order to increase the efficiency of the voting process. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 06 September 2022.

iii. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting services provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. The members who have cast their vote by remote e-voting may attend the meeting held through VC/ OAVM mode but shall not be entitled to cast their vote again. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility

iv. The remote e-voting period commences on Saturday 10 September 2022 (9:00 am) and ends on Monday 12 September 2022 (5:00 pm). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on 06 September 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

v. The process and manner for remote e-voting post change in log in mechanism as per SEBI Circular dated 09 December 2020 are as under:

A. Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.
	• After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	• If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.
	• If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration
	• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
	• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is Linkintime.	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in
	• Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
	A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.
	B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
	C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
	D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
	• Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
	• Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
	• Click "confirm" (Your password is now generated).
	2. Click on 'Login' under 'SHARE HOLDER' tab.

Type of shareholders	Login Method
	3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
	4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
	5. E-voting page will appear.
	6. 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).
	7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

B. **Log in Method for Institutional shareholders:**

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

C. **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME and Institutional Shareholders aswell , have forgotten the password:**

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
  - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

D. **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

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

➢ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

➢ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

➢ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

E. **Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

F. **Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

G. Any person, who acquires shares of the Company and become member of the Company after sending of the notice through E-mail and holding shares as on the cut-off date i.e. 06 September 2022 may obtain the login ID and password by sending a request at enotices@linkintime.co.in or intrasoft@itlindia.com

o). **Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated, on the instructions of the Chairman, by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

i. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

ii. Enter 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for Insta Meet and click on 'Submit'.

iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

iv. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

v. After selecting the appropriate option i.e. Favour/ Against as desired and having decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be attending the Annual General Meeting and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through electronic voting facility during the meeting through InstaMeet facility.

Shareholders/ Members who have voted through Remote e-voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call at - Tel : (022-49186175)

p) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM held through Insta Meet facility.

q) Mr. Jayesh Shah, Practicing Company Secretary, Partner, M/s. Rathi & Associates has been appointed as the Scrutinizer to scrutinize the voting at VC/OAVM AGM and remote e-voting process in a fair and transparent manner.

r) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting shall make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report and submit the same to the Chairman who shall counter sign the same and Chairman shall declare the results of the voting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.itlindia.com and on the website of Link Intime India Pvt. Ltd. https://instavote.linkintime.co.in immediately after the declaration of result by the Chairman. The results shall simultaneously be submitted with the stock exchanges where the Company's shares are listed. The resolutions shall be deemed to be passed at the AGM of the Company scheduled to be held on 13 September 2022.

s) The Annual Accounts of the Subsidiary Companies shall be available on website of the Company in the Section "Financials- Annual Reports" for inspection by any shareholder.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The tenure of Mr. Arvind Kajaria as Managing Director going to expire on 31 March 2023. The Board of Directors of the Company at its meeting held on 30 May 2022 as per the recommendation of the Nomination and Remuneration Committee and subject to approval of the Shareholders, approved re-appointment of Mr. Arvind Kajaria as Managing Director of the Company for a period of 3 (three) years w.e.f. 01 April 2023 till 31 March 2026.

The specific terms of appointment including remuneration payable to Arvind Kajaria as Managing Director and other main terms and conditions of the appointment are as under:

A. **Period of appointment:** 3 (three) years i.e. from 01 April 2023 to 31 March 2026.

B. **Basic Salary:** ₹400000/- (Rupees Four Lakhs only) per month.

C. **Perquisites:**

1. Housing: Fully furnished residential accommodation, the cost of which shall not exceed 50% of the basic salary per annum or HRA in lieu thereof.
2. Provision of a Car: Actual running & maintenance expenses will be borne by the Company.

D. **Termination:**

Appointment may be terminated by either party by giving to the other party three months' notice.

E. The Managing Director shall be liable to retire by rotation.

F. Other Terms

1. Subject to superintendence, control and direction of the Board of Directors of the Company, the Managerial Personnel shall exercise and perform such powers and duties as the Board of Directors of the Company ("the Board") may from time to time determine and shall also do and perform all such other acts, things and deeds which in the ordinary course of business he considers necessary in the interest of the Company.
2. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to duties and obligations of directors.
3. The Managerial Personnel shall adhere to the Company's Code of Conduct for Board members and Senior Management for business conduct & Ethics for Directors and Senior Management and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company.

As per the provisions of Section 196 read with Schedule V of the Companies Act, 2013 and the rules made thereof, no appointment of Managing Director can be made without the approval of members. The Board recommends the Special Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

The information as regards Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are disclosed hereinafter and forms part of this notice.

Except Mr. Arvind Kajaria, the appointee and Mr. Sharad Kajaria, Whole Time Director of the Company and relatives of Mr. Arvind Kajaria, none of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions set-out under Item no. 4.

Item No. 5

The tenure of Mr. Sharad Kajaria as Whole-time Director is going to expire on 31 March 2023. The Board of Directors of the Company at its Meeting held on 30 May 2022 as per the recommendation of the Nomination and Remuneration Committee and subject to approval of the Shareholders, approved re-appointment of Mr. Sharad Kajaria as Whole-time Director of the Company for a period of 3 (three) years w.e.f. 01 April 2023 till 31 March 2026.

The specific terms of appointment including remuneration payable to Mr. Sharad Kajaria as Whole-time Director and other main terms and conditions of the appointment are as under:

A. **Period of appointment:** 3 (three) years i.e. from 01 April 2023 to 31 March 2026

B. **Basic Salary:** ₹375000/- (Rupees Three Lakh Seventy Five Thousand only) per month.

C. **Perquisites:**

a) Housing: Fully furnished residential accommodation, the cost of which shall not exceed 50% of the basic salary per annum or HRA in lieu thereof.

b) Provision of a Car: Actual running & maintenance expenses will be borne by the Company.

D. **Termination:**

Appointment may be terminated by either party by giving to the other party three months' notice.

E. The Whole-time Director shall be liable to retire by rotation.

F. Other Terms

1. Subject to superintendence, control and direction of the Board of Directors of the Company, the Managerial Personnel shall exercise and perform such powers and duties as the Board of Directors of the Company ("the Board") may from time to time determine and shall also do and perform all such other acts, things and deeds which in the ordinary course of business he considers necessary in the interest of the Company.

2. The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to duties and obligations of directors.

3. The Managerial Personnel shall adhere to the Company's Code of Conduct for Board members and Senior Management for business conduct & Ethics for Directors and Senior Management and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company.

As per the provisions of Section 196 read with Schedule V of the Companies Act, 2013 and the rules made thereof, no appointment of Whole time Director can be made without the approval of members. The Board recommends the Special Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in resolutions set-out under item no. 5 except Mr. Sharad Kajaria, the appointee and Mr. Arvind Kajaria, Managing Director of the Company and other relatives of Mr. Sharad Kajaria are interested in the resolution as set out at Item No. 5 of the Notice.

The information as regards Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed hereinafter and forms part of this notice.

Information pursuant to Schedule V and other applicable provisions, if any, of the Companies Act, 2013 for the resolutions set out as Item No. 4&5 for the respective re-appointments of Managing Director and Whole-time Director:

I General Information:

1. Nature of industry: IT Enabled Services
2. Date or expected date of commencement of commercial production: Not Applicable
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators for the last three financial years:

(₹ in Lacs)

Particulars	2021-22	2020-21	2019-20
Total Income	1306.04	1301.06	1194.82
Profit before Tax	354.56	302.11	138.38
Less: Provision for Income Tax (Including Deferred Tax)	23.52	(21.81)	19.50
Profit after Tax	331.04	323.92	118.88
Dividend for the Year	₹1 (10%)	₹1 (10%)	₹1 (10%)

5. Foreign investments or collaborations, if any: The Company has Two Foreign Wholly Owned Subsidiaries viz.;
   a) 123Greetings.com,Inc (USA)
   b) Intrasoft Ventures Pte. Ltd, (Singapore)

   The Company do not have any other foreign collaboration.

II. Information about the appointee:

Sr. No.	Particulars	Mr. Arvind Kajaria	Mr. Sharad Kajaria
1	Background details	Mr. Arvind Kajaria is a Commerce Graduate and also holds Bachelor's degree in Business Administration from Adelphi University, New York. He is one of the Promoters of the Company. He has vast experience in finance, marketing, management and Investor Relations.	Mr. Sharad Kajaria is a Commerce graduate. He is one of the Promoters of the Company. He is designated as Whole-time Director of the Company. He is well-versed with all the aspects of the Company's business operations and Technology developments and upgradations and Investor Relations.
2	Recognition or awards	Award winner at the Leadership Training Programme by Dale Carnegie (USA).	His knack of understanding new media has been instrumental in the Company's strategic technological initiatives.
3	Past remuneration	2021-22 ₹72. 11 lacs p.a.	2021-22 ₹67.61 lacs p.a.

Sr. No.	Particulars	Mr. Arvind Kajaria	Mr. Sharad Kajaria
4	Job profile and his suitability	He is serving as Managing Director of the Company. He has been the Chairman of the Board since 1998 and has been the driving force behind the Company, especially in areas of business development, expansion, operations, strategic planning and execution. As a management professional with over 32 years of experience, he has built a world-class Enterprise and made revolutionary contributions to the Internet revolution. He looks after day-to-day affairs including Finance, Marketing, Investors Relation and overall management of the Company.	Sharad Kajaria is the Whole-time Director of the Company and has been actively associated with it since its incorporation. With over 23 years of experience in internet technologies, Sharad Kajaria spearheaded realigning the business with a stronger focus on new technology, innovation, systems and process reengineering along with expansions of scale. His intuitive sense of advanced technology and his knack of understanding new media has been instrumental in the Company's strategic technological initiatives. He looks after overall business of the Company.
5	Remuneration proposed	As mentioned in the attached explanatory statement.	
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).	It is not possible to find out comparative remuneration in the industry with respect to profile and position. The remuneration proposed for Managing Director and Whole time Director is purely based on merits.	
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Managing Director and Whole-time Director do not have any pecuniary relationship with the Company, except remuneration drawn as Managing Director / Whole-time Director and as a shareholder to the extent of their shareholding in the Company. Mr. Arvind Kajaria and Mr. Sharad Kajaria are bothers.	

III Other information:

1. **Reasons of loss or inadequate profits:**

   During the year under review the Company saw a fall in Revenue from operations due to competitive pressure in the e-greetings business. This in turn led to overhead costs putting greater pressure on margins. A combination of these factors adversely impacted profitability.

2. **Steps taken or proposed to be taken for improvement:**

   The Company has initiated measures to improve profitability. Investment in technology, to improve operational efficiency and to better the customer experience, is expected to have a positive impact on profitability.

3. **Expected increase in productivity and profits in measurable terms:**

   The Company is consciously undertaking measures to improve profitability. However, given the dynamic nature of the e-greetings industry and the ongoing pandemic crisis, it would be difficult to predict the impacts in measurable terms. But, the Company has a positive long-term business outlook.

IV Disclosures:

The remuneration package along with relevant details paid to Mr. Arvind Kajaria and Mr. Sharad Kajaria has been mentioned hereinabove and in the report on Corporate Governance attached to Directors' Report. There is no severance fee or stock options being granted to Mr. Arvind Kajaria, Managing Director and Mr. Sharad Kajaria, Whole time Director.

Details of Directors seeking Appointment/ Re-appointment at the ensuing Annual General Meeting as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Arvind Kajaria	Sharad Kajaria
Date of Birth	17 December 1964	17 March 1976
Date of proposed Appointment/Re-appointment (w.e.f.)	01 April 2023	01 April 2023
Qualification	B. Com, Degree in Business Administration from Adelphi University, New York (MBA)	B. Com.
Brief Resume	Mr. Arvind Kajaria is a Commerce Graduate and also holds Bachelor's degree in Business Administration from Adelphi University, New York. He is one of the Promoters of the Company. He has vast experience in finance, marketing, management and Investor Relations.	Mr. Sharad Kajaria is a Commerce graduate. He is one of the Promoters of the Company. He is designated as Whole-time Director of the Company. He is well-versed with all the aspects of the Company's business operations and Technology developments and up gradations.
Area of Expertise	Finance, Marketing and Management, Investor Relations.	Business Operations, Internet Technologies & Software.
Experience	32 years	23 years
Other Directorship in Listed Entities	Nil	Nil
Name of the other Companies in Committees of which holds membership/ chairmanship	Nil	Nil
Disclosure of relationship between Directors inter-se	None of the Directors/ Key Managerial Personnel of the Company/ their relative are, in any way, concerned or interested, financially or otherwise, in such re-appointment of Mr. Arvind Kajaria as Managing Director except Mr. Arvind Kajaria himself, Mr. Sharad Kajaria and other relatives of Mr. Arvind Kajaria.	None of the Directors/ Key Managerial Personnel of the Company/ their relative are, in any way, concerned or interested, financially or otherwise, in such re-appointment of Mr. Sharad Kajaria as Whole-time Director except Mr. Sharad Kajaria himself, Mr. Arvind Kajaria and other relatives of Mr. Sharad Kajaria.
No. of Board Meetings attended during FY 2021-22	4	5
Number of Equity Shares held (as on 31 March 2022)	2811797	2812500

Notes

Notes

Corporate information

Board of Directors

Mr. Arvind Kajaria - Managing Director

Mr. Sharad Kajaria - Whole-time Director

Mr. Rupinder Singh - Independent Director

Mr. Anil Agarwal - Independent Director

Mr. Savita Agarwal - Independent Director

Mr. Ashok Bhandari - Independent Director $

Mr. Ashish Arun - Independent Director #

$ Last date as Director was 17 March 2022
# Appointed on 14 March 2022

Auditors

M/s. Singhi & Co.,
Chartered Accountants
Kolkata

Company Secretary & Compliance Officer

Pranvesh Tripathi

Registrar and Share Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai – 400 083
Tel: +022-49186270
Fax: +91-22-4918-6060
Email: rnt.helpdesk@linkintime.co.in

Bankers

1. HDFC Bank Ltd
2. State Bank of India

Registered Office

502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
Tel: +91-22-4004-0008,
Fax: +91-22-2490-3123
Email: intrasoft@itlindia.com

Corporate Office

Suite 301, 145, Rash Behari Avenue,
Kolkata 700 029
Tel: +91-33-4023-1234
Fax: +91-33-2464-6584
Email: intrasoft@itlindia.com
Corporate Identification Number
L24133MH1996PLC197857

INTRASOFT TECHNOLOGIES LIMITED
502A, Prathamesh, Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Phone: 91-22-4004-0008, Fax: 91-22-2490-3123
Email: intrasoft@itlindia.com