

**30<sup>th</sup> August, 2021**

To,  
The BSE Limited,  
25<sup>th</sup> Floor, P. J. Towers,  
Fort, Mumbai: 400 001.  
**BSE CODE: 532668**

Dear Sir/Madam,

**Sub: Notice of Annual General Meeting("AGM") along with Annual Report, Book Closure & E-voting**

We would like to inform you that the 24<sup>th</sup> Annual General Meeting is scheduled to be held on Friday, 24<sup>th</sup> September, 2021, at 10.30 a.m.(IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

We further inform you that, pursuant to Section 91 of the Companies Act, 2013, and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 18<sup>th</sup> September, 2021 to Saturday, 25<sup>th</sup> September, 2021 (both days inclusive).

Further, we have made arrangements for providing remote e-voting facilities to the shareholders of the Company for voting on the resolutions proposed at the 24<sup>th</sup> AGM scheduled to be held on Friday, 24<sup>th</sup> September, 2021 as per following schedule:

E-voting at the web-site of NSDL: [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

Cut-off Date for remote e-voting: 17<sup>th</sup> September, 2021

Date of commencement of remote e-voting: 21<sup>st</sup> September, 2021  
Start Time: 09.00 A.M.

Date of end of remote e-voting: 23<sup>rd</sup> September, 2021  
End Time: 05.00 P.M.

Notice of AGM along with Annual Report is enclosed herewith.

Thanking you,

Yours faithfully,

**For Aurionpro Solutions Limited**

  
**Nihad Kelkar**  
Company Secretary



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aurionpro 

# ANNUAL REPORT

2020-21





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## Chairman's Letter



Dear Stakeholders,

Last year was a game changing year, starting on the back of a below par year and the Covid-19 outbreak during the year had us all worried. India and indeed most of the world were in lockdown for the first two quarters of the year. This had a significant impact on our operations but we along with our customers slowly figured out a way to work through the pandemic. Over rest of the year, we continued to improve the performance while setting the stage for a future growth. Our Cybersecurity business, albeit extremely promising, was in its investment phase then, COVID-19 and consequent uncertainties increased the investment needs and further delayed scaling up. This could have held back growth of other stronger parts of Aurionpro. Culminating event was sale of our Cybersecurity business in May this year, though disappointing, has now helped us set us up Aurionpro for strong and sustained long term growth.

When the pandemic began, our foremost priority was to ensure operational stability. The businesses had to reimagine stakeholder engagements in virtual set up and establish mutual trust with the stakeholders. It was challenging, but I am particularly grateful to our customers for their continued support and employees who relentlessly worked hard to ensure uninterrupted services to the customers.

In terms of financial performance, with initial impacts of lockdown, we adopted a three pronged strategy to focus attention on our core high margin businesses, to undertake measures to improve operational efficiencies & cost rationalization. The aim was to build robust operations with sustained revenue growth and profitability. While we suffered some revenue loss initially, which is also reflected in our performance of H1-FY 21, we were able to maintain almost the same EBIDTA in absolute terms despite dip in revenue. We finished FY 21 with ₹ 374 crs as revenue and ₹ 34 crs PAT (before adjustment towards impairments & exceptional items). During H2, our performance improved significantly. We have continued that improvement in this financial year as well.

With streamlined businesses, strong cash flow and healthier balance sheet, we are well on our way for a significantly stronger year and now we have set our sights on becoming a strong regional player in our Banking business and establishing ourselves as a leading solution provider for Smart cities and data center and hybrid cloud services in India and one of the globally significant player in our mobility business. Collectively this focus will set us up for multi year sustained growth in revenue and profitability. We have a strong leadership team in place and we are now focusing on building strong sales team for future. We are best placed as a company we ever have been, and I am confident that we will build on this base and execute in a way where we continue to feel the same way.

Covid outbreak and impact of climate change over last couple of years have been defining moments which may bring a good change in the way societies function. These events will make the whole world change how we live forever. We need to rebuild the neighborhoods and cities and nations that can help us manage our planet better, reduce negative human impact on climate and other species. We also need to manage impact of future pandemics better. The human race is resilient and has sustained many such adversities, so I am confident we will also overcome this crisis too. This will herald a rebuilding of a new world and technology and especially for us fintech, will spearhead this change.



## Chairman's Letter (Contd.)

Rebuilding on this scale will offer huge opportunities for growth. This optimism should boost our spirits. The crises also bring opportunities, this is particularly true for the technology sector, which is at the forefront of the economic revival. The pandemic has changed the way businesses and governments are run and impelled organizations to reinvent themselves. Those who quickly adapted to the change and re-oriented their strategies are outperforming and will be best placed to seize immense opportunities in the sector. We plan to be one of them. Over the longer period, it's rebuilding of every industry and country that will offer immense opportunities to all and especially to us here at Aurionpro.

In first few months of this year, we have launched our hybrid cloud offerings and "Smartlender Cloud" our lending suite on cloud. In next few months, we have some key product launches which will help us redefine ourselves and help our long term growth. We have also been adding onto our sales capability through expansion of the team and through partnerships. I expect we will have much stronger team in place in next two quarters. We are already on path of sustained long term growth and with the expanded team and strong partnerships with major players we plan to do even better.

On the financial front, We had a strong first quarter and with current order book we have, we will continue to do better. Our plan to be net debt free by October this year is on track and this will have positive impact on our margins. We are already seeing positive outlook from our vendors, bankers and other stakeholders. Further, with strong performance and streamlined balance sheet, we expect significant improvement in all financial ratios this year onwards. As a measure of prudence over last two years, we have not declared dividend, as we continue to strengthen the balance sheet and as we start building our cash reserves we plan to start returning cash to shareholders. I hope to communicate to you on our long term plan on this in next few months.

I wish to thank all our stakeholders, including the shareholders, customers, vendors, employees, bankers and the government for their continued support in these difficult times. I also pray for the safety and wellbeing of all our stakeholders. Stay Safe, Stay Healthy.



## Board of Directors and Executive Management



### Mr. Paresh Zaveri

#### Chairman & Managing Director

Mr. Paresh Zaveri co-founded Aurionpro in 1997 and has been the strategic architect of its growth ever since. Paresh led the formulation of Aurionpro's incisive corporate strategy that included a balanced combination of organic and inorganic growth and was instrumental in identifying the markets to expand into and the acquisition targets that would both fit within Aurionpro's corporate culture and targeted growth plans.

He brings about 25 years of experience in corporate finance, supply chain, general management, and strategic planning to his role with Aurionpro, and is also influential in advising a number of industry-related organizations and enterprises. Based in Singapore, Paresh holds a degree in engineering as well as MBA in finance.



### Mr. Amit Sheth

#### Co-Chairman & Director

Mr. Amit Sheth has an experience about 25 years. He being one of the founding members of Aurionpro, has been instrumental in driving the Banking, Financial services portfolio. He oversees and guides business development and strategic partnership initiatives. With his enriched experience in corporate finance, equities and technology, he brings domain expertise in banking operations and cash management. Based in Mumbai, Amit holds a graduation in engineering and a postgraduate degree in finance.



### Mr. Ajay Sarupria

#### Non-Executive Director

Mr. Ajay Sarupria has about 22 years of experience in capital and private equity market. His investment strategy revolves around backing professional and passionate management to build businesses and raise subsequent rounds of funding till it gets listed or sold. In most of the cases, Mr. Sarupria has been able to raise several rounds of funding and helped them build business. Based in Mumbai, Mr. Ajay is Science Graduate from Mumbai University.



## Dr. Mahendra Mehta

### Independent & Non-Executive Director

Dr. Mahendra Mehta has been associated and working in the consulting & executive education field since February, 2002, focusing primarily on Analytics, Mathematical finance, Treasury Management, Financial Risk Management, Derivatives, Portfolio Management that includes Market, Credit and Operational Risk Management including development, implementation of policies, processes and procedures in the business. Based in Mumbai, Dr. Mehta has Ph. D. in Electrical Engineering from Indian Institute of Technology, Mumbai, India.



## Mr. Frank Osusky

### Independent & Non-Executive Director

Mr. Frank Osusky, is a 30+ year industry veteran with diverse financial management expertise with an emphasis on growth, profitability, cash flow, and mergers and acquisitions.

He has worked with BDP International, Inc as Chief Financial Officer (CFO) looking after all corporate Finance, Banking, and Treasury functions globally. Prior to BDP International, Inc, he held senior financial and customer service management positions in various privately held and publicly traded companies. Based in USA, Mr. Frank Osusky holds a BA in Accounting from Villanova University and MBA in Finance from LaSalle University.



## Mrs. Sudha Bhushan

### Independent & Non-Executive Director

Mrs. Sudha Bhushan has more than a decade of experience in the Audit and Assurance with expertise in Foreign Exchange Management Act, International transaction advisory, structuring and regulatory affairs. She also has Extensive experience of handling business transactions from Initial Public Offer to Foreign Direct Investment, advises corporates, PSUs as well as government authorities in lot of intricate transactions.

Mrs. Sudha Bhushan is the Member of Committee of International Taxation of WIRC, Institute of Chartered Accountants of India (Member of Editorial Committee of WIRC of ICAI and Committee of women empowerment of ICAI. Based in Mumbai, Mrs. Sudha Bhushan is qualified Company Secretary, Chartered Accountant and Insolvency Resolution Professional.





## **Mr. Sanjay Bali**

**EVP, Head South Asia**

Mr. Sanjay Bali comes with over 20+ years of diverse experience across sales, services, project management and a strategist in Implementing and executing new Initiatives, he is responsible for the business in India and South Asia Market.

He is also responsible for the business in Government and Public sector for Aurionpro, strengthening and oversee the delivery of Aurionpro's world class software, IT outsourcing services, Infrastructure projects, turnkey solutions, and Consulting offerings to Government and PSU customers. Mr. Sanjay Bali is Bachelor of Art & holds PG in BA.



## **Mr. Raj Menon**

**EVP, Head Customer Experience Solutions**

Mr. Raj has about 20 years of industry experience, he has been a pioneer in leveraging smart customer experience solutions for large and medium enterprises.

Mr. Raj has been a part of Intellvisions (now Aurionpro) since inception and has led and managed key business functions like product development, Go To Market strategy, strategic alliance & partnerships. He has an extensive experience in managing and growing key accounts and has been instrumental in spearheading strategic initiatives and business expansion plans. He is a Science Graduate from Mumbai University with a Post Graduate Degree in System Management from Mumbai University.



## Mr. Shekhar Mullatti

### EVP, Head Banking

Mr. Shekhar Mullatti is a versatile Banking & Technology Professional about 25 years of experience. He has worked with large, multinational corporations including Citibank, ANZ, BNP Paribas, Bank of America and Dell. He oversees and leads the sales, operations, and delivery across Asia Pacific, the Middle East, and Africa. Mr. Shekhar holds an Engineering degree from IIT Bombay and a Management degree from IIM Calcutta.

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## Mrs. Poonam Puthran

### VP, Delivery Banking

Leads Transaction Banking unit with about 20 years experience of product development and implementation within the Banking and Financial Services Industry Proficient in handling a large team of professionals to deliver multi million dollar projects. Strategic planner ensures projects are delivered on time and within budget. Led implementations across different geographies South East Asia, Middle East, India, Srilanka and Africa.

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# ABOUT AURIONPRO



## Business Areas and Primary Offerings

Aurionpro is a global technology solutions leader that helps clients accelerate digital innovation, securely and efficiently. We combine core domain expertise with thought leadership in innovation & security. Aurionpro offers broad suite of products and platforms that can be truly transformational to the core of client's business, helping them to address the needs of their customers, partners and employees within a frictionless environment. Our class leading IP frameworks form the foundation of our Digital Innovation and has been successfully deployed across a wide range of businesses known for setting the highest benchmarks in terms of customer experience and operational efficiency. Every Aurionpro employee brings with him or her, the resourcefulness, creativity and aptitude to find solutions that deliver 'more' with 'less'. Our track record of success is built upon the edifice of domain expertise that we bring to all our engagements. With its global presence, Aurionpro has empowered over 200 clients globally to Innovate, Secure and Optimize their businesses. This includes 15 Fortune 500 clients in versatile sectors. Aurionpro with its substantial 1000+ employee strength, consisting of its domain experts and support team, has consistently been recognized among the industry through various records and recognitions from time to time such as Deloitte Technology Fast50, Forms Asia 200 Best Under A Billion, Beacon Award by IBM, Oracle Titan Award, Microsoft Partner Network winner, Fintech Forward etc.

The company is organized into followings primary business lines:

### ➤ **Banking and Fintech**

At Aurionpro, we leverage our extensive domain expertise and class leading IP based frameworks to deliver solutions that are truly transformational to the core of the business of clients. Our offerings focus on enabling enterprises that are already digital or going digital with automation. We help banks and enterprises elevate customer experience and deliver on the promise of the digital enterprise. We cater to the three crucial banking areas which are Wholesale Banking, Retail Banking, and Market Systems.

#### **a) Wholesale Banking**

The rise of regional and hyper local banks has created exciting new opportunities in the transaction banking space. The continuous upward trajectory of Wholesale banking is a reflection of this new reality. Customers today need a singly unified digital platform to address their diverse requirements. At Aurionpro, our deep rooted experience of working with some of Africa & Asia's largest and influential banks makes us uniquely positioned to address the changing needs of the banking fraternity.

Our commercial lending platform SmartLender continues to be the platform of choice across leading banks in South East Asia helping them manage their asset base and credit approval process through a completely automated platform. SmartLender incorporates Basel II risk management framework with the best of breed credit risk management practices from international banks.

Aurionpro's iCashpro+ is the next generation transaction banking platform that reflects our deep insight and knowledge gained over a decade of working with some of the marquee customers across region. Built from the ground up iCashpro+ incorporates the best of breed tools and cutting edge technologies to drive operational efficiencies while retaining the highest level of accuracy and precision in servicing a complex ecosystem of banks, large corporates and SME customers.

The businesses across the globe have re-aligned and re-invented themselves to encash the opportunities created by changing business dynamics in the wake of unprecedented and evolving situations. Aurionpro is no exception to this and has been consistently building new capabilities in this segment. Aurionpro, as an entry in this arena has launched "Smart-Lender Cloud", a cloud offering of our Lending Product Suite. The Smart-Lender Cloud will help to accelerate the Bank's digital transformation agenda while charting the course for a smooth multi-country rollout with robust, highly scalable and agile solution. The Smart-Lender Cloud is available on both public and hybrid cloud enabling wider participation.

#### **b) Retail Banking**

At Aurionpro, our digital platforms and creative capabilities coupled with our deep rooted technical expertise uniquely position us to enable banks raise their game to an entirely new level.

Aurionpro Customer Experience (ACE) helping clients primarily in Retail Frontline Service Automation and Customer Journey Management is the industry's most comprehensive platform to rapidly deploy customer facing technologies across a wide range of industry verticals. ACE comprises a series of application servers that can virtually drive every customer-facing technology within a retail institution.

We lead the industry in design and installation of some of the most complex self-service kiosks, integrating cutting-edge (PCB) Printed Circuit Board designs with superior engineering skills and mass manufacturing capabilities. We offer the most comprehensive range of self-service terminals for cash and cheque deposit systems to self-service dispensing mechanism. Our team of system designers and engineers and precision driven dispensing mechanism, retreating the promise of round-the-clock service. Our largest array of self-service terminals can help clients to build unmatched reliability as well as exceptional customer experience.





## Business Areas and Primary Offerings (Contd.)

We built ACE Platform to make it easier to delivery remarkable, customer-first experiences. ACE provides a true omni channel experience providing customers service of their choice, location of their convenience on devices they prefer. The API- centric architecture provides a set of out of the box customer journeys which can be extended to individual requirements. ACE from Aurionpro can be augmented by best of breed businesses and social intelligence tools infusing realtime analytics and contextual intelligence about the customers of the clients.

### c) Treasury & Capital Markets

At Aurionpro Market systems our goal is to help organizations achieve optimum level of liquidity with the lowest cost structures while maintaining the highest level of risk compliance. Our team of industry veterans can provide a thorough experienced based prognosis of the existing while delivering pragmatic and viable solutions to transform your business. Regardless of their size and stage of evolution we can help organizations close the gaps in their current operations while providing a clear framework and support to anticipate the challenges of the future.

### ➤ Technology Innovation Group

Aurionpro aims to support the Government in its vision to build and sustain a Digital India. We work with various departments of the Government to create Smart Cities and Smart Surveillance through turnkey system integration and big data/analytics. Aurionpro has been on the forefront of India's smart cities and mobility initiatives. By working closely with the key government stakeholders in the government and urban planners we have successfully created Digital Urban Infrastructures that can help citizens realize their aspirations using a combination of disruptive technologies backed by a strong service network.

We leverage our core domain expertise and proficiency in technology to maximize the productivity of government entities and thus support build a stronger economy and overall e-Governance. Aurionpro's extensive government solutions such as Smart Mobility, Smart City Solution, Centralized Project Management System, Software Development, Digital Twin City, 5D BIM. These are designed to support the Governments to take a leap in the area of digital transformation.

**Smart City solutions** enables the authorities to transform a city into the smart city with the help of enhanced digital governance and systematic planning through the support of uniquely developed modules of Aurionpro's solutions offering which include City Surveillance, Attendance System, Digital Display Solution-Variable messaging system, ICT Enable Waste Manage System, Smart Parking, Smart Lighting, City Mobile App, E-challan, City Wallet, E-ticketing, City Communication Network, City WiFi, etc.

Aurionpro in Digital Twin city area has pioneered the implementation of 3D Cities in India. The first of its kind project was rolled out for the city of Jaipur. 3D city platform has the capability to transform the way urban planners approach the creation, development and effective management of a city.

In **Smart Mobility** the open loop methodology provides greater flexibility with its interoperability features which eases the commutation of passengers.

Central Project Management System (CPMS) is a smart management technology platform that gives real-time data insight into key aspects of project management like budget and cost management, schedule plan V/s actual plan etc.

Aurionpro has also ventured into the **Data Centre** building, consulting and hybrid cloud services in recent years and has built a strong team of industry veterans, with over 20+ years of experience in the field, for this purpose. Aurionpro has also signed up with some customer for providing consultancy and assistance for rolling out of 100 MW Data Centres within next few years. Further, Aurionpro is also providing consultancy to the other industry leaders on Data Centre designs and implementation. Recently, Aurionpro has also signed some key partnerships in this segments which shall boost our position best place us to tap immense opportunities in this segment.

## Office



### Corporate Headquarter

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Aurionpro Solutions Limited  
Synergia IT Park, Plot No-R-270,  
T.T.C.,Industrial Estate,  
Near Rabale Police Station,  
Rabale, Navi Mumbai-400701.  
Tel : +91-22-4040-7070  
Fax : +91-22-4040-7080  
investor@aurionpro.com

### North America

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California, USA

### Europe, Middle East & Africa

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West Yorkshire, England  
Nairobi, Kenya,  
Dubai, UAE

### Asia Pacific

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Singapore  
Hong Kong  
Jakarta, Indonesia  
Bangkok, Thailand  
Kuala Lumpur, Malaysia  
Philippines, Vietnam

### India

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Navi Mumbai, Maharashtra  
Pune, Nagpur, Maharashtra  
Jaipur, Rajasthan  
Noida, New Delhi



## Company Information

### BOARD OF DIRECTORS

<b>Mr. Paresh Zaveri</b>	– Chairman & Managing Director
<b>Mr. Amit Sheth</b>	– Co- Chairman & Non-Executive Director
<b>Mr. Ajay Sarupria</b>	– Non-Executive Director
<b>Dr. Mahendra Mehta</b>	– Independent & Non-Executive Director
<b>Mr. Frank Osusky</b>	– Independent & Non-Executive Director
<b>Mrs. Sudha Bhushan</b>	– Independent & Non-Executive Director

### Chief Financial Officer

Mr. Vipul Parmar

### Company Secretary

Mr. Ninad Kelkar

### BOARD COMMITTEES:

#### Audit Committee

Dr. Mahendra Mehta (Chairman)  
Mr. Frank Osusky  
Mr. Amit Sheth

#### Nomination & Remuneration / Compensation Committee

Dr. Mahendra Mehta (Chairman)  
Mr. Frank Osusky  
Mrs. Sudha Bhushan

#### Stakeholders Relationship/Investors Grievances & Share Transfer Committee

Mr. Frank Osusky (Chairman)  
Dr. Mahendra Mehta  
Mr. Amit Sheth

#### Corporate Social Responsibility Committee (CSR)

Mr. Amit Sheth (Chairman)  
Dr. Mahendra Mehta  
Mrs. Sudha Bhushan

### BANKERS

State Bank of India.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
Yes Bank Ltd.  
Axis Bank Ltd.  
Bank of India.

### REGISTERED OFFICE

Synergia IT Park,  
Plot No-R-270, T.T.C. Industrial Estate,  
Near Rabale Police Station,  
Rabale, NaviMumbai-400701.

### INTERNAL AUDITORS:

D. Kothary & Co.  
Chartered Accountants, Mumbai.

### STATUTORY AUDITORS

M/s. Chokshi & Chokshi LLP  
Chartered Accountants, Mumbai.

### REGISTRARS & TRANSFER AGENTS

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp.Vasant Oasis, Makwana Road, Marol,  
Andheri (E) Mumbai, 400059.



# Management Discussion & Analysis

## 1. OVERVIEW

Aurionpro Solutions Limited ("Aurionpro") financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other provisions of the Act to the extent notified and applicable. The management of Aurionpro accepts responsibility for objectivity and integrity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs. The management of Aurionpro is committed to continuously improving the level of transparency and disclosure. As such, an attempt has been made to fully and completely disclose information herewith about the company, its business, operations, outlook, risks, and financial condition. The forward-looking statements contained herein are subject to certain risks and uncertainties, including, but not limited to, the risks inherent in the company's growth strategy, dependency on strategic clients, and dependency on availability of qualified technical personnel and other factors discussed in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Aurionpro management's analysis only as of the date hereof.

## 2. ECONOMIC OUTLOOK

The global economy, after contracting during the year 2020 amid unprecedented health crisis, is witnessing sharp recovery this year. The revival is propelled by various fiscal and monetary policy measures unveiled by the countries to arrest the contraction and to fuel recovery. As per the International Monetary Fund ("IMF") world economic outlook, global economy is projected to grow 6.0% in 2021 and 4.9% in 2022. The recovery is led by developed nations and a sharp divergence is being witnessed between growth in emerging and developed economies. The IMF report advocates that the multilateral actions have a vital role to play in diminishing such divergence and strengthening global prospects. The supply chains are being restored as well as re-aligned after disruptions witnessed last year. The global trade volumes are projected to expand 9.7% in 2021. The transmission of COVID-19 virus is expected to be brought to low levels everywhere by the end of 2022 through combination of better targeted precautions and improved access to vaccinations and therapies. The countries are expected to sustain economic recoveries, however, uncertainties subsist as the tangible recovery is not assured until the pandemic is beaten back globally.

On the domestic front, with the second wave of COVID-19 ebbing, the economy is back on the recovery path. The high frequency data regarding various economic indicators is pointing towards sharp recovery. The financial sector, facing headwinds for a long period, appears to be back to good health. The sector has not witnessed wide spread bankruptcies or defaults as were feared on account of pandemic related disruptions. The banking system appears to be adequately capitalised to fund future growth of the economy. The sudden emergence of the new variants of the virus continues to pose risks to the economic recovery, however, this risks is being mitigated with the growing number of vaccinated population and with the businesses learning quickly to function amid restrictions. The Indian economy is projected to grow after witnessing an unprecedented contraction last year. However, strong revival may have to wait until uncertainties posed by the pandemic are over. In this backdrop, the economic outlook remains cautiously optimistic.

## 3. INDUSTRY STRUCTURE AND DEVELOPMENTS

The pandemic has ushered a new era for the information technology sector which is poised to see huge growth led by larger digitization, enhanced technology spending in core segments such as BFSI, manufacturing and retail. The worldwide IT spending is projected to total \$4.2 trillion in 2021, an increase of 8.6% from 2020, according to the latest forecast by Gartner Inc. The growth in spending is witnessed across all the segments of the sector including data centre systems, enterprise software, IT services, hardware and overall IT. The trend is expected to accelerate further in future. The Indian IT industry is also likely to see a similar trajectory. According to the recent report by a leading research organisation, Indian IT industry is likely to experience accelerated growth in the next few years to reach US\$ 300-350 billion by 2025. The technology organisations have built robust pipelines during the pandemic and had significant revenue growth driven by digital adoption. The businesses have built new capabilities through reskilling, new partnerships in the areas of digital technologies around cloud/migration, automation, next-gen security etc. The technology industry's capabilities have witnessed significant evolution as a result of COVID-19 led challenges. The fintech sector continues to see robust growth on the back of increased spending on automation, digital and contactless technologies.

The pandemic has pushed the demand for cloud across the globe with digital transformation accelerating across industries, and internet becoming a lifeline for people. The shift towards cloud has pushed increased investments in hyper-scale datacentres. According to a research, the digital and cloud services present a US\$600-700 billion opportunity. The global enterprise technology services spending is estimated to grow at an average of 5%YoY to reach US\$1.2-1.3 trillion annually by 2025. The shift in enterprise spending towards digital and cloud services is likely to account for US\$350-400 billion of incremental spend by 2025.

The rising need for faster payment process owing to increase in number of daily travellers/commuters has buoyed the demand for rapid payment solutions across the globe. Additionally, with smart city projects, the government is taking several key measures for the growth of rapid transport solutions in India, especially in the Tier-I and Tier-II cities. With the swift development of transport solutions, the Automated Fare Collection Systems ("AFC") market has registered high growth over the past few years. Then pandemic has further accelerated the demand for the contactless ticketing systems as a result of which the outlook for the AFC segment remain robust.





## Management Discussion & Analysis (Contd.)

### 4. SEGMENT WISE OFFERINGS AND PERFORMANCE

Aurionpro is a global technology solutions providers with a wide range of offerings catering to the varied customers which includes large banks & financial institutions, governments, government undertakings and other business organizations. We are squarely focussed on innovation, consistently investing on newer technologies and adapting with the changing times. We launch upgrades and develop offerings, keeping up with the latest technology trends and customers' requirements. Our offerings are described below:

#### a. Banking & Fintech:

Aurionpro is a leading player in this segments offering IP based solutions since more than two decades. Our Banking Products and Solutions represent an ideal combination of rich domain and functional knowledge and cutting edge technical expertise. Leading banks and financial institutions across Asia leverage our innovative & dependable solutions to differentiate themselves among competition, achieve business advantage & drive business growth through reduced cost and optimal operational excellence.

Our **Smart-Lender Product Suite** is an end to end integrated credit risk management system which improves productivity, enhances credit quality and improves operational efficiency. It incorporates Basel- II risk management framework with the best of breed credit risk management practices from international banks and it continues to be the platform of choice across lending banks in South Asia.

We will be launching "**Smart-Lender Cloud**", a cloud offering of our Lending Product Suite. The Smart-Lender Cloud will help to accelerate the Bank's digital transformation agenda while charting the course for a smooth multi-country rollout with a robust, highly scalable and agile solution. The Smart-Lender Cloud is available on both public and hybrid cloud.

Our Corporate Banking Suite consists of Transaction Banking Platform and the Lending Banking Platform. The **iCashpro+** is the next generation **transaction banking platform** which has been built from the ground up incorporating the best breed tools and cutting edge technologies to drive operational efficiencies while retaining the highest level of accuracy and precision in servicing a complex ecosystem of banks, large corporates and SME customers.

Our **ACE Platform** is the industry's most comprehensive platform to rapidly deploy customer-facing technologies across a wide range of industry verticals. Our integrated ACE platform aims to digitize the entire branch operations covering account opening, transactions and account servicing.

#### b. Technology Innovation Group

Recognizing the huge opportunities in digital solutions around our current offerings, we have combined smart city, smart mobility and Data center offerings under single SBU Tech Innovation Group (TIG).

Aurionpro is an established player in the **Smart City segment** in India and has successfully implemented 3D City, City Surveillance projects in various states. With rapid urbanization and the budgetary boost to the 'Smart City Mission' of India, this sector creates huge opportunities for the Aurionpro.

**Smart Mobility** is an emerging idea which has potential to change the face of city transportation. According to a study, globally smart mobility segment is expected to grow at a highest CAGR in next decade. Aurionpro offers Automated Fare Collection ("AFC") Solutions panning different technologies like open loop EVM based ticketing, close loop based ticketing and account based ticketing. With the strategic acquisition of SC Soft Technologies, Aurionpro has positioned itself as the market leader having both software and hardware solutions required for the AFSC Solutions. Aurionpro is now best placed to expand its footprint in this segment and is poised to tap opportunities in India as well as in other parts of the globe.

Aurionpro has also ventured into the **Data Centre** building, consulting and hybrid cloud services in recent years and has built a strong team of industry veterans, with over 20+ years of experience in the field, for this purpose. Aurionpro has also signed up with some customer for providing consultancy and assistance for rolling out of 100 MW Data Centres within next few years. Further, Aurionpro is also providing consultancy to the other industry leaders on Data Centre designs and implementation. Recently, Aurionpro has also signed some key partnerships in this segments which shall boost our position best place us to tap immense opportunities in this segment.

### 5. OPPORTUNITIES AND THREATS

The IT industry globally is expected to see a high growth phase thanks to the enhanced technology adoptions, digitization and automation by the businesses. Over the years, Aurionpro has built a robust portfolio of offerings with a strong customer base having marquee names as our clients. Keeping up with the technology trends and to enhance customer experience we constantly endeavour to upgrade our offerings. We are slated to launch our products, catering to the banking industry, on cloud. Our cloud based offerings will lead to ease of implementation, enhanced performance and cost effective solutions. Some new launches are also expected in transit business segment. Thus, having built necessary capabilities and with robust offerings, Aurionpro is best placed to grab immense opportunities created in the buoyed IT Sector.



## Management Discussion & Analysis (Contd.)

The outlook remains optimistic, however, the management is mindful of the economic environment. The uncertainties posed by the pandemic are still subsisting. The global vaccine coverage is still not sufficient to reduce the risk of emergence of new variants of the virus which would could wreck the economic recovery witnessed since past few months. The management is watchful of the evolving situation and should undertake measures to mitigate the risks.

### 6. RISKS AND CONCERNS

An organization is exposed to various risks which are of strategic, systemic or operational nature. Some of such risks may be concerning the external environment and systems in which they operate and some risks are inherent internal risks within the organization. At Aurionpro, the management has deployed disciplined mechanism to evaluate various such risks, foresee future risks and devise necessary controls and plans to avoid and mitigate risks. The management periodically reviews the risk exposure and implements appropriate measures wherever required. The key risks and uncertainties have been highlighted below:

- The global economy, after facing an unprecedented contraction last year, is back on the recovery path. However, recovery is largely led by developed world and the emerging economies are expected to take longer time to recover. This may have an impact on the businesses in these markets. The businesses should decide their strategies and focus markets accordingly.
- The pandemic had led to the severe restrictions and lockdown in several parts of the world which resulted in broken supply chains causing huge business disruptions. The supply chains are being restored but there is also emergence of new alignments. The businesses should be watchful of evolving situation and should re-draw their strategies to stay competitive and cost effective.
- There are continued restrictions on the mobility and engagements with the various stakeholders, including the customers, employees and partners, is still largely in the virtual mode. The organisations must adapt to this new form of engagements and must re-skill and provide training to the sales force and employees appropriately.
- The work from home or remote locations is a new normal. But this has increased exposure of the organisations towards data breaches and cyber security. The organisations are required to invest in order ensure IT security and lay down policies and procedures to ensure data protection.
- The Aurionpro keeps investing in future technologies and enhancement of offerings which would dominate the markets. The success of such offerings would largely depend on the ability of the Aurionpro to position rightly in the market and focused marketing approach. Aurionpro understand this and adopts right marketing and promotion activities to educate and apprise the market about Aurionpro's innovations
- The meeting of the customers' and market's expectations is the key challenge for any organization and in order to meet this challenge, the companies will have to keep investing in its offerings and keep upgrading the same as per the customer needs and market trends. All the industry players face this challenge. Aurionpro constantly invests in newer technologies and innovations in order to improve the performance of its offerings and the customer experience.
- Aurionpro faces strong competition in the markets and industries it serves. Its biggest vertical of focus – financial services have strong competitors who seek to win over Aurionpro share of customer's budget. The most effective strategy has been to focus in providing exceptional customer experience and adopt a model of co-owning the customer's business objectives and rallying to deliver and exceed them.
- Attracting and retaining of the talent is critical for any organization. Aurionpro's success depends upon its ability to attract and retain highly skilled resources and managers. The loss of key resources, specially to the competitors, could materially impact our business/ we adopt risk-reward model for all our top management and managers thereby creating additional incentives for them to drive the Company's objective forward.

### 7. RESEARCH AND DEVELOPMENTS

The technology landscape globally is changing rapidly and the organisations are required to constantly keep abreast in the dynamic environment. The research and development is a continuous activity and Aurionpro pledges sufficient amounts to fund research and development. We have also built a team of skilled resources focussed on enhancement of our offerings. We will continue to maintain healthy levels of R&D investments across all our offerings which shall drive our future growth.

### 8. FUTURE OUTLOOK

The uptick is being seen in the global economy and the recovery appears to be comprehensive across all the sectors but IT sector is particularly buoyant. Aurionpro has shown resilience during the worst phase of economic disruption caused by the pandemic. Our strategy to focus on the high margin core businesses has been fruitful and has boosted our margins. We are also on track to become a net debt free by the end of this calendar which shall boost our margins further. Further, there are slew of new product launches slated this year which shall strengthen our market position. We are seeing good traction across all segments and increasing pipelines. The outlook remains positive.



## Management Discussion & Analysis (Contd.)

### Consolidated Financial Performance FY2020-21 (Continued Operations)

The Company recorded Revenue of ₹ 374 crs during F21, a decline of 20% compared to FY 20 largely on account of the pandemic related disruptions during the H1—FY 21.

EBITDA for the FY21 stood at ₹ 84 crs as against ₹ 85 crs in FY20. EBITDA margins stood at 22.4% as compared to 18.0% for FY20, an increase of 440 bps.

- Our EBITDA for FY21 stood at ₹ 83.8 crs as compared to ₹ 84.5 crs in FY20, almost at the same level as FY 20.
- Cost rationalization programs and focus on high margin businesses led to an increase in EBITDA margins of 440 bps on Y-o-Y basis. EBITDA margins for FY21 stood at 22.1% as compared to 17.8% in FY20
- Adjusted PBT before impairment of intangible assets stood at ₹ 42.6 crs in FY21, up 24% from ₹ 34.3 crs in FY20.

On the Balance Sheet side, as on 31<sup>st</sup> March 2021, our Gross Debt stood at ₹114 crs as against ₹129 crs backed by constant profitability and operating cashflows.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

#### Revenue from operations

Our revenues are derived from information technologies & consultancy services and sale of equipment and software licenses. During the year, the total revenue from operations (consolidated) was ₹ 37,401.77 lakhs against ₹ 46,976.08 lakhs for the previous year.

#### Operating and other expense

The operating and other expenses comprise of Software licenses and material costs, Administration and other general functions, travelling, communication, legal and professional charges, rent, repairs and maintenance, recruitment and training and other allocated infrastructure expenses.

During the year, the operating and other expense were ₹ 14,047.12 lakhs as against ₹ 23,606.09 lakhs in the previous year.

#### Employee Benefit Expenses

During the year, the Employee Cost was ₹ 14,978.15 lakhs as against ₹ 14,920.55 lakhs in the previous year.

#### Earnings before interest, taxes, depreciation and amortization (EBITDA) excluding other income

During the year, our operating Profit was ₹ 8,376.49 lakhs as against ₹ 8,449.44 lakhs for the previous year.

#### Depreciation and amortization expense

The depreciation on Property Plant & Equipment (PPE), Other Intangible Assets and Right to Use Assets was ₹ 13,939.06 lakhs for the year as against ₹ 3,968.75 lakhs during the previous year. As percentage of revenue, it was 37.27% and 8.45% for the year and previous year respectively. It was higher on account of accelerated amortization of ₹ 10,505.06 lakhs charged to unified Depreciation and amortization policy in group.

#### Other Income

Other Income primarily consists of interest income, dividend income, Foreign exchange fluctuation gain, Rental income and other miscellaneous income. Other income for the year was ₹ 297.45 lakhs compared to ₹ 978.79 lakhs for the previous year.

#### Tax expense

Current tax expense was ₹ 738.95 lakhs as against ₹ 428.21 lakhs for the previous year and Deferred tax credit was ₹ 445.66 lakhs as against ₹ 169.46 lakhs for the previous year.

#### Profit before tax (PBT)

Net Profit / (Loss) before tax from Operations for the year was (₹ 11,463.26) lakhs, i.e. (31%) of revenue, ₹ 3,677.84 lakhs, i.e. 8% of Revenue for the previous year.

#### Profit after tax (PAT)

Net Profit / (Loss) after tax for the year was ₹ (11,756.55) lakhs, i.e. (31%) of revenue, ₹ 3,419.09 lakhs, i.e. 7.28% of Revenue for the previous year.

#### Other Equity

Other Equity as at 31<sup>st</sup> March, 2021 Decreased to 31,366.70 lakhs as compared with ₹ 52,059.92 lakhs as at 31<sup>st</sup> March, 2020.

#### Short-term and long-term borrowing

The total short-term and long-term borrowing as at 31<sup>st</sup> March, 2021 was ₹ 11,375.08 lakhs as against ₹ 12,959.10 as at 31<sup>st</sup> March, 2020.



## Management Discussion & Analysis (Contd.)

### Trade Payable and other current liabilities

The total Trade Payable and other current liabilities (financial and Non-Financials) decreased by ₹ 4,153.86 lakhs from ₹ 16,878.70 lakhs on 31<sup>st</sup> March, 2020 to ₹ 12,724.85 lakhs on 31<sup>st</sup> March, 2021.

### PPE, Other Intangible Assets and capital work in progress

The Net Block of PPE, Other Intangible Assets and capital work in progress Decreased by ₹ 2,8045.42 lakhs from ₹ 36,201.62 lakhs as on 31<sup>st</sup> March, 2020 to ₹ 8,156.20 lakhs on 31<sup>st</sup> March, 2021.

### Non-current Investments (Net)

There was an decrease in the investments by ₹ 577.21 lakhs from ₹ 4,169.18 lakhs as on 31<sup>st</sup> March, 2020 to ₹ 3,591.97 lakhs on 31<sup>st</sup> March, 2021.

### Other Non-Current Assets (Financials and Non Financials)

There was a decrease in Long-term loans and advances from ₹ 1,566.36 lakhs on 31<sup>st</sup> March, 2020 to ₹ 1,312.85 lakhs on 31<sup>st</sup> March, 2021.

### Trade receivables

Trade receivables as on 31<sup>st</sup> March, 2021 was ₹ 10,305.44 lakhs against ₹ 13,338.17 lakhs on 31<sup>st</sup> March, 2020. In the opinion of management, all the Trade receivables are good, recoverable and necessary provision has been made for debts considered to be bad and doubtful. The level of receivables is normal and is in tune with business requirements and trends.

### Cash and cash equivalents

The cash and bank balances lying with the company as on 31<sup>st</sup> March, 2021 were ₹ 2217.04 lakhs as against ₹ 2,001.48 lakhs in the previous year.

### Non-Current Assets Held for Sale and Discontinued Operations

The Company has divested the entire stake to Forecepoint LLC based on requisite regulatory and governing approval. Accordingly, the investment in Cyberinc Corporation Inc, USA and other entities (Disposal group) engaged in Cybersecurity business have been measured at fair value less cost to sale in the financial statements for the Company 'share of INR 5,200.70 lakhs in Assets held for Sale and the disposal group have also been considered as discontinued operations in accordance with Ind AS 105 – 'Non-Current Assets Held for Sale and Discontinued Operations'. The effect of fair valuation of ₹ 4,618.37 lakhs has been included in the exceptional items.

### Key Financial Ratio:

Sr. No.	Ratio	FY2021	FY2020
1	Debtors Turnover Ratio	3.63	3.52
2	Current Ratio	1.9	1.6
3	Debt Equity Ratio*	0.3	0.2
4	Interest Coverage Ratio**	(3.8)	3.3
5	Operating profit margin	30.93%	28.31%
6	Net Profit Margin**	(31.40%)	7.30%
7	Inventory Turnover Ratio	4.1	4.67
8	Return on Net Worth (RONW)**	(34.90%)	6.30%

([\*] [\*\*] Considered Significant, as defined under the amended SEBI (LODR) Regulations i.e. over 25% compared to previous year.)

\* Change due to decrease in networth on account of divestment cyberinc corporation and shown at fair value under 'Assets held for Sale'

\*\* Change due to loss from the operation of discontinued business, exceptional loss on account of effect of fair valuation for divestment cybersecurity business and impact of accelerated Amortisation on Other Intangible Assets.

## 9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Directors Report section in the Annual Report discusses the adequacy of our internal control system and procedures.

## 10. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Employees being our critical asset for any organization specially an IT company. Over a period Aurionpro has built a strong team consisting of domain experts. Our personnel policies are focused on creating an environment which will derive best returns for the organization as well as the concerned employees. The Company had strengthened its workforce by employing 978 permanent employees as compared to 1029 employees in the preceding year.





## Notice

### Notice of Annual General Meeting

Notice is hereby given that, the Twenty Fourth Annual General Meeting ("AGM") of Aurionpro Solutions Limited ("Aurionpro") will be held on Friday, 24<sup>th</sup> September, 2021 at 10.30 a.m.(IST) through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), as per the detailed instructions stated hereinafter, to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive, consider, approve & adopt the Balance Sheet as at 31<sup>st</sup> March, 2021 and the Profit and Loss Account (including Consolidated Financial Statements) for the financial year ended on that date, along with the report of the Board of Directors & Auditors thereon.
2. To appoint a director in place of Mr. Amit Sheth (DIN: 00122623), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and to pass the following resolution, with or without modification, as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Chokshi & Chokshi LLP, Chartered Accountants, (Firm Registration No. 101872W/ W100045), be and is hereby appointed as Statutory Auditor of the Company for a period commencing from the conclusion of Twentyfourth Annual General Meeting till the conclusion of Twenty Sixth Annual General Meeting of the Company and at such remuneration as shall be fixed by the Board of Directors, in consultation with the Audit Committee."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters, and things as may be required to give effect to above resolution from time to time."

**By Order of the Board of Directors**

**Ninad Kelkar**  
Company Secretary

Place : Navi Mumbai  
Date : 28<sup>th</sup> May, 2021

#### Registered Office:

Synergia IT Park, Plot No-R-270,  
T.T.C. Industrial Estate, Near Rabale Police Station,  
Rabale, Navi Mumbai -400701.

#### Notes:

1. Description of the Business to be transacted at the Annual General Meeting('AGM') is annexed hereto.
2. In view of the continuing restrictions on the movement of persons at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate affairs ('MCA') has vide its general circular no.02/2021 dated 13<sup>th</sup> Janaury,2021, 20/2020 dated 05<sup>th</sup> May, 2020 read with circular no. 17/2020 dated 13<sup>th</sup> April, 2020 and circular nos.14/2020 dated 08<sup>th</sup> April, 2020 (collectively referred to as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> Janaury,2021,SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 issued by the Securities and Exchange Board of India ('SEBI'), companies are allowed to hold the Annual General Meeting through VC/OAVM during this year without the physical presence of members at the common venue. In accordance with the MCA Circulars, SEBI Regulations, the AGM of the Company is being conducted through VC/OAVM.
3. As the AGM shall be conducted through VC/OAVM, the Attendance Slip and the Route Map of the venue are not annexed to this Notice. Further, the facility of appointment of proxy by the Member is not available for the meetings held through VC/OAVM, hence the Proxy Form is not annexed to this Notice.
4. Institutional/Corporate Members are requested to send the Board Resolution/s authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at investor@aurionpro.com.
5. In accordance with, the General Circular No. no.02/2021 dated 13<sup>th</sup> January,2021 and 20/2020, dated 5<sup>th</sup> May, 2020 read with circular no. 17/2020 dated 13<sup>th</sup> April, 2020 and circular nos.14/2020 dated 08<sup>th</sup> April, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15 Janaury,2021, SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

## Notice (Contd.)

6. The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at [www.aurionpro.com](http://www.aurionpro.com), on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. The Register of Members and the Share Transfer Register shall remain closed from Saturday, 18<sup>th</sup> September, 2021 to Saturday, 25<sup>th</sup> September, 2021 both days inclusive.
8. Participation of members through VC/OAVM will be reckoned for the purpose of quorum of the AGM as per section 103 of the Act.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act shall be available for inspection of the Members of the Company. The Members may send request for the inspection of the referred documents by sending mail at [investor@aurionpro.com](mailto:investor@aurionpro.com).
10. The Members are advised to avail of nomination facility in respect of shares held by them.
11. Members are requested to:
  - a) Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence.
  - b) To avoid inconvenience, get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee.
12. In terms of Section 124 of the Act:
  - a) the amount of dividend remaining unclaimed or unpaid, for a period of seven years from the date of transfer to the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund; and
  - b) the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to the Investor Education and Protection Fund;

Therefore, the members who has unclaimed dividends or who has not received dividends for the previous financial years are requested to send back their dividend draft or make their claims to our Registrar & Share Transfer Agent viz., Big Share Services Pvt. Ltd, 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri (E) Mumbai – 400059, email at [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
13. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), and MCA Circulars the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ('e-voting') facility provided by the National Securities Depository Limited ('NSDL'). Members who will cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
14. 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 i.e. Friday, 17<sup>th</sup> September, 2021 only shall be entitled to vote via remote e-voting facility or e-voting at the day of AGM.
15. The remote e-voting period commences on Tuesday, 21<sup>st</sup> September, 2021 (9:00 a.m. IST) and ends on Thursday, 23<sup>rd</sup> September, 2021 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Friday, 17<sup>th</sup> September, 2021 (cut-off date for determining eligibility of Shareholders for remote e-voting or voting at the AGM) may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Friday, 17<sup>th</sup> September, 2021.
16. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OVAM and who have not casted their votes on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
17. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 17<sup>th</sup> September, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800 1020 990 and 1800 22 44 30
18. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from 1<sup>st</sup> April, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.
19. Members holding shares in demat mode, who have not registered their email addresses or wish to change/update communication details (Address, Bank details, Phone No. etc) are requested to contact their depository participants.



## Notice (Contd.)

Members who are holding equity shares in physical form and who have not registered their email addresses or wish to change/ update communication details (Address, Bank details, Phone No. etc) are advised to submit below documents to the Registrar and Share Transfer Agent("RTA") of the Company M/s. Bigshare Services Pvt Ltd.

Sr. No	Type of Change	Documents Required
1	Change/Registered/ Email Address/ Phone No.	Request letter along with self attested copy of Permanent Account Number (PAN) card
2	Updating Address	Request letter along with old address proof and new address proof (Aadhar card/Electricity Bill etc.)
3	Updating Bank Details	Request letter along with cancel cheque (bearing Name of Holder) and self-attested copy of PAN card

Above mentioned documents can share at investor@bigshareonline.com or dispatch at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri(E), Mumbai-400059. Tel no. 022-62638200.

20. Pursuant to the provisions of the Act, read with Companies (Significant Beneficial Owners) amendments Rules, 2019 ('the Rules') notified by the Ministry of Corporate Affairs on 8<sup>th</sup> February, 2019, an individual, who acting alone or together, or through one or more persons or trusts, Body Corporates, HUF, Partnership firms, Investment vehicle, becomes a significant beneficial owner or where his/her significant beneficial ownership undergoes any change in Company, shall file declaration in prescribed forms with the Company. The significant beneficial ownership for this purpose shall mean individually or together holding of 10% or more of the shares or voting rights in the Company.

Therefore, if applicable, the Members are requested to file necessary declaration in BEN -1 with the Company.

Format of BEN-1 is available at the website of the Company at [www.aurionpro.com](http://www.aurionpro.com).

The aforesaid Rules and the relevant provisions of the Act are available at <http://ebook.mca.gov.in/default.aspx>

For any clarification the Members may contact the Company by writing an Email on investor@aurionpro.com.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER: -

#### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDEAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDEAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" for seamless voting experience.</li> </ol>

## Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users 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 <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
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 options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

### B) Login Method e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### How to Log-in to NSDL e-Voting website?

- 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, your Password/OTP and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 117040 then user ID is 117040001***





## Notice (Contd.)

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your last 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cshtarkas@gmail.com](mailto:cshtarkas@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



## Notice (Contd.)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password for e-voting for the resolutions set out in this notice:

1. shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing below mentioned documents;
  - i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card)
  - ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
2. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility 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 e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members can join the AGM in the VC/OAVM mode thirty minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
2. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
5. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
26. Other Instructions:
  - a. Institutional Members are requested to attend and vote at the AGM through VC/OAVM. In case any Institutional Members, facing issues for participating in AGM can write to [investor@aurionpro.com](mailto:investor@aurionpro.com).
  - b. Mr. Harshvardhan Tarkas (Membership No. ACS 30701) Practicing Company Secretary and failing him, Mr. Mehul Raval, (Membership No. ACS 18300) Practicing Company Secretary, appointed as the Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
  - c. The Scrutinizer shall after the conclusion of e- voting at the AGM, unblock the votes cast through remote e-voting and shall make, not later than two days of the conclusion of the AGM scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - d. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.aurionpro.com](http://www.aurionpro.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.



## Notice (Contd.)

- e. The SEBI has mandated submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA.
- f. In respect of the physical shareholding, in order to prevent fraudulent transactions, members are advised to exercise due diligence and notify the RTA of any change in their address, telephone number, e-mail id, nominees or joint holders, as the case may be.
- g. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for better management of the securities. Members can write to the RTA in this regard.

### **PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their question/queries in advance mentioning their name, demat account number/folio number, email id, mobile number at investor@aurionpro.com. The questions/queries received by the Company till 5.00 p.m. on Friday, 17<sup>th</sup> September, 2021 shall be considered and responded during the AGM.

**By Order of the Board of Directors**

**Ninad Kelkar**  
**Company Secretary**

Place : Navi Mumbai  
Date : 28<sup>th</sup> May, 2021

**Registered Office:**

Synergia IT Park,  
Plot No-R-270,  
T.T.C. Industrial Estate,  
Near Rabale Police Station,  
Rabale, Navi Mumbai -400701.

## Notice (Contd.)

### DESCRIPTION OF THE BUSINESS TO BE TRANSACTED AT THE AGM

#### Item No 2- Re-Appointment of Mr. Amit Sheth

In terms of the provisions of Section 152 of the Act, Mr. Amit Sheth (DIN 00122623), retires by rotation at this AGM and being eligible offers himself for re- appointment.

#### Profile:

Mr. Amit Sheth holds the position of Co-Chairman & Director at Aurionpro. Being one of the founding members, Mr. Amit Sheth has been instrumental in driving the Banking & Financial services portfolio of Aurionpro. He has spearheaded the company's initial path of expansion across India and Southeast Asia.

Mr. Amit Sheth currently oversees and guides business development and strategic partnership initiatives and continues to play an influential role in Aurionpro's geographic expansion in newer markets.

About 25 years of experience in corporate finance, equities and technology, he brings domain expertise in banking operations and cash management. Prior to Aurionpro, Mr. Amit Sheth has held key positions with Twentieth Century Finance and Lloyds Securities. An acclaimed thought leader in the banking industry. Mr. Amit Sheth is a regular contributor to regional banking conferences, panel discussions, and trade publications.

Based in Mumbai, Mr. Amit Sheth holds a graduation in engineering and a postgraduate degree in finance.

Mr. Amit Sheth is not related to any Director of the Company.

Mr. Amit Sheth holds 17,09,011 equity shares of the Company.

Details of Directorship held by Mr. Sheth in other listed Company

Name of Company	Membership of the Statutory Committee(s) of Board of Directors in other Listed entity
Trejhora Solutions Limited	Audit Committee Stakeholders Relationship/Investors Grievances & Share Transfer Committee Corporate Social Responsibility Committee

The Board and Nomination and Remuneration/Compensation Committee of the Company considers that the continued association of Mr. Amit Sheth would be of immense benefit to the Company and it is desirable to re-appoint him as Director. Accordingly, the Board recommends the resolution in relation to re- appointment of Mr. Amit Sheth, Director for the approval by the shareholders of the Company.

Mr. Sheth is the Chairman of Corporate Social Responsibility and Members of Audit Committee and Shareholder's Relationship/Investors' Grievances & Share Transfer Committee.

Except Mr. Amit Sheth, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

#### Item No 3- Re- Appointment of Auditors

M/s. Chokshi & Chokshi LLP, Chartered Accountants ("M/s.Chokshi") (Firm Registration No. 101872W/W-100045) were appointed as Statutory Auditors of the Company at the twentieth AGM held on 26<sup>th</sup> September, 2017 to hold office till the conclusion of Twenty fourth AGM.

M/s. Chokshi has been in professional services since 1976, they have 40+ years of rich experience. They provide professional expertise and an integrated range of services in areas of Advisory, Assurance, Tax and International Accounting services to various Businesses, Corporates and Private Clients across the Globe. M/s. Chokshi are eligible to be re-appointed for for a period commencing from the conclusion of Twenty fourth AGM of the Company till the conclusion of Twenty Sixth AGM of the Company, in terms of provisions of Sections 139 and 141 and other applicable provisions of the Act and they have consented to act as the Statutory Auditors of the Company and has also confirmed that their appointment, if made, would be within the limits prescribed under the Act.

Considering rich expertise and experience of M/s. Chokshi, the Board of Directors (on recommendation of Audit Committee) recommends to Members resolution for re-appointment of M/s. Chokshi & Chokshi LLP (Firm Registration No. 101872W/ W100045) Chartered Accountants, as statutory auditors of the Company, for a period commencing from the conclusion of Twenty Fourth Annual General Meeting till the conclusion of the Twenty Sixth Annual General Meeting of the Company.

The proposed remuneration to be paid to M/s. Chokshi, for the financial year is ₹ 27 lakhs (Rupees Twenty Seven lakhs) (exclusive of reimbursement of expenses, certification and other related fees). The remuneration to be paid to M/s. Chokshi during the second term shall be mutually agreed between the Board of Directors (in consultation with Audit Committee) and M/s. Chokshi, from time to time.

None of the Directors, Key managerial personnel of the Company or their relatives is concerned or interested in the said resolution.

**By Order of the Board of Directors**

Place: Navi Mumbai  
Date : 28<sup>th</sup> May, 2021

**Ninad Kelkar**  
**Company Secretary**

#### Registered Office:

Synergia IT Park, Plot No-R-270,  
T.T.C. Industrial Estate, Near Rabale Police Station,  
Rabale, Navi Mumbai -400701.

## Directors Report



To the Members of Aurionpro Solutions Limited,

The Directors present Twenty Fourth Annual Report of the Company, together with its audited financial statements for the year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL STATEMENT

The highlights of the Standalone Financial Statement are as under:

Particulars	(₹ in lakhs)	
	31 March, 2021	31 March, 2020
<b>Income</b>		
Revenue from operations	19,170.65	28,543.58
Other income	330.18	1,107.27
<b>Total Income</b>	<b>19,500.83</b>	<b>29,650.85</b>
<b>Expenses</b>		
Operating Expenses	5,313.24	12,628.38
Change in Inventories of Raw Material, Finished Goods and Stock-in-Trade	383.22	1,032.79
Employee Benefits Expense	7,624.57	8,336.02
Finance Costs	1,399.53	1,598.43
Depreciation and Amortisation Expense	1,123.68	1,469.26
Other Expenses	1,714.03	2,957.59
<b>Total Expenses</b>	<b>17,558.27</b>	<b>28,022.47</b>
<b>Profit before Exceptional Items and Tax</b>	<b>1,942.56</b>	<b>1,628.38</b>
<b>Exceptional Items</b>	3,903.40	-
<b>Profit / (Loss) before Tax</b>	<b>(1,960.84)</b>	<b>1,628.38</b>
Income tax expense:		
(a) Current tax	354.12	520.85
(b) Deferred Tax Charge	138.26	78.93
<b>Profit/(Loss) After Tax</b>	<b>(2,453.22)</b>	<b>1,028.60</b>
Other Comprehensive Income / (Loss)	226.74	(84.54)
<b>Total Comprehensive Income / (Loss)</b>	<b>(2,226.48)</b>	<b>944.06</b>



## Directors Report (Contd.)

The highlights of the Consolidated Financial Statement are as under:

Particulars	(₹ in lakhs)	
	31 March, 2021	31 March, 2020
<b>Income</b>		
Revenue from operations	37,401.77	46,976.08
Other income	297.45	978.79
<b>Total Income</b>	<b>37,699.22</b>	<b>47,954.87</b>
<b>Expenses</b>		
Operating expenses	10,791.45	17,992.00
Change of Inventories of raw material, finished goods and stock-in-trade	63.70	764.94
Employee benefits expense	14,978.15	14,920.55
Finance costs	1,579.78	1,822.42
Depreciation and amortization expenses	13,939.06	3,968.75
Other expenses	3,191.97	4,849.15
<b>Total Expenses</b>	<b>44,544.11</b>	<b>44,317.81</b>
<b>Profit / (Loss) before Share of Profit of Associates, Exceptional Items and Tax</b>	<b>(6,844.89)</b>	<b>3,637.06</b>
<b>Share of Profit of Associates</b>	<b>-</b>	<b>40.78</b>
<b>Profit / (Loss) before Exceptional Items and Tax</b>	<b>(6,844.89)</b>	<b>3,677.84</b>
Less: Exceptional item	4,618.37	-
<b>Profit / (Loss) before tax</b>	<b>(11,463.26)</b>	<b>3,677.84</b>
Income tax expense:		
(a) Current tax	738.95	428.21
(b) Deferred tax credit	(445.66)	(169.46)
<b>Profit / (Loss) after tax</b>	<b>(11,756.55)</b>	<b>3,419.09</b>
<b>Profit / (Loss) before Tax from Discontinued Operations</b>	<b>(7,443.82)</b>	<b>(249.99)</b>
<b>Tax Expenses of Discontinued Operations</b>	<b>-</b>	<b>-</b>
<b>Profit / (Loss) after Tax from Discontinued Operations</b>	<b>(7,443.82)</b>	<b>(249.99)</b>
Other Comprehensive Income (net of tax)	274.29	(25.75)
<b>Total Comprehensive Income / (Loss)</b>	<b>(18,926.08)</b>	<b>3,143.35</b>

## 2. MATERIAL CHANGES & COMMITMENTS

### Divestment of Cybersecurity Business:

The Board of Directors, at its meeting held on 06<sup>th</sup> May, 2021, announced exit of the Company from cybersecurity business by divesting the entire stake held by Aurionpro in Cyberinc Corp, USA. The shareholders' approval for the transaction is also being obtained. The deal, for the divestment of all stake held by Aurionpro in its cyber security business is valued at a consideration of US\$ 9.6 Million (approx. ₹ 71 crores) which is net off all taxes and obligations. Out of the total consideration, ₹ 45 crores will be received upfront and remaining amount to be received in tranches over a year upon fulfilment of contractual warranties and earn out. The accounting impact of the divestment has been accounted, under the 'impact of Discontinued Operations' in the standalone and consolidated audited financial statements for the year ended 31<sup>st</sup> March, 2021.

There are no other material changes or commitment affecting the financial position of the Company between the end of the financial year and the date of the report.

## 3. DIVIDEND AND RESERVES

The economic environment continues to be uncertain in the wake of pandemic. Further, while the operations of the Company remain healthy and profitable, the consolidated financial performance for the year ended 31<sup>st</sup> March, 2021, after exceptional items and amortizations, has resulted in the loss. Further, the proceeds from the divestment of cybersecurity business would be utilized to reduce debt burden. Therefore, in the context of such scenario, the Board of Directors, adopting conservative strategy, decided not to recommend any dividend for the FY 21.

The profit/(loss) after tax for the year ended 31<sup>st</sup> March, 2021, was ₹ (2,453.22) lakhs and the same has been transferred to the Retained Earnings.





## Directors Report (Contd.)

### 4. STATE OF COMPANY'S AFFAIRS

The year gone by was the most disruptive, but it also offered the company an opportunity to reflect and re-assess its strategies. We adopted a three pronged strategy to focus attention on our core high margin businesses, to undertake measures to improve operational efficiencies & cost rationalisation. The aim was to build robust operations with sustained revenue growth and profitability. While initial COVID related lockdowns impacted us, reflecting impact on our top line, we were able to maintain almost the same EBIDTA in absolute terms despite dip in revenue. Our EBIDTA margins improved to 22.4%. We are confident to maintain margins in the current year with sustained quarterly revenue growth.

On the business front, despite significant initial impacts on kiosks business, Banking and Fintech remained resilient to clock healthy performance. During the year, we signed some large deals with the leading banks in APAC as well as large PSU banks in India. We are witnessing good momentum in this segment and strong outlook going forward. In the Smart City and Smart Mobility segment, the fresh surge of the pandemic in the domestic market would cause some delay in few new orders, however, momentum continues to remain strong in other markets. We have signed some key partnerships in this segment, which may boost our expansion in newer geographies, particularly in the developed markets. The increasing adoption of contactless, digital technologies coupled with strong resolve of the governments worldwide to increase capex on infrastructure has created huge market opportunities in this segment and we are confident of a strong rebound in this segment. We have a slew of product launches planned this year, most importantly we will start launching cloud offerings for our Banking product portfolio. In mobility space, two new products launches are planned over next few months. This will cement our position as the most innovative player in the mobility business. Further, we will also be investing in creating a future offering of mobility as a service platform. Additionally, our foray into data centre business is starting to bear fruits and will emerge as strong growth area for the company in coming years, with huge opportunities for this business in India and across other emerging markets.

With streamlined balance sheet, we expect significant improvement in all the financial ratios this year onwards and with strong growth ahead, generating free cash and efficient management of capital, we expect to have a lean & healthy balance sheet supporting our long term growth vision.

### 5. CAPITAL

During the year no further capital was raised by the Company. The Company, with an objective to retain and attract talent in the organization, had launched Employee Share Purchase Scheme, 2017 ("ESPS"), during the year 2017-18. The ESPS 2017 has been framed and implemented in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. During the year, the Company did not allot shares under the ESPS 2017. As on the date of this Report, 5,50,765 shares are available for further Grant.

### 6. SUBSIDIARIES/ JOINT VENTURES

The Board of Directors at their meeting held on 06<sup>th</sup> May, 2021 had approved Company's exit from Cyber Security business by divesting entire stake in the USA based subsidiary Cyberinc Corporation Inc. subject to Members approval which was being sought from the Members through postal ballot. Note: As on the date of dispatch of this Annual Report the Members have approved the divestment vide the resolution passed by the Members through postal ballot the results of which were declared on 14<sup>th</sup> June, 2021.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("the Act"), a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company.

### 7. ANNUAL RETURN

The Annual Return of the Company as on 31<sup>st</sup> March, 2021 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, would be available on the website of the Company at i.e. [www.aurionpro.com](http://www.aurionpro.com).

### 8. CORPORATE GOVERNANCE

The Report on corporate governance as per the requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR"), forms part of this Annual Report. Further, the requisite certificate from M/s. Milind Nirkhe & Associates, Practicing Company Secretaries, confirming the compliance with the conditions of corporate governance has been included in the said Report.

### 9. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

Management Discussion and Analysis for the year under review, as required under Regulation 34 (2) (e) of the LODR has been covered in a separate section forming part of this Annual Report.



## Directors Report (Contd.)

### 10. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Act, the Company has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company. The CSR Policy of the Company is available on the website of the Company at [www.aurionpro.com](http://www.aurionpro.com).

During the year under review, the Company has contributed ₹ 55 lakhs (Fifty-Five lakhs) to the trust, which is engaged in the area of Education, hostel for students, Woman welfare and empowerment, vocational training, health awareness etc.

The Board has constituted a 'CSR committee' which comprises of following directors:

Mr. Amit Sheth - Chairman

Dr. Mahendra Mehta - Member

Mrs. Sudha Bhsuhan - Member

The CSR Committee, inter alia determines/recommends the budget for funding various charitable activities and the recommends the contributions to be made to various initiatives.

The disclosures, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, has been enclosed to this Report as "Annexure 1".

### 11. INTERNAL CONTROL SYSTEM & THEIR ADEQACY

The Company has an internal control system which commensurate with the size, scale and nature of its operations. The Internal Audit Team monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

### 12. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) of the Act, the Board 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. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31<sup>st</sup> March, 2021 and of the profit and loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a going concern basis;
- v. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 13. DIRECTOR'S/KEY MANAGERIAL PERSONNEL (KMP)

#### ● Re-appointment on account of retirement by rotation

In accordance with the provisions of the Act and Articles of Association of the company, Mr. Amit Sheth retires by rotation and being eligible, offers himself for re-appointment.

Based on recommendation of the Nomination and Remuneration Committee, The Board has approved and recommended his re-appointment subject to the approval of the Members.

The information as required to be disclosed under regulation 36 of the LODR and brief profile of director in case of re-appointment of director is incorporated in description statement of AGM Notice forming part of the Annual Report.

- All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the LODR.
- None of the directors of the Company is disqualified under the provisions of the Act or under the LODR. All Independent Directors have provided confirmations as contemplated under section 149(7) of the Act.



## Directors Report (Contd.)

### • **Key Managerial Person**

Pursuant to the provisions of Section 203 of the Act as on the date of this Report, the Key Managerial Personnel of the Company comprised of Mr. Paresh Zaveri, Chairman and Managing Director, Mr. Vipul Parmar, Chief Financial Officer and Mr. Ninad Kelkar, Company Secretary. Mr. Vipul Parmar was appointed as Chief Financial Officer w.e.f. 29<sup>th</sup> June, 2020.

### **14. PERFORMANCE EVALUATION**

The Company's policy relating to the appointment and remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes and independence of Directors are covered under the Corporate Governance Report which forms part of this Annual Report. The Board of Directors annually evaluate its own performance and that of its committees and Individual Directors.

The Board has formulated the Nomination and Remuneration Policy for selection and appointment of Directors, senior management personnel and their remunerations. This policy is available at the Company's website [www.aurionpro.com](http://www.aurionpro.com).

### **15. MEETINGS**

During the year under review, the Board met four times. For details of meetings of the Board, please refer to the Corporate Governance Report, which is part of this report.

### **16. COMMITTEES**

As on the date of this report, the Board has following committees applicable under the Act/LODR:

- i) Audit Committee;
- ii) Nomination and Remuneration/Compensation Committee;
- iii) Stakeholder Relationship/Investor Grievance and Share Transfer Committee; and
- iv) Corporate Social Responsibility Committee.

The detailed information in relation to these committees, including composition and the terms of reference and other details are provided in Corporate Governance Report.

### **17. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established the necessary vigil mechanism and has put in place a 'Whistle Blower policy' in order to enable the employees and Directors of the Company to report their concerns about the management, operations and other affairs of the Company. In terms of the Whistle Blower Policy, the whistle blowers are provided an access to the Audit Committee to lodge their concerns. This policy is available on the website of the Company at [www.aurionpro.com](http://www.aurionpro.com).

### **18. RISK MANAGEMENT POLICY**

The Company has formulated a comprehensive Risk Management Policy to identify, assess and mitigate various risks associated with the Company. The detailed section on business risks and opportunities forms part of Management Discussion and Analysis Report, which forms part of the Annual Report.

### **19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

The details of loans, guarantees and investments, covered under the provisions of Section 186 of the Act, are given under the note no. 40 to the standalone financial statements forming part of this annual report.

### **20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. During the financial year, the Company has not entered into any contract/arrangement, transactions with related parties which could be considered material in accordance with the policy of the Company as to related party transactions. The details of all related party transactions are placed before the Audit Committee for approval. The policy as to Related Party Transactions, as approved by the Board, is available on the Company's website at [www.aurionpro.com](http://www.aurionpro.com).

The details of transactions entered into with the related parties are disclosed in the notes to the stand-alone financial statements forming part of this Annual Report.

### **21. PUBLIC DEPOSITS**

During the year, the Company has neither invited nor accepted any public deposits.



## Directors Report (Contd.)

### 22. AUDITORS AND THEIR REPORTING

M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W/W-100045) were appointed as Statutory Auditors of the Company at the twentieth Annual General Meeting ("AGM") held on 26<sup>th</sup> September, 2017 to hold office till the conclusion of Twenty fourth AGM.

M/s. Chokshi & Chokshi LLP, Chartered Accountants are eligible to be re-appointed for a period commencing from the conclusion of Twenty fourth AGM of the Company till the conclusion of Twenty Sixth AGM of the Company, in terms of provisions of Sections 139 and 141 of the Act.

Accordingly, the Board of Directors of the Company as per the recommendations of the Audit Committee recommends the re-appointment of M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W/W-100045), as the Statutory Auditors, for a further for a period commencing from the conclusion of Twenty fourth AGM of the Company till the conclusion of Twenty Sixth AGM of the Company.

M/s. Chokshi & Chokshi LLP, Chartered Accountants, being eligible for re-appointment under section 139(1) and other applicable provisions, has consented to act as the Statutory Auditors of the Company and has also confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Statutory Auditors of the Company has stated in their report that, during the course of Audit no fraud on or by the Company has been noticed or reported.

### 23. SECRETARIAL AUDIT

The Secretarial Audit was carried out by M/s. Milind Nirkhe & Associates, Company Secretary in Practice. The Report of the Secretarial Audit is annexed herewith as "Annexure 2".

The observations raised by the Secretarial Auditor and Board's response thereto are as under.

#### 1) Observation:

The Company has not appointed Independent Director on the Board of Directors of Unlisted Material Subsidiary incorporated outside India i.e Cyberinc Corporation Inc, USA ("Cyberinc") pursuant to Regulation 24(1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Company's Response:

Company in its Board meeting held on 06<sup>th</sup> May, 2021 had approved exit from the Cyber Security business by divesting entire stake in the Cyberinc subject to Members approval, which is being sought from the shareholders through postal ballot. Considering this, appointment of Independent director on the Board of Cyberinc may not be required.

#### 2) Observation:

The Company was not able to conduct audit or limited review of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively as per Reg. 33 (3)(h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Company's Response:

In view of multiple restrictions and lockdowns imposed by various federal and state authorities across the globe to contain the COVID-19 spread, the full audit/limited review of certain subsidiaries for FY 2020-21 could not be conducted. However, the company has endeavoured to comply with the said requirement to the extent in respect of consolidated revenue, profits/loss (for Profit/loss, forty-eight percentages for fourth quarter) and Assets (for assets seventy-two percentage for first quarter and Sixty-Seven percentage for Second and third quarter.)

### 24. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with the Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in a separate annexure forming part of this Report. Having regard to the provision of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. In terms of Section 136, the said annexure is open for inspection. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

The disclosures pertaining to the remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been provided in the Annual Report as "Annexure 3".



## Directors Report (Contd.)

### 25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of section 134(3)(m) of the Act, read with rule 8 of the Chapter IX of the Companies (Accounts) Rules, 2014, the Directors furnish herein below the required additional information:

➤ **Conservation of Energy:**

Although the operations of the Company are not energy intensive, the management is highly conscious of the criticality of the conservation of energy at all operational levels. The requirement of disclosure of particulars with respect to conservation of energy as prescribed in Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is not applicable to the Company and hence are not provided.

➤ **Technology Absorption:**

The Company continues to adopt latest technologies and innovations for improving the productivity and quality of its products and service offerings. The Company is also partnering with major technology providers in global markets.

➤ **Foreign Exchange Earnings and Outgo:**

The details of foreign exchange earned and spent by the Company during the year are given below:

#### Earnings in Foreign Currency

(₹ In lakhs)

Particulars	31 March, 2021	31 March, 2020
Revenue From Operations	3,828.37	4,062.32
Interest and Other Income	67.81	164.11
<b>Total</b>	<b>3,896.18</b>	<b>4,226.43</b>

#### Expenditure in Foreign Currency

(₹ In lakhs)

Particulars	31 March, 2021	31 March, 2020
Software, Hardware and Other Material Cost	648.42	558.40
Travelling, Conveyance and Other Expenses	15.05	140.28
<b>Total</b>	<b>663.47</b>	<b>698.68</b>

### 26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place necessary policy as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, the Company has not received any complaints under the policy.

### 27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### 28. COST RECORDS

The Company is not required to maintain cost records specified by Central Government under section 148(1) of the Act.

### 29. DISCLAIMER AND FORWARD-LOOKING STATEMENT

The statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.



## Directors Report (Contd.)

### 30. ACKNOWLEDGEMENTS

The Directors would like to place on record their sincere appreciation for the continued co-operation, support and assistance provided by all the stakeholders including Company's employees, the financial institutions, banks, customers, vendors, members and other government departments and authorities.

#### **For and on behalf of the Board of Directors**

**Paresh Zaveri**  
**Chairman & Managing Director**

**Place:** Singapore

**Date :** 28<sup>th</sup> May, 2021

**Registered Office:**

Synergia IT Park, Plot No. R-270,  
T.T.C. Industrial Estate, Near Rabale  
Police Station, Rabale, Navi Mumbai -400701.



**Annexure 1** to Directors Report**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. Brief outline on CSR Policy of the Company.**

Aurionpro's CSR policy will strive for contribution towards sustainable economic development that positively impacts the society at large through strategic CSR application to build a sustainable and profitable future for all. Companies CSR initiatives shall focus on development of social causes as mentioned in the CSR Policy of the Company. CSR policy is uploaded on the website of the Company [www.aurionpro.com](http://www.aurionpro.com).

**2. Composition of CSR Committee:**

Sr. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Amit Sheth	Chairman/Director	1	1
2	Dr. Mahendra Mehta	Member/Independent Director	1	1
3	Mrs. Sudha Bhushan	Member/Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: – [www.aurionpro.com](http://www.aurionpro.com).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): – **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the company as per section 135(5): ₹ 2534.02 lakhs

7.

Sr. No.	Particulars	Amount (in ₹ lakhs)
a	Two percent of average net profit of the company as per section 135(5)	50.68
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
c	Amount required to be set off for the financial year, if any	-
d	Total CSR obligation for the financial year (a+b-c)	50.68

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

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

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

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

Sr. No.	Name of Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹ lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	Dist.			Name	CSR registration number
1	In the field of providing education, hostel for students, Woman welfare and empowerment, vocational training, health awareness etc.	Education, empowering women vocational training, health awareness	No	Gujrat	Suren-dranagar	55.00	Direct and through implementing agency	Shri Jagatbharti Education and Charitable Trust	CSR00007065



## Annexure 1 to Directors Report (Contd.)

- d) Amount spent in Administrative Overheads: **Not Applicable**
- e) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 55.00 lakhs**
- g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in ₹ lakhs)
i	Two percent of average net profit of the company as per section 135(5)	50.68
ii	Total amount spent for the Financial Year	55.00
iii	Excess amount spent for the financial year [(ii)-(i)]	4.32
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.32

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Date: 28<sup>th</sup> May, 2021

**Paresh Zaveri**  
**Managing Director**  
 Place: Singapore

**Amit Sheth**  
**Chairman CSR Committee**  
 Place: Navi Mumbai



## Annexure 2 to Directors Report

### Form No. MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended 31 March, 2021.

[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]

To,  
The Members,  
**AURIONPRO SOLUTIONS LIMITED**  
Synergia IT Park,  
Plot No-R-270,  
T.T.C. Industrial Estate,  
Near Rabale Police Station,  
Rabale, Navi Mumbai-400701.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aurionpro Solutions Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Aurionpro Solutions Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Aurionpro Solutions Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2021, according to the provisions of:

- i. The Companies Act, 2013 (the "Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investments;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company for the audit period)
  - d. The Securities and Exchange Board of India (share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company for the audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company for the audit period)
  - f. 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;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company for the audit period)
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable to the Company for the audit period)
- vi. I 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 the other Laws applicable specifically to the Company as per representation given by the Company:

- 1) Information Technology Act, 2000

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.



## Annexure 2 to Directors Report (Contd.)

- (ii) The SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that** 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, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board as the case may be.

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

**I further report that** during the audit period there was no events having a major bearing on the Companies Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

I further report that

### 1) **Observation:**

The Company has not appointed Independent Director on the Board of Directors of Unlisted Material Subsidiary incorporated outside India i.e Cyberinc Corporation Inc, USA ("Cyberinc") pursuant to Regulation 24(1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Company's Response:**

Company in its Board meeting held on 06<sup>th</sup> May,2021 had approved exit from the Cyber Security business by divesting entire stake in the Cyberinc subject to Members approval, which is being sought from the shareholders through postal ballot. Considering this, appointment of Independent director on the Board of Cyberinc may not be required.

### 2) **Observation:**

The Company was not able to conduct audit or limited review of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively as per Reg. 33(3) (h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Company's Response:**

In view of multiple restrictions and lockdowns imposed by various federal and state authorities across the globe to contain the COVID-19 spread, the full audit/limited review of certain subsidiaries for FY 2020-21 could not be conducted. However, the company has endeavoured to comply with the said requirement to the extent in respect of consolidated revenue, profits/loss (for Profit/loss, forty-eight percentages for fourth quarter) and Assets (for assets seventy-two percentage for first quarter and Sixty-Seven percentage for Second and third quarter.)

Signature:

**C.S. Milind Nirkhe**

FCS No: 4156

CP No: 2312

UDIN NO: F004156000386846

Place: Mumbai

Date : 28<sup>th</sup> May,2021



## Annexure 2 to Directors Report (Contd.)

### 'Annexure A'

To,  
The Members,  
**AURIONPRO SOLUTIONS LIMITED**  
Synergia IT Park, Plot No-R-270,  
T.T.C.Industrial Estate,  
Near Rabale Police Station,  
Rabale, Navi Mumbai-400701

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 these 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 a 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. Wherever 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 as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:

**C.S. Milind Nirkhe**

FCS No: 4156

CP No: 2312

UDIN NO: F004156000386846

Place: Mumbai

Date : 28<sup>th</sup> May,2021



## Annexure 3 to Directors Report

### Particulars of Employees

Disclosures pertaining to the remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as follows:

**1) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March 2021:**

Remuneration to Executive Director: No Remuneration was paid to any director.

Median remuneration of employee is ₹ 4,59,269 /-

Independent Directors did not received remuneration, except sitting fees for attending Board Meetings, the ratio of which to the median remuneration is as follows:

Name of the Director	Ratio to median remuneration
Dr. Mahendra Mehta, Independent and Non-Executive Director	0.26:1
Mr. Frank Osusky, Independent and Non-Executive Director	0.26:1
Mrs. Sudha Bhushan, Independent and Non-Executive Director	0.26:1

**2) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name of the Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager	Percentage Increase in Remuneration
Ninad Kelkar (Company Secretary & Legal Head)	Nil
Vipul Parmar (Chief Financial Officer)	Nil

3) The percentage increase in the median remuneration of employees in the financial year: 3%.

4) The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March,2021 were 978.

5) Average percentile increase already made in the salaries of the employees other than the managerial personnel: in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average percentile increase in salaries of employees other than managerial personnel was 5% and no increment in the salary of managerial personnel.

6) The Company affirms the remuneration is as per the remuneration policy of the Company.





## Corporate Governance Report

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is guided by three key elements viz. 'accountability', 'fairness' and 'transparency'. The Board of Directors ('the Board') and the Executive Management, at the core of the corporate governance, are accountable to the various stakeholders and responsible to uphold the spirit of corporate governance. The Company has created a framework of policies, code of conduct and procedures for its Board and Executive Management which seeks to ensure that the affairs of the Company are conducted in a fair, transparent and ethical manner and caters to the interests of the various stakeholders.

### 2. Composition and Category of Board of Directors

The Board of Directors as on the date of this Report, the Board consists of six Directors. None of the Directors or Key Managerial Personnel ("KMP") of the Company are related inter se.

The details of attendance of Directors at Board Meetings, last Annual General Meeting ("AGM") and number of other directorships and the Committee positions of each Director in various Listed Companies and other requisite details are as under:

Sr. No	Name of Director	Category	No of Meeting Held During the year	No of Board Meeting Attended during the year	Attendance at last AGM	List and Category of Directorship in other Listed Companies	Chairman / Member of Committees in other Public Limited Company (Audit and Stakeholder Committee)	Core skills/ expertise/ competencies of the board of directors	Core skills/ expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector
1	Mr. Paresh Zaveri	Promoter, Chairman & Managing Director	4	4	Yes	1) Trejhara Solutions Limited (Non-Executive Director)	Chairmanship – Nil Membership – Nil	Business Acumen and Entrepreneur skills	1) Knowledge of Information Technology Sector
2	Mr. Amit Sheth	Promoter, Co- Chairman & Non-Executive Director	4	4	Yes	1) Trejhara Solutions Limited (Executive Director)	Chairman – Nil Member- 2	Insight on the Banking business, Overall business development and guidance on strategic partnership	2) National/ International Business experience, Sales & Marketing
3	Dr.Mahendra Mehta	Independent & Non-Executive Director	4	4	Yes	1) Trejhara Solutions Limited (Independent Director)	Chairmanship – 1 Membership – 1	Technological and expertise as well as Financial acumen	3) Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisitions, taxation etc.
4	Mr. Frank Osusky	Independent & Non-Executive Director	4	4	No	Nil	Nil	Financial management expert with an emphasis on growth, profitability, cash flow, and mergers and acquisitions.	
5	Mr. Ajay Sarupria	Non-Executive Director	4	2	No	Nil	Nil	Investment and fund raising expert	
6	Mrs. Sudha Bhushan	Independent & Non-Executive Director	4	4	No	1) Digjam Limited 2) Choice International Limited	Chairperson - 2	Finance and taxation expertise	

### 3. Directors Profile proposed to be re- appointed in ensuing Annual General Meeting

The information as required to be disclosed under regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR") and brief profile of directors in case of appointment/reappointment of director is incorporated in description statement of AGM Notice forming part of the Annual Report.

### 4. Board Reappointment, Familiarization

At the time of appointing a Director, a formal letter of appointment is given which inter alia explains the role, functions, duties and responsibilities expected of him as a director of the Company. Periodic presentations are made at the board and committee meetings on business and performance updates of the Company, global business environment, business strategy and risk involved. The

## Corporate Governance Report (Contd.)

familiarization program is conducted to provide insights into the Company to enable the Directors to understand its business and contribute significantly to the Company.

The details of familiarization program imparted to Independent directors is available on [www.aurionpro.com](http://www.aurionpro.com).

### 5. Confirmation by the Board on Fulfillment of Independence of the Independent Director

The Board hereby confirms that the Independent Directors of the Company fulfill all the conditions specified in the LODR and are Independent of the Management.

### 6. Board Meetings

There were four Board meetings held during the Financial Year 2020-21 viz. 29<sup>th</sup> June, 2020, 7<sup>th</sup> September, 2020, 6<sup>th</sup> November, 2020 and 5<sup>th</sup> February, 2021.

In the wake of COVID-19, the Board meetings were held through Video conference. In order to facilitate participation, the Company made available video/audio conferencing facility to its outstation Directors. Necessary compliances as required under the Companies Act, 2013, ("the Act") and the Companies (Meetings of the Board and its Powers) Rules, 2014, were followed in this regard. The participation through tele conferencing is not considered for the purpose of quorum as per the provisions of the Act. The dates of the Board meetings are fixed in advance and in order to facilitate informed deliberations, necessary information along with the agenda is sent to the Board members before the meeting. Further, presentations made by the executive management on various strategic and operational matters.

### 7. Remuneration and Number of Shares held by Directors

#### a) Payment to the Non-Executive Directors and Independent Directors;

During the year ended 31<sup>st</sup> March, 2021, the Company did not pay any remuneration by way of commission or sitting fees to the Executive and Non-Executive Directors except that the Independent Directors were paid sitting fees of INR 30,000/ USD 500 per meeting, for each of the Board Meetings attended by them. The details of payment of the sitting fees are as follows;

Sr. No.	Name of Director	Total Sitting Fees (₹ In lakhs)	Total Fees (USD)
1	Dr. Mahendra Mehta	1.2	-
2	Mr. Frank Osusky	-	2000
3	Mrs. Sudha Bhushan	1.2	-

#### b) Number of Equity Shares held by Directors as on 31<sup>st</sup> March, 2021 are as follows;

Sr. No	Name of Director	No of Shares	No of Warrants	% of Holding
1	Mr. Paresh Zaveri	39,81,301	0	17.46
2	Mr. Amit Sheth	17,09,011	0	7.50
3	Dr. Mahendra Mehta	2,52,838	0	1.11
4	Mr. Frank Osusky	0	0	0
5	Mr. Ajay Sarupria	10,43,094	0	4.57
6	Mrs. Sudha Bhushan	108	0	0

### 8. Performance Evaluation

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, effective participation, experience of Directors, qualifications etc.

### 9. Board Committees

Below is the composition and terms of reference of Audit Committee, Stakeholders' Relationship/Investor Grievances & Share Transfer Committee, Nomination and Remuneration/Compensation Committee and Corporate Social Responsibility Committee

#### a. Audit Committee

Brief description of terms of reference:

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;



## Corporate Governance Report (Contd.)

- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) 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 director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) 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;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

The Committee also reviews other matters as required by the LODR and other laws, rules and regulations.

The Composition of the Audit Committee as on 31<sup>st</sup> March, 2021, is as follows.

Sr. No.	Name	Category	Designation
1	Dr. Mahendra Mehta	Independent Director	Chairman
2	Mr. Frank Osusky	Independent Director	Member
3	Mr. Amit Sheth	Director	Member

The qualifications and expertise of the Committee members are as per the Regulation 16(1)(b) of the LODR and Section 177 of the Act. The Chairman of the Committee is an Independent Director, the Executive Management and the Statutory Auditor attend the meeting as invitees. The Company Secretary is the Secretary to the Committee. The Chairman of the Audit Committee had attended the previous Annual General Meeting held on 18<sup>th</sup> September 2020, to respond to the queries of the Members.

## Corporate Governance Report (Contd.)

During the year, four meetings of the Audit Committee were held on 29<sup>th</sup> June, 2020, 07<sup>th</sup> September, 2020, 06<sup>th</sup> November, 2020 and 05<sup>th</sup> February, 2021. and the attendance was as follows:

Sr. No.	Name	No of Meetings entitled to attend	No of Meeting Attended
1	Dr. Mahendra Mehta	4	4
2	Mr. Frank Osusky	4	4
3	Mr. Amit Sheth	4	4

### b. Stakeholders Relationship/Investors Grievances & Share Transfer Committee

The Committee reviews matters involving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The Committee performs, inter alia, the functions specified in Regulation. 20 of the LODR and section 178 of the Act.

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

The composition of Stakeholders Relationship/Investors Grievances & Share Transfer Committee as on 31<sup>st</sup> March, 2021, is as follows.

Sr. No.	Name	Category	Designation
1	Mr. Frank Osusky	Independent Director	Chairman
2	Dr. Mahendra Mehta	Independent Director	Member
3	Mr. Amit Sheth	Director	Member

Mr. Ninad Kelkar, Company Secretary acts as the Compliance officer of the Company. During the year, the Company has not received any complaint from the Investor.

During the year, one meeting of the Stakeholders Relationship/Investors Grievances & Share Transfer Committee was held on 29<sup>th</sup> June, 2020 and the attendance was as follows:

Sr. No.	Name	No of Meetings entitled to attend	No of Meeting Attended
1	Mr. Frank Osusky	1	1
2	Dr. Mahendra Mehta	1	1
3	Mr. Amit Sheth	1	1

### c. Nomination & Remuneration/ Compensation Committee

The Committee performs, inter alia, the functions specified in Regulation. 19 of the LODR and section 178 of the Act.

Below is brief description of terms of reference:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.



## Corporate Governance Report (Contd.)

The composition of Nomination & Remuneration/Compensation Committee as on 31<sup>st</sup> March, 2021 is as follows.

Sr. No.	Name	Category	Designation
1	Dr. Mahendra Mehta	Independent Director	Chairman
2	Mr. Frank Osusky	Independent Director	Member
3	Mrs. Sudha Bhushan	Independent Director	Member

Details of Nomination & Remuneration/Compensation Committee meetings:

During the year, the Committee met twice on 29<sup>th</sup> June, 2020 and 5<sup>th</sup> February, 2021.

Sr. No.	Name	Number of Meetings entitled to attend	Number of Meeting Attended
1	Dr. Mahendra Mehta	2	2
2	Mr. Frank Osusky	2	2
3	Mrs. Sudha Bhushan	2	2

The performance evaluation criteria for independent directors is determined by the Board. Board has identified some factors on which evaluation is carried out which includes active participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

### d. Corporate Social Responsibility (CSR) Committee

The Board has constituted Corporate Social Responsibility ("CSR") Committee, to contribute to sustainable economic development and to produce an overall positive impact on society. The details of such committee are given under point 10 in the Directors Report.

The Committee performs the functions contemplated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 or as may be amended from time to time.

The composition of CSR Committee comprises as on 31<sup>st</sup> March, 2021, is as follows.

Sr. No.	Name	Category	Designation
1	Mr. Amit Sheth	Director	Chairman
2	Dr. Mahendra Mehta	Independent Director	Member
3	Mrs. Sudha Bhushan	Independent Director	Member

During the year, the Committee met on 05<sup>th</sup> February, 2021.

## 10. General Body Meetings

Year	Day, Date and Time	Location	No. of Special Resolutions passed	Information regarding Special Resolutions
2017-18	Tuesday, 25 <sup>th</sup> September, 2018 at 11.00 A.M.	Hotel Ramada, Millennium Hall No. 2, 1 <sup>st</sup> Floor, 156, Millennium Business Park, MIDC, Sector 2, Mahape, Navi Mumbai – 400710.	1	Appointment of Mr. Paresh Zaveri as the Managing Director
2018-19	Friday, 20 <sup>th</sup> September, 2019 At 11.00 A.M.	Hotel Ramada, 156, Millennium Hall No. M3, 1 <sup>st</sup> Floor, Millennium Business Park, MIDC, Sector 2, Mahape, Navi Mumbai – 400710.	1	Re-appointment of Dr. Mahendra Mehta as an Independent Director
2019-20	Friday, 18 <sup>th</sup> September, 2020 At 11.00 A.M.	AGM was held through Video Conference('VC')/Other Audio Visual Means ('OAVM').	1	Re-appointment of Mr. Frank Osusky as an Independent Director

## Corporate Governance Report (Contd.)

### 11. Postal Ballot

During the year no resolution was passed by the Members, through Postal Ballot. However, the Company has sent Postal Ballot notice dated 06<sup>th</sup> May, 2021 for obtaining Members approval for divestment of entire stake in Cyberinc Corporation.

Note: as on date of dispatching report to the Members, Company has sought approval from the Members for the divestment vide postal ballot the result of which declared on 14<sup>th</sup> June, 2021 and are provided as follows

Particulars	No. of shares	Percentage%
Total number of shares polled in favor of Special resolution	99,82,541	99.98
Total number of shares polled against Special resolution	2003	0.02

The Company conducted the postal ballot exercise in the manner provided under the provisions of Section 110 and other applicable provisions, if any, of the Act read together with Rule 22 of the Companies (Management and Administration) Rules, 2014.

The Company had also offered e-voting facility, through National Securities Depository Limited, to enable the shareholders to cast their votes electronically. The Board has appointed, Mr. Harshvardhan Tarkas (Membership No. ACS 30701) Practicing Company Secretary and failing him, Mr. Mehul Raval, (Membership No. ACS 18300) Practicing Company Secretary, as the Scrutinizer for scrutinizing the postal ballot voting process in a fair and transparent manner

No business is proposed to be transacted through postal ballot at the forthcoming Annual General Meeting.

### 12. Other Disclosures

#### ➤ **Related Party Transactions:**

During the year there were no material significant transactions with the related parties viz. Promoters, Directors and their relatives, their Subsidiaries, conflicting with the Company's interest. The policy as to Related Party Transactions, as approved by the Board, is available on the Company's website at [www.aurionpro.com](http://www.aurionpro.com) and the policy for determining material subsidiaries is disclosed on the Company's Website that is [www.aurionpro.com](http://www.aurionpro.com).

Necessary disclosures as to related party transactions, as required have been made in the standalone notes to accounts of the Annual Report.

#### ➤ **Details of Non-compliance, Penalties, Strictures by Stock Exchange/SEBI/Any Authority on matter related to capital markets, during the last three years:**

**below are the details of penalties paid under SEBI Regulations**

Year	Details of Non-Compliance
2018-19	The Company had paid INR 5,31,000 each to BSE Limited and National Stock exchange of India Limited towards Regulation 17 of the LODR. During the year under review Ms. Carol Realini (Women and Independent Director) has resigned w.e.f. 31 <sup>st</sup> December, 2018 which has resulted in to non- conformity of the Board as per Regulation 17 of the LODR. However, Mrs. Sudha Bhushan was appointed as an Independent Director w.e.f. 25 March, 2019 and the Company complied with the Regulation 17 of the LODR.
2019-20	No penalties were levied on the Company by the Exchanges during the year under consideration.
2020-21	No penalties were levied on the Company by the Exchanges during the year under consideration.

#### ➤ **Vigil Mechanism/Whistle Blower Policy:**

The Company has in place a Vigil Mechanism/Whistle Blower policy pursuant to which employees can raise their concerns about the management, operations and other affairs of the Company. No employee has been denied access to the Audit Committee in this regard.

#### ➤ **Compliance with Mandatory Requirements of the LODR:**

Company has complied with mandatory requirements except as below:

- 1) The Company has not appointed Independent Director on the Board of Directors of Unlisted Material Subsidiary incorporated outside India i.e Cyberinc Corporation Inc, USA ("Cyberinc") pursuant to Regulation 24(1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Management Response:**

Company in its Board meeting held on 06<sup>th</sup> May,2021 had approved exit from the Cyber Security business by divesting entire stake in the Cyberinc subject to Members approval, which is being sought from the shareholders through postal ballot. Considering this, appointment of Independent director on the Board of Cyberinc may not be required.





## Corporate Governance Report (Contd.)

- 2) The Company was not able to conduct audit or limited review of quarterly consolidated financial results, at least eighty percent of each of the consolidated assets and profits, respectively as per Reg. 33 (3) (h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Management Response:**

In view of multiple restrictions and lockdowns imposed by various federal and state authorities across the globe to contain the COVID-19 spread, the full audit/limited review of certain subsidiaries for FY 2020-21 could not be conducted. However, the company has endeavored to comply with the said requirement to the extent in respect of consolidated revenue, profits/loss (for Profit/loss, forty-eight percentages for fourth quarter) and Assets (for assets seventy-two percentage for first quarter and Sixty-Seven percentage for Second and third quarter.)

➤ **Compliance with Non – Mandatory and Adoption of discretionary requirement:**

The Company is committed to implement the best governance practices and in addition to the mandatory requirements as stated above the Board and the management strives to implement other non-mandatory requirements in future.

➤ **Web link where containing policy for determining ‘material’ subsidiaries:**

Company has placed policy relating to material subsidiaries on [www.aurionpro.com](http://www.aurionpro.com).

➤ **Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:**

The details of foreign currency exposure have been disclosed in standalone note no. 45 to accounts of the Annual Report.

➤ **Certificate on Disqualification:**

The Company has obtained a Certificate pursuant to the Regulation 34(3) read with Schedule V of the LODR, from M/s. Milind Nirkhe & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authorities.

➤ **Fees paid to Statutory Auditors:**

The fees paid to the statutory auditors are given under the note no. 42 of the standalone financial statements forming part of this Annual Report.

➤ **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, forms part of Directors Report.

➤ **Compliance with Schedule V:**

The Company is in compliance with all the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of the LODR except as mentioned above.

➤ **Code of Conduct for prevention of Insider Trading:**

The Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015 has been put in place and adhered thereto.

➤ **Declaration Regarding Compliance with the company’s code of conduct:**

A Code of Business Conduct & Ethics has been adopted for Directors and the Senior Management and posted on the website of the Company [www.aurionpro.com](http://www.aurionpro.com). All Board members and senior management have affirmed compliance with the code for the period ended 31<sup>st</sup> March, 2021.

➤ **Compliance Certificate:**

Pursuant to the provisions of Regulation 17(8) of the LODR, Mr. Paresh Zaveri Chairman & Managing Director and Mr. Vipul Parmar, Chief Financial Officer of the Company has issued a certificate to the Board, for the year ended 31<sup>st</sup> March, 2021.

### 13. Equity Shares in the Suspense Account

In terms of Clause F of the Schedule V of the LODR, no equity shares were lying in the suspense accounts.

## Corporate Governance Report (Contd.)

### 14. Means of Communication

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the same are approved by the Board and those are published in prominent English (Business Standard), (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website, [www.aurionpro.com](http://www.aurionpro.com).

### 15. General Information

#### ➤ **Company Registration Details:**

The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1997PLC111637.

#### ➤ **Annual General Meeting:**

The Twenty Fourth Annual General Meeting will be held on Friday, 24<sup>th</sup> September, 2021 at 10.30 a.m.(IST) through Video Conference/Other Audio Visual Means in accordance with the MCA general circular no.02/2021 dated 13<sup>th</sup> January, 2021 and 20/2020 dated 05<sup>th</sup> May, 2020 read with circular nos. 17/2020 dated 13<sup>th</sup> April, 2020 and 14/2020 dated 08<sup>th</sup> April, 2020 (collectively referred to as 'MCA Circulars') and circulars issued by the Securities and Exchange Board of India ('SEBI') circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and (collectively referred to as 'SEBI Circulars') permitting the holding of Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of members at the common venue during these times of Covid-19 pandemic and resultant restrictions on the movement of people at several places in the country.

#### ➤ **Book Closure:**

The Register of Members and the Share Transfer Register will remain closed from Saturday, 18<sup>th</sup> September, 2021 to Saturday, 25<sup>th</sup> September, 2021 both days inclusive.

#### ➤ **Financial Year: 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022**

#### ➤ **Financial Calendar: (Tentative)**

First quarter results: 8<sup>th</sup> August, 2021

Second quarter results: 14<sup>th</sup> November, 2021

Third quarter results: 14<sup>th</sup> February, 2022

Fourth quarter results: 30<sup>th</sup> May, 2022

Annual General Meeting: September 2022

#### ➤ **Dividend Profile:**

Financial Year	Dividend Declared (INR)	Date of Declaration	Dividend Payment Date
2017-18	INR 2 per Equity share of INR 10 each	25 <sup>th</sup> September, 2018	01 <sup>st</sup> October, 2018
2018-19	INR 2 per Equity share of INR 10 each	20 <sup>th</sup> September, 2019	25 <sup>th</sup> September, 2019
2019-20	No Dividend was declared for the FY 2019-20 to conserve resources in order to meet any unforeseen contingencies in these times of Covid-19 pandemic.		

#### ➤ **Shares Listed at:**

The equity shares of the Company are listed at:

BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai - 400 001.	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
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#### ➤ **Stock Code:**

BSE Limited (BSE)	532668
National Stock Exchange of India Limited (NSE)	AURIONPRO
Demat ISIN Number in NSDL & CDSL for Equity Shares	INE132H01018



## Corporate Governance Report (Contd.)

➤ **Payment of Listing Fees:**

Annual listing fee for the year 2021-22 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

➤ **Market Price Data:**

Month	BSE		NSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
April -2020	51.50	38.15	53.55	36.70
May – 2020	49.50	37.60	53.95	37.00
June – 2020	67.20	43.55	67.05	41.30
July – 2020	57.50	45.05	62.90	45.65
August -2020	79.95	45.50	80.00	45.10
September -2020	83.00	57.50	93.70	57.00
October -2020	88.05	65.00	97.70	64.95
November -2020	76.95	67.40	77.85	67.50
December- 2020	99.20	70.40	99.05	71.00
January – 2021	93.25	72.45	93.45	71.90
February -2021	94.95	71.30	99.00	74.80
March -2021	156.95	79.60	159.70	80.00

Share Price Performance in comparison to broad-based indicators – BSE Sensex and NSE Nifty (Month-end closing)

Aurionpro share price compared with BSE Sensex and NSE Nifty (Month-end closing)

Month	BSE		NSE	
	BSE-Monthly INR	BSE Sensex	NSE-Monthly INR	NSE-Nifty
April- 2020	45.95	33,717.62	46.00	9,859.90
May-2020	44.80	32,424.10	44.00	9,580.30
June-2020	53.00	34,915.80	53.00	10,302.10
July-2020	46.00	37,606.89	46.35	11,073.45
August-2020	66.50	38,628.29	64.80	11,387.50
September-2020	67.65	38,067.93	67.40	11,247.55
October-2020	74.50	39,614.07	74.45	11,642.40
November-2020	73.65	44,149.72	73.25	12,968.95
December-2020	92.20	47,751.33	92.25	13,981.75
January-2021	75.10	46,285.77	75.25	13,634.60
February-2021	80.25	49,099.99	80.20	14,529.15
March-2021	136.90	49,509.15	137.00	14,690.70

(Source: BSE & NSE websites)

➤ **Registrar and Transfer Agent:**

Bigshare Services Private Limited.  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp.Vasant Oasis, Makwana Road,  
Marol, Andheri (E), Mumbai - 400059.  
Tel: 022-62638200 Fax: 022-62638299  
Website: www.bigshareonline.com

➤ **Share Transfer System:**

The Stakeholders Relationship/Investors Grievances & Share Transfer Committee approve transfer of shares.

Valid share transfer documents, if any, are processed and duly endorsed share certificate are dispatched to the respective transferees, within prescribed time. In terms of Regulation 40(9) of the LODR, a practicing Company Secretary audits share transfer process, every six months, and issues a certificate, which is submitted to the stock exchanges.

## Corporate Governance Report (Contd.)

### ➤ Shareholding Profile as on 31<sup>st</sup> March, 2021

#### 1) Distribution of Shareholding

Range	No. of Shareholders	Percentage % of Total Holders	Total Capital (INR in lakhs)	% of Total Capital	
1	5,000	8166	86.45	82,15,750	3.61
5,001	10,000	519	5.50	42,19,430	1.86
10,001	20,000	304	3.22	47,02,260	2.07
20,001	30,000	105	1.11	27,04,310	1.18
30,001	40,000	68	0.71	23,83,860	1.04
40,001	50,000	41	0.43	19,20,680	0.84
50,001	1,00,000	81	0.85	55,91,510	2.45
1,00,001	9,99,99,99,999	163	1.72	19,82,63,850	86.95

#### 2) Holding Profile

Particulars	Demat	%	Physical	%	Total
Shares	2,21,55,204	97.17	6,44,961	2.83	2,28,00,165
Members	9,405	99.55	42	0.45	9,447

### ➤ Dematerialization of Shares and Liquidity

The Company's shares are traded compulsorily in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services of (India) Limited (CDSL).

### ➤ Impact of Convertible Instruments:

As on the date of this Report, there are no outstanding Convertible Instruments which can be converted into Equity Shares.

### ➤ Plant Location

In view of the nature of the Company's business viz. Information Technology Services, the Company operates from various offices in India and abroad and does not have any manufacturing plant.

### ➤ Credit rating

Below are the details of credit rating;

Facilities	Amount (INR in lakhs)	Ratings	Rating Action
Short Term Bank Facilities	8,634 (Reduced from 11,124)	CARE A3+ (A Three Plus)	Reaffirmed
Long Term Bank Facilities	6,900 (Reduced from 8,672)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Reaffirmed
Total Bank Facilities	15,534		

### ➤ Contact Person for Enquires

Mr. Ninad Kelkar - The Company Secretary

Email: investor@aurionpro.com

The above email address is a designated email address where investors can mark their grievances.

### ➤ Address for Correspondence

#### Aurionpro Solutions Limited

Registered Office:

Synergia IT Park,  
Plot No.-R-270, T.T.C. Industrial Estate,  
Near Rabale Police Station,  
Rabale, Navi Mumbai -400701



## Certificate on Corporate Governance

### COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER PARA E OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

**To**  
**The Members of Aurionpro Solutions Limited.**

We have examined the compliance of the conditions of Corporate governance by Aurionpro Solutions Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2021 as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D, & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 explanation given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31<sup>st</sup> March, 2021 except in respect of matters specified below.

**1) Observation:**

The Company has not appointed Independent Director on the Board of Directors of Unlisted Material Subsidiary incorporated outside India i.e Cyberinc Corporation Inc, USA ("Cyberinc") pursuant to Regulation 24(1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Company's Response:**

Company in its Board meeting held on 06<sup>th</sup> May, 2021 had approved exit from the Cyber Security business by divesting entire stake in the Cyberinc subject to Members approval, which is being sought from the shareholders through postal ballot. Considering this, appointment of Independent director on the Board of Cyberinc may not be required.

**2) Observation:**

The Company was not able to conduct audit or limited review of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively as per Reg. 33(3)(h) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Company's Response:**

In view of multiple restrictions and lockdowns imposed by various federal and state authorities across the globe to contain the COVID-19 spread, the full audit/limited review of certain subsidiaries for FY 2020-21 could not be conducted. However, the company has endeavored to comply with the said requirement to the extent in respect of consolidated revenue, profits/loss (for Profit/loss, forty-eight percentages for fourth quarter) and Assets (for assets seventy-two percentage for first quarter and Sixty-Seven percentage for Second and third quarter.)

**For Milind Nirkhe & Associates**  
**Company Secretaries**

**Milind Nirkhe**

Membership No: 4156

CP NO: 2312

UDIN No: F004156C000386879

Place : Mumbai

Date : 28<sup>th</sup> May, 2021



## Certification

**To,  
The Board of Directors Aurionpro Solutions Limited.**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Aurionpro Solutions Limited (“the Company”) to the best of our knowledge and belief certify that:

- A) We have reviewed (Standalone and Consolidated) financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief:
  - 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company’s code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the auditors and the Audit committee
  - 1. There are no significant changes in internal control over financial reporting during the year;
  - 2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. There have been no instances of significant fraud and the involvement therein of the management or an employee having a significant role in the Company’s internal control system over financial reporting.
- E) We hereby declare that all the members of the Board of Directors and senior management personnel have confirmed compliance with code of conduct of the Board of Directors and senior management personnel.

### For Aurionpro Solutions Limited

**Paresh Zaveri**  
**Chairman & Managing Director**

Place : Singapore

Date : 28<sup>th</sup> May, 2021

**Vipul Parmar**  
**Chief Financial Officer**

Place : Navi Mumbai





# STANDALONE FINANCIALS

# Independent Auditor's Report

## To the Members of Aurionpro Solutions Limited Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying standalone financial statements of Aurionpro Solutions Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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

### Key Audit Matters

3. Key Audit Matters ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current audit 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 Matter	Auditors' Response
<p><b>Revenue from Fixed Price Contracts:</b></p> <p>Revenue from fixed price contracts, where the performance obligations are satisfied over time, has been recognized using the percentage of completion method and computed as per the input method based on the Company's estimate of contract costs.</p> <p>Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.</p> <p>The application of <b>Ind AS 115 "Revenue from Contracts with Customers"</b> involves Key judgements relating to (1) identification of distinct performance obligations (2) determination of transaction price of the said identified performance obligations (3) allocation of transaction price to the said performance obligations (4) basis for recognition of revenue over a period.</p> <p>Refer Note 26.1 to the Standalone Financial Statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We tested the effectiveness of controls relating to recording and computing revenue and associated contract assets, unearned and deferred revenue balances.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as under:</p> <ul style="list-style-type: none"> <li>➤ Selected samples of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We performed procedures involving enquiry and observation, verification of evidence in respect of operation of these controls.</li> <li>➤ Tested the IT systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the said Ind AS.</li> </ul> <p>Selected a sample of continuing and new contracts and performed certain procedures.</p>

principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the loss and the total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

2. 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 ethical 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.



## Independent Auditors' Report (Contd.)

Key Audit Matter	Auditors' Response
<p><b>External Confirmations:</b></p> <p>This matter is considered to be key audit matter given the circumstances of the year-end confirmations under COVID-19 vis-à-vis non-COVID-19 scenario.</p> <p>COVID-19 has impacted the procedure of external confirmation request to vendors and customers at the year-end and therefore, external confirmation request was sent through electronic mode by the Company.</p> <p>In view of this, we have performed alternative audit procedures. Refer Note 10 to the Standalone Financial Statements.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>➤ Revised the assessed risk and modified our audit procedures to mitigate these risks;</li> <li>➤ Obtained a reliable assurance pertaining to transactions with confirming parties, for accurate and complete process of routine and significant classes of transactions such as revenue, purchases, etc.;</li> <li>➤ Selected samples and tested the effectiveness of controls related to accuracy and completeness of transactions in totality, considering the frequency and regularity of transactions;</li> <li>➤ Obtained representations from the management regarding any impairment in the receivables</li> </ul>
<p><b>Net realisable value (NRV) of Inventory</b></p> <p>The Company deals in information technology products, which includes hardware, software and assembling of machines which may be subject to changing customer demands and technology evolution over the time.</p> <p>Company uses IT technology / products primarily in assembling / resale of the above products. Significant degree of judgment is thereby required to assess the NRV of the inventories and appropriate write down of items.</p> <p>Such judgment includes Company's expectations for future sale, inventory liquidation plans and future selling prices less cost to sell &amp; modification cost.</p> <p>In view of the above, assessment of NRV and its consequential impact, if any on the carrying value of software &amp; hardware including assemble machines has been identified as a key audit matter.</p> <p>Refer Note 09 to the Standalone Financial Statements.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient audit evidence:</p> <p>Assessed the appropriateness of the accounting policy for inventories as per relevant Indian accounting standards.</p> <ul style="list-style-type: none"> <li>➤ Evaluated the design and implementation of key internal financial controls with respect to determination of NRV and tested the operating effectiveness of such controls on selected transactions.</li> <li>➤ Verified inventory ageing report by testing samples, selected using statistical sampling method.</li> <li>➤ Tested the weighted average rate computation of inventory samples, selected using statistical sampling method.</li> </ul> <p>Evaluated the judgement and assumptions taken for valuation of inventory.</p>
<p><b>Allowance for credit losses</b></p> <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the geographical location where it operates.</p> <p>In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.</p> <p>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p> <p>Refer Note 33 to the Standalone financial statements.</p>	<p>Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others:</p> <p>We tested the effectiveness of controls over the</p> <ol style="list-style-type: none"> <li>(1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions</li> <li>(2) completeness and accuracy of information used in the estimation of probability of default and</li> <li>(3) Computation of the allowance for credit losses.</li> </ol> <p>For a sample of customers:</p> <p>We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</p> <p>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>

## Independent Auditors' Report (Contd.)

Key Audit Matter	Auditors' Response
<p><b>Investment impairment assessment</b></p> <p>The Company has investments in subsidiaries and associates. These investments are accounted for at cost less impairment. If an impairment exists, the recoverable amounts of the above investment are estimated in order to determine the extent of the impairment loss, if any.</p> <p>Determination of triggers for impairment in value of these investments and recoverable amount involves significant estimates and judgements, including those related to the possible effect of the COVID-19 pandemic.</p> <p>Refer Note 05 to the Standalone financial statements.</p>	<p>Evaluation of impairment risk and assessing whether triggers exist for any investment based on consideration of external and internal factors affecting the value and performance of the investment.</p> <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>➤ Obtained management assessment of recoverable amount for investments where impairment risk is identified.</li> <li>➤ Evaluated the mathematical accuracy of the cash flow projection and assessed the underlying key assumptions in management's valuation models used to determine recoverable amount considering external data, including assumptions of projected EBITDA, revenue growth rate, terminal growth rates, discount rates, and assessed the sensitivity of the assumptions on the impairment assessment and assessed the forecasts against the historical performance, including the impact of the COVID-19 pandemic.</li> </ul> <p>Assessed the appropriateness of the related disclosures in the standalone financial statements.</p>
<p><b>Information Other than the Standalone Financial Statements and Auditor's Report Thereon</b></p> <p>4. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Corporate Governance Report and Shareholder's information, but does not include the standalone financial statements and our auditors' report thereon.</p> <p>Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>5. 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.</p> <p>If, based on the work we have performed on the other information obtained prior to date of this audit report, 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.</p> <p><b>Management's Responsibilities for the Standalone Financial Statements</b></p> <p>6. The Company's management and Board of Directors are 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, including other 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</p>	<p>maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.</p> <p>7. In preparing the standalone financial statements, management and Board of Directors are 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.</p> <p>The Board of Directors is also responsible for overseeing the company's financial reporting process.</p> <p><b>Auditor's Responsibilities for the Audit of the Standalone Financial Statements</b></p> <p>8. 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.</p>



## Independent Auditors' Report (Contd.)

The description of the auditor's responsibilities for the audit of the financial statements is given in "Appendix I" to this report.

### Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by Section 143(3) of the Act, we report that:
- 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
  - On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the existence of internal financial control with reference to financial statements and its operating effectiveness on the company.

- In our opinion and to the best of our information and according to the explanations given to us, the company has paid no remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable.
- 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:
  - The Company did not have any pending litigations, which have impact on its financial position in its standalone financial statements.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company, except for Rs.2,350/- pertaining to financial year 2011-12 is yet to be transferred to IEPF. The Company has initiated necessary procedure in this regard for completion of the same.

**For CHOKSHI & CHOKSHI LLP**  
**Chartered Accountants**  
**FRN: 101872W/W100045**

**Vineet Saxena**  
**(Partner)**  
**M. No: 100770**  
**UDIN: 21100770AAAAP9866**

**Place : Navi Mumbai**  
**Date : 28th May 2021**

## Independent Auditors' Report (Contd.)

### APPENDIX – I: THE FURTHER DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements 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 auditors' 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 auditors' 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.





## Annexure A to Independent Auditors' Report

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date, to the members of Aurionpro Solutions Limited ("the Company"), on the standalone financial statements for the year ended 31st march 2021.)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i. In respect of its fixed assets:
  - (a) the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, the Company has a program of verification to cover all the items of fixed assets in a phased manner over a reasonable period, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
  - (c) In our opinion and according to information and explanations given to us, and on the basis of an examination of records of the Company, the title deeds of immoveable properties are held in the name of Company. In respect of immoveable properties taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been provided by the company. There is no discrepancy noticed on verification between the physical stocks and book records.
- iii. In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to three bodies corporate, covered in the register maintained under Section 189 of the Companies Act, 2013, In respect of which:
  - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and interest have been regular as per stipulations
  - c) There is no overdue amount remaining outstanding as at the year end.

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans, making investments, providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any public deposits as per the directives issued by the Reserve Bank of India in accordance with the provision of Sections 73 to 76 or any other relevant provision of the Act and rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us by management, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the act for any of the goods sold and service/activities rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing applicable undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, wealth tax, service tax, custom duty, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the year. The following balances remained in arrears as at the last day of the financial year for a period exceeding six months from the date they become due -

Name of the Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Goods and Service Tax (GST)	GST input credit Reversal and Interest on GST	60,73,612/-	FY 2018-21	Various Due Dates*	Nil	Nil

\*GST due date – 20th of the subsequent months.

- (b) According to the records of the Company and representation made available to us by the Company, there are no dues of income tax or goods and service tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to financial institutions and banks. The RBI vide circulars dated 27th March 2020 and 22nd May 2020, had given the option of moratorium for repayment of term loan, which has been exercised by the Company. The Company did not have any loans or borrowings from government and has not issued any debentures.
- ix. In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of initial public

## Annexure A to Independent Auditors' Report (Contd.)

- offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us and to the best of our knowledge, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company has paid no remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable.
- xii. According to information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under paragraph 3 (xiv) of the Order is not applicable to the Company.
- xv. According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For CHOKSHI & CHOKSHI LLP**  
**Chartered Accountants**  
**FRN: 101872W/W100045**

**Vineet Saxena**  
**(Partner)**  
**M. No: 100770**  
**UDIN: 21100770AAAAFP9866**

**Place : Navi Mumbai**  
**Date : 28th May 2021**



## Annexure B to Independent Auditors' Report

(Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Aurionpro Solutions Limited of even date.)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of Aurionpro Solutions Limited ('the Company') as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act 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 internal financial controls with reference to 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 existence of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 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 Company's internal financial controls system with reference to financial statements.

### 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 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-

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to 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, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For CHOKSHI & CHOKSHI LLP**  
**Chartered Accountants**  
**FRN: 101872W/W100045**

**Vineet Saxena**  
**(Partner)**  
**M. No: 100770**  
**UDIN: 21100770AAAAFP9866**

**Place : Navi Mumbai**  
**Date : 28th May 2021**



## Balance Sheet as at 31 March, 2021

	Note	As at 31 March, 2021	As at 31 March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	4,341.79	4,856.26
(b) Capital Work-in-Progress	3	1,340.66	484.52
(c) Right-of-Use Assets	3	327.79	1,122.40
(d) Other Intangible Assets	4	1,335.41	1,490.18
(e) Financial Assets			
(i) Investments	5	5,595.16	14,477.55
(ii) Other Financial Assets	6	1,241.27	1,347.80
(f) Non Current Tax Assets (net)		785.20	677.30
(g) Deferred Tax Assets (net)	7	329.87	468.13
(h) Other Non Current Assets	8	71.57	152.92
		<b>15,368.72</b>	<b>25,077.06</b>
<b>Current Assets</b>			
(a) Inventories	9	1,303.80	1,687.02
(b) Financial Assets			
(i) Trade Receivables	10	8,654.18	8,101.95
(ii) Cash and Cash Equivalents	11	432.45	802.71
(iii) Bank Balance other than (ii) above	12	1,235.14	1,018.62
(iv) Loans	13	3,207.00	5,123.10
(v) Other Financial Assets	14	3,077.31	5,925.11
(c) Other Current Assets	15	3,934.13	2,797.34
(d) Assets held under sale	5.1	4,467.03	-
		<b>26,311.04</b>	<b>25,455.85</b>
<b>TOTAL ASSETS</b>		<b>41,679.76</b>	<b>50,532.91</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	16	2,280.02	2,280.02
(b) Other Equity	17	19,110.78	21,337.26
		<b>21,390.80</b>	<b>23,617.28</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	4,583.72	5,497.59
(ii) Lease Liabilities	41	169.95	815.40
(b) Other Non Current Liabilities	19	994.67	1,014.45
(c) Provisions	20	404.17	481.63
		<b>6,152.51</b>	<b>7,809.07</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	2,477.57	3,419.61
(ii) Lease Liabilities	41	252.62	434.10
(iii) Trade Payables	22		
Due to Micro and Small Enterprises		60.75	1.59
Due to Others		4,907.12	6,541.15
(iv) Other Financial Liabilities	23	4,610.75	6,408.01
(b) Other Current Liabilities	24	1,451.75	1,931.23
(c) Provisions	25	375.89	370.87
		<b>14,136.45</b>	<b>19,106.56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,679.76</b>	<b>50,532.91</b>
Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm Registration No. 101872W/W100045

**Vineet Saxena**

Partner

Membership No 100770

Date : 28<sup>th</sup> May 2021

Place : Navi Mumbai

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

**Paresh Zaveri**

Chairman & Managing Director

DIN : 01240552

Place : Singapore

**Ninad Kelkar**

Company Secretary

Place : Navi Mumbai

**Amit Sheth**

Co- Chairman & Director

DIN : 00122623

Place : Navi Mumbai

**Vipul Parmar**

Chief Financial Officer

Place : Navi Mumbai

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

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>1 Income</b>			
(a) Revenue from Operations	26	19,170.65	28,543.58
(b) Other Income	27	330.18	1,107.27
(c) <b>Total Income ((a)+(b))</b>		<b>19,500.83</b>	<b>29,650.85</b>
<b>2 Expenses</b>			
(a) Operating Expenses	28	5,313.24	12,628.38
(b) Change in Inventories of Raw Material, Finished Goods and Stock-in-Trade	29	383.22	1,032.79
(c) Employee Benefits Expense	30	7,624.57	8,336.02
(d) Finance Costs	31	1,399.53	1,598.43
(e) Depreciation and Amortisation Expense	32	1,123.68	1,469.26
(f) Other Expenses	33	1,714.03	2,957.59
(g) <b>Total Expenses ((a) to (f))</b>		<b>17,558.27</b>	<b>28,022.47</b>
<b>3 Profit before Exceptional Items and Tax (1(c)-2(g))</b>		<b>1,942.56</b>	<b>1,628.38</b>
<b>4 Exceptional Items</b>	5.1	3,903.40	-
<b>5 Profit/(loss) before Tax (3-4)</b>		<b>(1,960.84)</b>	<b>1,628.38</b>
<b>6 Tax Expense:</b>	7		
(a) Current Tax		354.12	520.85
(b) Deferred Tax Charge		138.26	78.93
<b>Total Tax Expenses ((a)+(b))</b>		<b>492.38</b>	<b>599.78</b>
<b>7 Profit / (Loss) After Tax (5-6)</b>		<b>(2,453.22)</b>	<b>1,028.60</b>
<b>8 Other Comprehensive Income / (Loss)</b>			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)		226.74	(84.54)
<b>9 Total Comprehensive Income / (Loss) (7+8)</b>		<b>(2,226.48)</b>	<b>944.06</b>
<b>10 Earnings per equity share of par value ₹10 each fully paid up</b>	39		
Basic (₹)		(10.76)	4.40
Diluted (₹)		(10.76)	4.40

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm Registration No. 101872W/W100045

**Vineet Saxena**

Partner

Membership No 100770

Date : 28<sup>th</sup> May 2021

Place : Navi Mumbai

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

**Paresh Zaveri**

Chairman & Managing Director

DIN : 01240552

Place : Singapore

**Ninad Kelkar**

Company Secretary

Place : Navi Mumbai

**Amit Sheth**

Co- Chairman & Director

DIN : 00122623

Place : Navi Mumbai

**Vipul Parmar**

Chief Financial Officer

Place : Navi Mumbai





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

### (a) Equity share capital

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	2,280.02	2,363.63
Less: Buyback of Equity shares	-	(83.61)
<b>Balance at the end of the year</b>	<b>2,280.02</b>	<b>2,280.02</b>

### (b) Other Equity

Particulars	Attributable to the equity holders						Total
	Reserves and Surplus				Other Comprehensive Income	Restructuring Reserve	
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings	Re-measurement gains/ (losses) on defined benefit plans		
<b>Balance as at 31 March, 2019</b>	<b>93.99</b>	<b>28,062.76</b>	-	<b>16,151.31</b>	<b>(119.47)</b>	<b>(22,192.00)</b>	<b>21,996.59</b>
Transition impact Ind AS 116	-	-	-	(117.64)	-	-	(117.64)
<b>Restated Balance as at April 01, 2019</b>	<b>93.99</b>	<b>28,062.76</b>	-	<b>16,033.67</b>	<b>(119.47)</b>	<b>(22,192.00)</b>	<b>21,878.95</b>
Surplus/ (Deficit) of Statement of Profit and Loss	-	-	-	1,028.60	-	-	1,028.60
Dividend (including dividend distributed tax)	-	-	-	(554.23)	-	-	(554.23)
Transfer to Capital Redemption Reserve	-	-	-	(83.61)	-	-	(83.61)
Buyback of equity shares	-	(931.52)	-	-	-	-	(931.52)
Additions/ (Deduction) during the year	-	-	83.61	-	(84.54)	-	(0.93)
<b>Balance as at March 31, 2020</b>	<b>93.99</b>	<b>27,131.24</b>	<b>83.61</b>	<b>16,424.43</b>	<b>(204.01)</b>	<b>(22,192.00)</b>	<b>21,337.26</b>
Surplus/ (Deficit) of Statement of Profit and Loss	-	-	-	(2,453.22)	-	-	(2,453.22)
Additions/ (Deduction) during the year	-	-	-	-	226.74	-	226.74
<b>Balance as at March 31, 2021</b>	<b>93.99</b>	<b>27,131.24</b>	<b>83.61</b>	<b>13,971.21</b>	<b>22.73</b>	<b>(22,192.00)</b>	<b>19,110.78</b>

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date  
**FOR CHOKSHI & CHOKSHI LLP**  
 Chartered Accountants  
 Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
 CIN- L99999MH1997PLC111637

**Vineet Saxena**  
 Partner  
 Membership No 100770

**Paresh Zaveri**  
 Chairman & Managing Director  
 DIN : 01240552  
 Place : Singapore

**Amit Sheth**  
 Co- Chairman & Director  
 DIN : 00122623  
 Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021  
 Place : Navi Mumbai

**Ninad Kelkar**  
 Company Secretary  
 Place : Navi Mumbai

**Vipul Parmar**  
 Chief Financial Officer  
 Place : Navi Mumbai

## Statement of Cash Flow for the year ended 31 March, 2021

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A Cash Flow from Operating Activities</b>		
Net Profit/(loss) before Tax	(1,960.84)	1,628.38
<b>Adjustments :</b>		
Depreciation and Amortisation Expense	1,123.68	1,469.26
Interest Income	(246.96)	(652.41)
Interest Expenses	1,288.79	1,462.95
Bad debts	154.64	17.09
Provision for doubtful debts	123.50	75.36
Loss on sale of Property, Plant and Equipment (PPE)	28.68	552.06
Foreign exchange (Gain)/ Loss	151.20	(293.90)
Other Non Cash Exceptional Items	3,903.40	-
<b>Operating Profit before working capital changes</b>	<b>4,566.09</b>	<b>4,258.79</b>
<b>Movements in Working Capital</b>		
Decrease in Inventories	383.22	1,032.79
Decrease in Trade Receivables and Other Advances	809.65	2,014.99
Decrease in Trade Payables, Other Liabilities	(3,036.50)	(7,143.23)
	<b>(1,843.63)</b>	<b>(4,095.45)</b>
<b>Cash Generated from Operations</b>	<b>2,722.46</b>	<b>163.34</b>
Income taxes paid (net of refund)	(462.02)	192.81
<b>Net cash Generated from Operating Activities (A)</b>	<b>2,260.44</b>	<b>356.15</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of PPE and Other Intangible Assets	(973.59)	(172.21)
Decrease in Capex Payables	-	30.00
Sale of Investments	523.99	-
Loans/ Advances repaid from Subsidiaries	2,021.99	925.53
Interest received	130.13	645.90
Fixed Deposits with Banks	(109.99)	(78.51)
<b>Net cash Generated from Investing Activities (B)</b>	<b>1,592.53</b>	<b>1,350.71</b>
<b>C Cash flow from Financing Activities</b>		
Proceeds/ (Repayment) of Long-Term Borrowings (net)	(1,560.16)	997.83
Repayment of Short-Term Borrowings (net)	(942.04)	(216.58)
Repayment of Lease Liabilities	(473.67)	(582.27)
Buyback of Equity Shares	-	(1,015.13)
Dividend and Dividend Distribution Tax	-	(459.72)
Interest paid	(1,247.36)	(1,107.49)
<b>Net cash used in from Financing Activities (C)</b>	<b>(4,223.23)</b>	<b>(2,383.36)</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>(370.26)</b>	<b>(676.50)</b>
Cash and Cash Equivalents at beginning of year	802.71	1,479.21
<b>Cash and Cash Equivalents at end of year</b>	<b>432.45</b>	<b>802.71</b>

### Notes:

- Cash and Cash Equivalents includes cash and bank balances including Fixed Deposits with original maturity less than 3 months.
- Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
CIN- L99999MH1997PLC111637

**Vineet Saxena**

Partner

Membership No 100770

**Paresh Zaveri**

Chairman & Managing Director

DIN : 01240552

Place : Singapore

**Amit Sheth**

Co- Chairman & Director

DIN : 00122623

Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021

Place : Navi Mumbai

**Ninad Kelkar**

Company Secretary

Place : Navi Mumbai

**Vipul Parmar**

Chief Financial Officer

Place : Navi Mumbai



## Notes to the financial statements (Contd.)

### General Information and Significant Accounting Policies

#### 1. Company overview

Aurionpro Solutions Limited ('Aurionpro' or 'the Company') is a public limited company incorporated and domiciled in India and has its registered office at Synergia IT Park, Plot No-R-270, T.T.C., Industrial Estate, Near Rabale Police Station, Rabale, Navi Mumbai-400701 Maharashtra, India. The Company's equity shares are listed on the National Stock Exchange Limited and BSE Limited in India.

The Company leverage industry leading IP (Intellectual Property) to deliver tangible business results for global corporations. Our cutting-edge industry leading IP and products are designed to solve challenges for clients in areas of Transaction Banking Platform, Customer Experience (ACE Platform), Smart city and Smart Transportation experience.

The Company offer end-to-end transaction banking solutions through 'iCashpro+' the next generation transaction banking platform that reflects our deep insight and knowledge gained over a decade of working with some of the marquee customers across region and Customer Experience (ACE Platform), an integrated design platform which deliver automation and Self-service technologies to handle customer targeted needs in Banking and Financial services.

The Company has been also on the forefront of India's smart cities and mobility initiatives. The Company have successfully created Digital Urban Infrastructures that can help citizens realize their aspirations using a combination of disruptive technologies backed by a strong service network.

#### 2. Significant accounting policies

##### 2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other provisions of the Act to the extent notified and applicable.

##### 2.2 Basis of preparation & presentation

These financial statements have been prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair values 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.

The statement of financial position (including statement of changes in equity) and the statement of profit and loss are prepared and presented in the format prescribed in Division II of Schedule III to the Companies Act, 2013. The cash flow statement has been prepared and presented as per the requirements of Ind AS 7 "Cash Flow Statements". The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out under Ind AS and in the Schedule III to the Act. Based on the nature of the services and their realisation in Cash and Cash Equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency. All amounts have been rounded off to the nearest lakhs unless otherwise indicated. Per share data are presented in Indian Rupees.

The Company has examined the possible effects that may arise from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, inventory, investments, right of use assets and intangible assets. While estimating the possible future uncertainties in the global economic conditions because of this pandemic, the Company, has used internal and external sources of information including credit reports, economic forecasts and consensus estimates from market sources. The Company has carried out sensitivity analysis on the assumptions used and based on current estimates, expects that the carrying amounts of the aforementioned assets will be realized. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

#### 2.3 Key Accounting Estimate and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at date of financial statements and reported statement of income and expense for the period presented. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates & underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Detailed information about each of these estimates and judgements is included in relevant notes together with the information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements pertaining to revenue recognition, investments, useful life of property, plant and equipment including intangible asset, current tax expense and tax provisions, recognition of deferred tax assets and Provisions and contingent liabilities. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Impairment of Investments: The Company reviews its carrying value of investments in subsidiaries and other entities at cost

## Notes to the financial statements (Contd.)

annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**Useful life of Property, Plant and Equipment including intangible asset:** Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Taxes:** The Company provides for tax considering the applicable tax regulations and based on probable estimates.

The recognition of deferred tax assets is based on estimate of sufficient taxable profits in the Company against which such assets can be utilized.

**Provisions and contingent liabilities:** Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**Fair Value Measurements:** When the fair value of the financial assets or financial liabilities recorded or disclosed in the Financial Statements cannot be measured at quoted price in the active markets, their fair value is measured using the valuation techniques. The input to these valuation techniques are taken from observable markets, where possible, but where these is not feasible, a degree of judgment is required in establishing fair values.

**Leases:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

### 2.4 Revenue recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material and job contracts is recognized as and when the related services are performed (units delivered, efforts expended, number of transactions processed etc.) and Unbilled revenue is accounted on estimate basis in respect of contracts where the contractual right to consideration is based on completion of contractual milestones and other technical measurements. Invoicing in excess of revenues are recognized as unearned revenues. Revenue on fixed price contracts is recognized where performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration on the percentage of completion method. Efforts and costs expended have been used to measure progress towards completion since there is direct relationship between input and productivity. Revenue recognised for any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Revenue from sale of licenses / hardware, where the customer obtains a "right to use" the licenses / hardware is recognized at

the point in time when the related license / hardware is made available to the customer. Revenue from licenses / hardware where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and annual maintenance. In accordance with the principles of Ind AS 115, when implementation services are provided in conjunction with the licensing arrangement, the license and implementation have been identified as two separate performance obligations. The transaction price for such contracts are allocated to each performance obligations based on their respective selling prices. Maintenance revenue in respect of software products and other products/ equipment is recognised on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of discounts/ price incentives which are estimated and accounted based on the terms of the contracts and excludes applicable indirect taxes.

Revenue from leasing income is recognised on pro-rata basis over the period of the contract.

Unearned and deferred revenue represents contractual billings/money received in excess of revenue recognised as per the terms of the contract.

Dividend income is recognised when the Company's right to receive payment is established.

Interest income is recognised on a time proportion basis using effective interest rate method.

### 2.5. Property, Plant and Equipment

Property plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset and cost incurred for bringing the asset to its present location and condition for its intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and are stated at cost.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- i. Computers is depreciated in 6 years and certain assets of Plant and machinery, Computers is depreciated over its project useful years.
- ii. Leasehold improvements are amortized over the period of lease term or useful life, whichever is lower.
- iii. Assets given on lease are depreciated over the shorter of lease term or their useful lives.
- iv. Individual assets costing up to Rupees five thousand are depreciated in full in the period of purchase.

The residual values, useful lives and method of depreciation of PPE is reviewed at each financial year end and adjusted prospectively, if appropriate.



## Notes to the financial statements (Contd.)

### 2.6. Intangible assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

Finite-life intangible assets are amortised on a straight line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful lives of the Computer Software for the current and comparative periods is 5 to 10 years.

Goodwill is initially recognised based on the accounting policy for business combinations. These assets are not amortised but are tested for impairment annually.

### 2.7 Leases

#### The Company as a lessee

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

The Company's lease asset classes primarily consist of leases for Lease hold Improvements and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.
- (iv) the Company has the right to operate the asset; or
- (v) the Company designed the assets in a way that predetermined how and for what purpose it will be used.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

### 2.8. Inventories

Inventories include traded goods and are valued at lower of cost or net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on the first-in, first-out (FIFO) basis.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value of finished goods is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

### 2.9. Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. Income Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items



## Notes to the financial statements (Contd.)

recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity. Foreign branches recognize current tax and deferred tax liabilities and assets in accordance with the applicable local laws.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Management periodically evaluates positions taken in tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base used for computation of taxable Income.

A deferred tax Assets/ liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

The Company uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which are exercised while determining the provision for income tax.

### 2.10. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.11. Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognized in the Statement of Profit and Loss.

Monetary assets and liabilities in foreign currency which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss in the year in which they arise.

Non-monetary foreign currency items are carried at cost.

### 2.12. Assets Held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as " held for sale " when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

### 2.13 Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

### 2.14. Employee benefits

#### i. Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee service are classified as short-term employee benefits. This benefits includes salaries and wages, bonus and ex- gratia. The undiscounted amount of short-term employee benefits to be paid in exchange of employees services are recognised in the period in which the employee renders the related service.

#### ii. Long term employee benefits

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.





## Notes to the financial statements (Contd.)

### Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Remeasurement which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI. Plan Assets of Defined Benefit Plans have been measured at fair value.

### 2.15. Employee's Stock Options Plan

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, fair value of the options as at grant date is treated as discount and accounted as employee compensation cost over the vesting period. Employee compensation cost recognised earlier on grant of options is reversed in the period when the options are surrendered by any employee or lapsed as per the terms of the scheme.

### 2.16. Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.17. Earnings per share (EPS)

In determining Earnings per Share, the Company considers net profit after tax attributable to equity shareholders and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any, except when result will be anti - dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

### 2.18. Provisions, contingent liabilities and contingent assets

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are disclosed only when an inflow of economic benefit is probable.

### 2.19. Cash and cash equivalents

Cash and cash equivalents comprise cash and deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.20. Impairment of non-financial assets

Non-financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they may be impaired. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the assets' net selling price and value in use.

### 2.21. Impairment of financial assets

The Company recognise loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for the trade receivables with no significant financing component is measured at amount equal to life time ECL. For all other financial assets, ECLs are measured at an amount equal to the 12 month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit and loss.

## Notes to the financial statements (Contd.)

### 2.22.Measurement of Fair value of financial instruments

The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.23.Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. 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 profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

#### (i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

#### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at FVTPL unless they are measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss.

#### (iv) Investment in subsidiaries, associates and joint venture

Investments in Subsidiaries, Associates and Joint Venture 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. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

#### (v) Financial liabilities

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost. Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### (vi) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

#### (vii) Derecognition of financial instruments

The Company derecognizes a financial liability (or a part of a financial liability) from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.



(Currency: In lakhs of Indian Rupees)

Particulars	Note 3. Property, Plant and Equipment							Total	Note 3.Capital Work in Progress
	Computers	Furniture and fixtures	Office Equipments	Plant and Machinery	Leasehold improvements	Vehicles	Buildings		
<b>Gross Carrying value</b>									
Balance as at 31 March, 2019	2,247.12	446.72	369.29	3,368.80	313.96	143.97	1,278.45	361.44	8,529.76
Additions	39.62	26.56	25.41	933.02	37.91	-	-	-	1,062.52
Deductions/ adjustments	-	-	-	(1,545.51)	-	-	-	-	(1,545.51)
Balance as at 31 March, 2020	2,286.74	473.28	394.70	2,756.31	351.87	143.97	1,278.45	361.44	8,046.76
Additions	28.49	0.02	52.56	36.42	-	-	-	-	117.48
Deductions/adjustments	-	-	-	(115.31)	-	-	-	-	(115.31)
<b>Balance as at 31 March, 2021</b>	<b>2,315.23</b>	<b>473.30</b>	<b>447.26</b>	<b>2,677.42</b>	<b>351.87</b>	<b>143.97</b>	<b>1,278.45</b>	<b>361.44</b>	<b>8,048.94</b>
<b>Accumulated Depreciation</b>									
Balance as at 31 March, 2019	2,000.91	203.33	305.43	608.40	82.53	34.85	69.23	39.60	3,344.27
Depreciation for the year	80.48	48.75	25.30	590.74	65.84	16.13	22.69	13.68	863.62
Deductions/ adjustments	(23.94)	-	-	(993.45)	-	-	-	-	(1,017.39)
Balance as at 31 March 2020	2,057.45	252.08	330.73	205.69	148.38	50.98	91.92	53.28	3,190.50
Depreciation for the year	51.66	41.86	30.66	361.40	68.61	15.85	22.36	13.41	605.81
Deductions/ adjustments	-	-	-	(89.17)	-	-	-	-	(89.17)
<b>Balance as at 31 March, 2021</b>	<b>2,109.11</b>	<b>293.94</b>	<b>361.39</b>	<b>477.92</b>	<b>216.99</b>	<b>66.84</b>	<b>114.28</b>	<b>66.69</b>	<b>3,707.15</b>
<b>Net block</b>									
As at 31 March, 2020	229.29	221.20	63.97	2,550.62	203.49	92.99	1,186.53	308.16	4,856.26
<b>As at 31 March, 2021</b>	<b>206.12</b>	<b>179.36</b>	<b>85.87</b>	<b>2,199.50</b>	<b>134.88</b>	<b>77.13</b>	<b>1,164.17</b>	<b>294.75</b>	<b>4,341.79</b>

Note 3.01 The Company has leased out certain Plant and machinery for a period of 1-3 years. The lease rental income recognised in the Statement of Profit and Loss is ₹ 489.67 lakhs (31 March 2020: ₹ 956.87 lakhs).

Note 3.02 The Company has reassessed useful life of 10 years from 6 years for certain class of Property. Plant and Equipment and applied the change w.e.f. 1<sup>st</sup> April, 2020, accordingly depreciation impact applied prospectively.

Note 3.03 Refer Note 18.1 and 21.1 for Security in favour of the Lenders.

## Notes to the financial statements

(Currency: In lakhs of Indian Rupees)

Particulars	Note 3. Right-of-use assets		Total
	Leasehold Improvements	Buildings	
<b>Gross Carrying value</b>			
Balance as at 01 April, 2019	487.60	892.52	1,380.12
Additions	136.01	44.98	180.99
Deductions/ adjustments	-	-	-
Balance as at 31 March, 2020	623.61	937.50	1,561.11
Additions	-	-	-
Deductions/adjustments	(253.47)	(472.41)	(725.88)
<b>Balance as at 31 March, 2021</b>	<b>370.14</b>	<b>465.09</b>	<b>835.23</b>
<b>Accumulated Depreciation</b>			
Balance as at 01 April, 2019			
Depreciation for the year	165.66	273.05	438.71
Deductions/ adjustments			
Balance as at 31 March, 2020	165.66	273.05	438.71
Depreciation for the year	174.40	191.23	365.63
Deductions/ adjustments	(176.47)	(120.43)	(296.90)
<b>Balance as at 31 March, 2021</b>	<b>163.59</b>	<b>343.85</b>	<b>507.44</b>
<b>Net block</b>			
As at 31 March, 2020	457.95	664.45	1,122.40
<b>As at 31 March, 2021</b>	<b>206.54</b>	<b>121.23</b>	<b>327.79</b>

Particulars	Note 4. Other Intangible Assets			Total
	Computers Software	Goodwill		
<b>Gross Carrying value</b>				
Balance as at 31 March, 2019	3,593.16	55.63		3,648.79
Additions	94.64	-		94.64
Deductions/ adjustments	-	-		-
Balance as at 31 March, 2020	3,687.80	55.63		3,743.43
Additions				
Deductions/adjustments				-
<b>Balance as at 31 March, 2021</b>	<b>3,687.80</b>	<b>55.63</b>		<b>3,743.43</b>
<b>Accumulated Amortisation</b>				
Balance as at 31 March, 2019	2,006.75	55.63		2,062.38
Amortisation for the year	166.93	-		166.93
Deductions/ adjustments	23.94			23.94
Balance as at 31 March 2020	2,197.62	55.63		2,253.25
Amortisation for the year	152.24	-		152.24
Other adjustments	2.53			2.53
<b>Balance as at 31 March, 2021</b>	<b>2,352.39</b>	<b>55.63</b>		<b>2,408.02</b>
<b>Net block</b>				
As at 31 March, 2020	1,490.18	-		1,490.18
<b>As at 31 March, 2021</b>	<b>1,335.41</b>	<b>-</b>		<b>1,335.41</b>



## Notes to the financial statements

## NOTE 5. NON-CURRENT INVESTMENTS

	As at 31 March, 2021	As at 31 March, 2020
<b>Equity instruments in subsidiary companies carried at cost (unquoted and fully paid up)</b>		
Nil (31 March 2020: 69,500,000) fully paid-up common stock of par value USD 0.0001 each of Cyberinc Corporation*	-	8,370.43
4,983,653 (31 March 2020: 4,983,653) fully paid-up equity shares of par value USD 1 each in Aurionpro Solutions Pte. Limited	2,057.52	2,057.52
500,000 (31 March 2020: 5,00,000) fully paid-up equity shares of par value ₹ 10 each in Aurofidel Outsourcing Limited	50.00	50.00
1,40,000 (31 March 2020: 80,000) fully paid-up equity shares of par value USD 1 each in PT Aurionpro Solutions	43.30	43.30
10,000 (31 March 2020:10,000) fully paid up equity shares of par value ₹ 10 each in Intellvisions Solutions Private Limited	1.00	1.00
10,598 (31 March 2020: 10,598) fully paid up equity shares of par value ₹ 100 each in SC Soft Technology Private Limited	23.21	23.21
<b>Preferred Stock instruments in subsidiary company carried at cost (unquoted and fully paid up)</b>		
Nil (31 March 2020: 9,27,673) fully paid-up Preferred stock of par value USD 0.0001 per share of Cyberinc Corporation	-	-
<b>Equity instruments in Joint Venture carried at cost (unquoted and fully paid up)</b>		
1,470 (31 March 2020: 1,470) fully paid up ordinary shares of AED 100 each in Intellvisions Software LLC	21.55	21.55
<b>Other investments in subsidiary company carried at cost (unquoted and fully paid up)</b>		
3,38,90,000 units (31 March 2020: 3,80,00,000) of par value ₹ 10 each Optionally Convertible Debentures in Aurofidel Outsourcing Limited	3,389.00	3,800.00
<b>Other investments, unquoted (fully paid-up)</b>		
Investment in RBI Bonds	-	101.75
Nil (31 March 2020: 101,750 units) of ₹ 100 each		
Investment in Treasury Bills of Philippines Govt.	9.58	8.79
	<b>5,595.16</b>	<b>14,477.55</b>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	<b>5,595.16</b>	<b>14,477.55</b>

## Note 5.1

\* The Company has transferred its holding in Cyberinc Corporation Inc, USA (9,27,673 Series A Preferred stocks and 6,95,00,000 Common stocks) to Aurionpro Solutions Pte Limited (Wholly Owned Subsidiary) based on approval from the Audit Committee and the Board of Directors in their respective meetings held on 06th May,2021. The approval pursuant to Regulation 24(5) of SEBI (LODR) Regulations, 2015 is in the process of being sought from the shareholders through postal ballot. Accordingly, the investment in Cyberinc Corporation Inc, USA has been measured at fair value of ₹ 4,467.03 Lakhs in the financial statements of the Company in accordance with Ind AS 105 – 'Non-Current Assets Held for Sale and Discontinued Operations'. The effect of fair valuation of ₹ 3,903.40 Lakhs has been included in the exceptional items.

## Notes to the financial statements

### Information as required under paragraph 17 (b) of Ind AS 27 for investments in subsidiaries, joint ventures :

	As at 31 March, 2021	As at 31 March, 2020	The principal place of business	Country of incorporation
<b>Investments in subsidiaries</b>	<b>Proportion of the ownership interest</b>			
Cyberinc Corporation	52.84%	56.54%	4000 Executive Parkway, Suite 250 San Ramon, CA 94583 United States	USA
Aurionpro Solutions Pte. Limited	100%	100%	438B Alexandra Road, Alexandra Technopark, #05-11 Singapore 119968.	Singapore
Aurofidel Outsourcing Limited	100%	100%	Unit No. 601, Sigma IT Park, Plot No. R-203, R-204 T.T.C. Industrial Estate, Rabale Navi Mumbai Thane MH 400701 IN	India
PT Aurionpro Solutions	80%	80%	Gedung Arthaloka lantai 16, Jalan Jendral Sudirman Kav. 2, Kelurahan Karet Tengsin, Kecamatan Tanah abang Jakarta Pusat 10220 Indonesia	Indonesia
Intellvisions Solutions Private Limited	100%	100%	Unit No. 601, Sigma IT Park, Plot No R-203, R-204 TTC Industrial Estate, Thane Belapur Road, Rabale Navi Mumbai Thane MH 400701 IN	India
SC Soft Technology Private Limited	51%	51%	Ground Floor, Leela Infopark Building, Karyavattom PO, Technopark, Trivandrum KL 695581	India
<b>Investments in Joint Ventures</b>				
Intellvisions Software LLC	49%	49%	P.O. Box 114513, Dubai - U.A.E	Dubai

### NOTE 6. OTHER FINANCIAL ASSETS

	As at 31 March, 2021	As at 31 March, 2020
(Unsecured and Considered good)		
Bank Fixed Deposits with original Maturity of more than 12 months (held as margin money)	1,241.27	1,347.80
	<b>1,241.27</b>	<b>1,347.80</b>

### NOTE 7. DEFERRED TAX ASSETS

	As at 31 March, 2021	As at 31 March, 2020
<b>(A) Deferred Tax Assets</b>		
Related to timing difference on depreciation/ amortisation on PPE and Other Intangible Assets	5.15	129.07
Related to Employee Benefits Provisions	228.66	290.07
Related to Provision for doubtful Debts	72.01	41.32
Related to Lease Liabilities (net off transition reserve)	24.05	7.67
<b>Net Deferred Tax Assets</b>	<b>329.87</b>	<b>468.13</b>

Management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income for the period over which deferred income tax assets will be recovered.



## Notes to the financial statements

**NOTE 7. DEFERRED TAX ASSETS (Contd.)**

	As at 31 March, 2021	As at 31 March, 2020
<b>(B) Amounts recognised in Statement of Profit and Loss</b>		
(i) Current income tax	354.12	520.85
(ii) Deferred tax charge	138.26	78.93
<b>Tax expense for the year</b>	<b>492.38</b>	<b>599.78</b>
<b>(C) Reconciliation of Tax Expenses</b>		
<b>Profit/ (Loss) after exceptional items and before Tax</b>	(1,960.84)	1,628.38
<b>Add:</b> Loss on sale of Investment	(3,903.40)	-
<b>Profit/ (Loss) before Tax</b>	1,942.56	1,628.38
<b>Applicable Tax Rate</b>	25.17%	25.17%
Computed Tax Expenses	488.90	409.83
Add/ (Less) :Tax effect of		
Effect of expenses disallowed for tax purpose	475.51	686.11
Effect of expenses allowed for tax purpose	(610.29)	(575.09)
<b>Current Tax Provision (i)</b>	<b>354.12</b>	<b>520.85</b>
Incremental Deferred Tax Charge on account of PPE and Other Intangible Assets	123.92	64.70
Incremental Deferred Tax Charge on account of Other Assets/ Liabilities	14.34	14.23
<b>Deferred tax charge (ii)</b>	<b>138.26</b>	<b>78.93</b>
<b>Income Tax Expenses (i+ii)</b>	<b>492.38</b>	<b>599.78</b>

The Company's weighted average tax rates for the years ended March 31, 2021 and March 31, 2020 have been 25.35% and 36.83% respectively. The effective tax rate for the year ended March 31, 2021 has been lower primarily as a result of facts mentioned above.

**NOTE 8. OTHER NON CURRENT ASSETS  
(UNSECURED AND CONSIDERED GOOD)**

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	63.11	138.75
Prepaid Expenses	8.46	14.17
	<b>71.57</b>	<b>152.92</b>

**NOTE 9. INVENTORIES  
(VALUED AT LOWER OF COST OR NET REALISABLE VALUE)**

	As at 31 March, 2021	As at 31 March, 2020
Raw Material	23.24	223.32
Finished Goods (including goods in transit)	489.62	393.96
Stock-in-trade	790.94	1,069.74
	<b>1,303.80</b>	<b>1,687.02</b>

**NOTE 10. TRADE RECEIVABLES (REFER NOTE 46)  
(UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE MENTIONED)**

	As at 31 March, 2021	As at 31 March, 2020
Considered Good	8,654.18	8,101.95
Considered doubtful	286.09	158.07
Less : Provisions for doubtful receivables	(286.09)	(158.07)
	<b>8,654.18</b>	<b>8,101.95</b>



## Notes to the financial statements

### NOTE 11. CASH AND CASH EQUIVALENTS

	As at 31 March, 2021	As at 31 March, 2020
Bank balance in Current Accounts	422.86	796.18
Cash on hand	9.59	6.53
	<b>432.45</b>	<b>802.71</b>

### NOTE 12. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March, 2021	As at 31 March, 2020
Earmarked Balance- Unpaid Dividend	13.79	14.27
Bank Deposits with less than 12 months' original maturity (held as margin money)	1,221.35	1,004.35
	<b>1,235.14</b>	<b>1,018.62</b>

### NOTE 13. LOANS (UNSECURED AND CONSIDERED GOOD)

	As at 31 March, 2021	As at 31 March, 2020
Loans to related parties	3,207.00	5,123.10
	<b>3,207.00</b>	<b>5,123.10</b>

### NOTE 14. OTHER FINANCIAL ASSETS (UNSECURED AND CONSIDERED GOOD)

	As at 31 March, 2021	As at 31 March, 2020
Unbilled Revenue	2,623.74	5,081.15
Interest Accrued on Deposits	74.55	63.63
Other Receivables		
- From Other Related Party	379.02	748.55
- From Others	-	31.78
	<b>3,077.31</b>	<b>5,925.11</b>

### NOTE 15. OTHER CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE MENTIONED)

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	161.35	284.87
Prepaid Expenses	703.71	363.21
Retention Money	2,648.15	1,890.91
Advance to supplier		
Considered Good	386.69	136.68
Considered doubtful	13.63	13.63
Less : Provisions for doubtful advance	(13.63)	(13.63)
	386.69	136.68
Advances to employees	3.81	19.29
Balance with Government Authorities	30.42	102.38
	<b>3,934.13</b>	<b>2,797.34</b>



## Notes to the financial statements

## NOTE 16. SHARE CAPITAL

	As at 31 March, 2021	As at 31 March, 2020
<b>Authorised capital</b>		
66,150,000 (31 March 2020 : 66,150,000) equity shares of ₹ 10 each	6,615.00	6,615.00
<b>Issued, subscribed and paid-up</b>		
22,800,165 (31 March 2020: 22,800,165) equity shares of ₹ 10 each, fully paid-up	2,280.02	2,280.02
	<b>2,280.02</b>	<b>2,280.02</b>

## (1) Details of Shareholders holding more than 5% shares in the Company

	No. of Shares	%	No. of Shares	%
Mr. Naresh Nagpal	-	-	11,49,009	5.04
Mr. Amit Sheth	17,09,011	7.50	17,09,011	7.50
Mr. Paresh Zaveri	39,81,301	17.46	36,18,301	15.87

## (2) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (3) Shares issue under ESPS

The Company has employee share purchase scheme (ESPS), namely, Aurionpro ESPS 2017. As on 31 March, 2021, number of outstanding shares available for further grant are 550,765.

## (4) Reconciliation of Equity Shares

	March 31, 2021		March 31, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
<b>At the beginning of the year</b>	2,28,00,165	2,280.02	2,36,36,301	2,363.63
Less: Buy back of Shares	-	-	(8,36,136)	(83.61)
<b>At the end of the year</b>	<b>2,28,00,165</b>	<b>2,280.02</b>	<b>2,28,00,165</b>	<b>2,280.02</b>

The Company has buyback fully paid-up equity shares of face value of INR 10/- (Rupees Ten only) each ("Equity Shares") from its shareholders (excluding promoters and promoters group) via "open market" route through the stock exchanges. The buyback of shares was concluded on 04/10/2019 and the Company has bought back 8,36,136 Equity Shares at an aggregate amount of INR 1,015.11 Lakhs.

## (5) The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the equity balance.

## NOTE 17. OTHER EQUITY

	As at 31 March, 2021	As at 31 March, 2020
<b>Capital Reserve</b>		
Opening Balance	93.99	93.99
Additions during the year	-	-
Closing Balance	<b>93.99</b>	<b>93.99</b>
<b>Securities Premium</b>		
Opening Balance	27,131.24	28,062.76
Less: buy back of equity shares	-	(931.52)
Closing Balance	<b>27,131.24</b>	<b>27,131.24</b>
<b>Capital Redemption reserve</b>		
Opening Balance	83.61	-
Add: transferred on account of buyback of shares	-	83.61
Closing Balance	<b>83.61</b>	<b>83.61</b>

## Notes to the financial statements

**NOTE 17. OTHER EQUITY (Contd.)**

	As at 31 March, 2021	As at 31 March, 2020
<b>Surplus in Retained Earnings</b>		
Opening Balance	16,424.43	16,151.31
Transition impact of Ind AS 116, net of tax	-	(117.64)
Balance as on April 01, 2019	-	<b>16,033.67</b>
Add: Profit/(Loss) for the year	(2,453.22)	1,028.60
Less:		
a) Equity Dividends (including Tax on Dividends)	-	(554.23)
b) Capital Redemption Reserve	-	(83.61)
Closing Balance	<b>13,971.21</b>	<b>16,424.43</b>
<b>Other Comprehensive Income</b>		
Opening Balance	(204.01)	(119.47)
Additions during the year	226.74	(84.54)
Closing Balance	<b>22.73</b>	<b>(204.01)</b>
<b>Restructuring Reserve</b>		
Opening Balance	(22,192.00)	(22,192.00)
Additions/ (deduction) during the year	-	-
Closing Balance	<b>(22,192.00)</b>	<b>(22,192.00)</b>
	<b>19,110.78</b>	<b>21,337.26</b>

**Note 17.1****(i) Capital Reserve**

The Company recognise profit and loss on sale, purchase and cancellation of the Company's own equity instruments to capital reserve.

**(ii) Securities Premium**

Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

**(iii) Capital Redemption Reserve**

As per Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of profits. A sum equal to nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of Companies Act, 2013

**(iv) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**(v) Restructuring Reserve**

Pursuant to the Demerger, the difference between the net assets & liabilities transferred is included in Restructuring Reserve (after adjusting Capital Reserve & General Reserve).

**(vi) Other Comprehensive Income**

Other Comprehensive Income refers to items of income and expenses that are not recognized as a part of the profit and loss account.

**Note 17.2**

<b>Dividend on Equity Shares</b>	<b>For the year ended 31-Mar-21</b>	<b>For the year ended 31-Mar-20</b>
Dividend on equity shares paid during the year :		
Final dividend of ₹ Nil per share for FY 2019-20 (FY 2018-19: ₹ 2 per share)	-	459.72
Dividend distribution tax on final dividend	-	94.51
Proposed dividend on equity shares not recognised as liability		
Final dividend of ₹ Nil per share for FY 2020-21 (FY 2019-20: ₹ Nil per share)	-	-
Dividend distribution tax on final dividend	-	-

## Notes to the financial statements

### NOTE 18. BORROWINGS-NON CURRENT

	As at 31 March, 2021	As at 31 March, 2020
<b>Loans from:</b>		
Banks (secured)	3,552.87	3,575.81
Financial Institutions (secured)	997.59	1,788.25
Banks (unsecured)	-	5.04
Financial Institutions (unsecured)	33.26	128.49
	<b>4,583.72</b>	<b>5,497.59</b>

#### Note 18.1

- (i) Foreign Currency Loans from bank of ₹ 3,882.43 lakhs (USD 5,301,597) secured by pari passu charge on entire receivables, stock in process and computers, furniture and fixtures and Plant & Machinery, this loans is also secured by 19,70,000 Shares and certain immovable assets owned by the Promoters.
- (ii) Loans from bank of ₹ 121.52 lakhs secured by Equitable Mortgage on the underlying properties and ₹ 20.94 lakhs secured by equitable mortgage on the underlying vehicles.
- (iii) Loan from financial institutions is secured by equipments & machines purchased by the company.
- (iv) Repayment schedule of Long term Borrowings

Rate of Interest	Within 1 year	2 - 3 years	4 - 5 years
upto 13%	2,452.37	2,885.16	1,684.20
more than 13%	267.49	33.26	

### NOTE 19. OTHER NON CURRENT LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
Unearned and Deferred Revenue	994.67	1,014.45
	<b>994.67</b>	<b>1,014.45</b>

### NOTE 20. PROVISIONS -NON CURRENT

	As at 31 March, 2021	As at 31 March, 2020
Employee Benefits	404.17	481.63
	<b>404.17</b>	<b>481.63</b>

#### Note 20.1

Provision (Non Current) for employee benefits includes for Defined benefits plans.

### NOTE 21. BORROWINGS-CURRENT

	As at 31 March, 2021	As at 31 March, 2020
Loans repayable on demand		
- from Banks (secured)	1,256.99	1974.21
Loans from Related Parties (unsecured)	52.69	1084.11
Loans from Financial Institutions (unsecured)	1,167.89	361.29
	<b>2,477.57</b>	<b>3,419.61</b>

## Notes to the financial statements

### Note 21.1

- (i) Loans from bank of ₹ 529.71 lakhs secured by pari passu charge on entire receivables, stock in process and computers, furniture and fixtures and Plant & Machinery, this loans is also secured by 19,70,000 Shares and certain immovable assets owned by the Promoters.
- (ii) Loans from bank of ₹ 637.28 lakhs secured by pari passu charge on entire current assets and Fixed assets of the Company, this loans is also secured by 20,20,000 Shares owned by the Promoters.
- (iii) Loans from bank of ₹ 90 lakhs secured by pari passu charge on entire current assets and building of the Company.
- (iv) Loans and advances from related parties are interest free and repayable on demand.

### NOTE 22. TRADE PAYABLES (REFER NOTE 46)

	As at 31 March, 2021	As at 31 March, 2020
- Due to Micro and Small Enterprises	60.75	1.59
- Due to Others	4,907.12	6,541.15
	<b>4,967.87</b>	<b>6,542.74</b>

### Note 22.1 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2021. The disclosure pursuant to the said Act is as under:

(i) Principal amount due to any supplier as at the year end	60.75	1.59
(ii) Interest due on the principal amount unpaid at the year end to any supplier	4.99	-
(iii) Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
(v) Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED	-	-
(vi) Amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.99	-
(vii) Amount of further interest remaining due and payable even in the succeeding years	-	-

### NOTE 23. OTHER FINANCIALS LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
<b>Current maturities of Long-Term Borrowings</b>		
- From Banks (secured)	442.49	817.59
- From Financial Institutions (secured)	1,999.25	1992.07
- From Banks (unsecured)	36.91	96.47
- From Financial Institutions (unsecured)	229.92	448.73
	<b>2,708.57</b>	<b>3,354.86</b>
<b>Others</b>		
Interest Accrued and not due on Borrowings	224.11	258.40
Unclaimed Dividend	13.79	14.27
Employee Payables	564.67	931.50
Provision for Expenses	1,099.61	1,848.98
	<b>4,610.75</b>	<b>6,408.01</b>

## Notes to the financial statements

### NOTE 24. OTHER CURRENT LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
Unearned and Deferred Revenue	894.73	1,122.63
Advance Received from Customers	86.83	471.32
Security Deposits	87.03	65.64
Statutory Dues Payable	307.54	189.59
Other Payables	75.62	82.05
	<b>1,451.75</b>	<b>1,931.23</b>

### NOTE 25. PROVISIONS

	As at 31 March, 2021	As at 31 March, 2020
Employee Benefits	375.89	370.87
	<b>375.89</b>	<b>370.87</b>

#### Note 25.1

Provision for employee benefits includes for defined benefits plans and compensated absences.

### NOTE 26. REVENUE FROM OPERATIONS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Information Technologies and Consultancy Services	13,943.82	16,412.71
Sale of Equipment and Licence	5,226.83	12,130.87
	<b>19,170.65</b>	<b>28,543.58</b>

#### Note 26.1 Disaggregate Revenue Information

##### The disaggregated revenue from contracts with the customers

<b>(i) Product and Services wise</b>		
Information Technologies and Consultancy Services	13,943.82	16,412.71
Sale of Equipment and Licence	5,226.83	12,130.87
<b>Total</b>	<b>19,170.65</b>	<b>28,543.58</b>
<b>(ii) Geography wise</b>		
Asia-Pacific	16,662.52	25,938.74
Rest of world	2,508.13	2,604.84
<b>Total</b>	<b>19,170.65</b>	<b>28,543.58</b>

Revenues in excess of invoicing are classified as contract assets (which is referred as unbilled revenues). Changes in contract assets are directly attributable to revenue recognised based on the accounting policy defined and the invoicing done during the year. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures as the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date.

## Notes to the financial statements

### NOTE 27. OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Interest Income on</b>		
- Working Capital Loan to Subsidiaries	105.90	375.95
- Fixed Deposits with Banks	141.06	143.71
- Others	13.05	132.75
Foreign Exchange Fluctuation Gain	-	293.90
Miscellaneous Income	70.17	160.96
	<b>330.18</b>	<b>1,107.27</b>

### NOTE 28. OPERATING EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Software, Hardware and Other Material Cost	5,313.24	12,628.38
	<b>5,313.24</b>	<b>12,628.38</b>

### NOTE 29. CHANGES IN INVENTORIES OF RAW MATERIAL, FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Stock at the beginning of the year</b>		
Raw Material	223.32	324.73
Finished Goods (including goods in transit)	393.96	434.66
Stock-in-Trade	1,069.74	1,960.42
<b>Total (A)</b>	<b>1,687.02</b>	<b>2,719.81</b>
<b>Stock at the end of the year</b>		
Raw Material	23.24	223.32
Finished Goods (including goods in transit)	489.62	393.96
Stock-in-trade	790.94	1,069.74
<b>Total (B)</b>	<b>1,303.80</b>	<b>1,687.02</b>
<b>Changes in Inventories (A - B)</b>	<b>383.22</b>	<b>1,032.79</b>

### NOTE 30. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, Wages and Bonus	6,895.40	7,608.66
Contributions to Provident and Other Funds	584.26	491.74
Staff Welfare Expenses	144.91	235.62
	<b>7,624.57</b>	<b>8,336.02</b>



## Notes to the financial statements

### NOTE 31. FINANCE COSTS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Expense on		
- Borrowings	1,213.07	1,264.91
- Lease	75.72	198.04
Other Borrowing Charges	110.74	135.48
	<b>1,399.53</b>	<b>1,598.43</b>

During the financial year 2020-21, due to COVID-19 pandemic and subsequent lockdown, Government of India has announced several initiatives to support industries and thereby the economy. In addition, Reserve bank of India had issued circulars dated 27/03/2020 and 23/05/2020 providing benefits to the industries in form of moratorium and had given the option of moratorium for repayment of loans, which had been exercised by the Company.

### NOTE 32. DEPRECIATION AND AMORTISATION EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on Property, Plant and Equipment	605.81	863.62
Amortisation on Other Intangible assets	152.24	166.93
Depreciation on Right-of-Use Assets	365.63	438.71
	<b>1,123.68</b>	<b>1,469.26</b>

### NOTE 33. OTHER EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Travelling and Conveyance Expenses	198.10	619.28
Legal and Professional Charges	299.54	449.80
Short Term Lease (refer note 41)	25.33	66.68
Rates and Taxes	107.38	412.83
Electricity Expenses	122.89	178.42
Communication Expenses	89.03	124.29
Repairs and Maintenance Expenses	59.81	70.46
Subscription and Membership	49.95	22.39
Commission and Business Promotions	10.72	13.58
Recruitment Expenses	3.55	20.29
Insurance Charges	66.26	17.01
Housekeeping and Security Charges	16.90	21.48
Provision for Bad-debts	123.50	75.36
Bad debts	154.64	17.09
Impairment of Investment	-	1.00
Foreign exchange fluctuation Loss	151.20	-
Loss on Sale of PPE	28.68	552.06
CSR Expenses (refer note 38)	55.00	54.00
Auditor's Remuneration (refer note 42)	28.39	29.45
Others Miscellaneous Expenses	123.15	212.14
	<b>1,714.03</b>	<b>2,957.59</b>

## Notes to the financial statements

### NOTE 34

	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities and Commitment (as represented by the Management)		
(i) Guarantees given by the Company on behalf of its Subsidiaries	2,067.96	1,994.24
(ii) Disputed Liabilities not provided for direct/ indirect Tax	-	-
(iii) Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	3,029.59	3,658.82

### NOTE 35

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Value of Imports on CIF basis</b>		
(i) Capital Goods	-	45.49
(ii) Stores and Spares	482.54	377.22
<b>(b) Expenditure in Foreign Currency</b>		
(i) Software, hardware and material cost	165.88	135.69
(ii) Travelling & Conveyance Expenses	15.05	140.28
<b>(c) Earnings in Foreign Currency</b>		
(i) Revenue from operations	3,828.37	4,062.32
(ii) Interest and other income	67.81	164.11
<b>(d) Dividend remitted in Foreign Currency</b>		
(i) Dividend relating to FY 2019-20 and FY 2018-19 remitted in Foreign Currency	-	39.92
(ii) No. of Non resident Equity Shareholders	-	5
(iii) No. of Equity Shares held by them	-	19,96,030

### NOTE 36

#### SEGMENT REPORTING

Disclosure as per Ind AS 108 "Operating Segments" is reported in Consolidated Accounts of the Company. Therefore, the same has not been separately disclosed in line with the provision of Ind AS. (refer Note no.36 of the consolidated financial statements).

### NOTE 37

Disclosures required by Clause 34 (3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loans and Advances in the nature of Loans to Subsidiary Companies

Name of the Company	As at March 31, 2021	As at March 31, 2020	Maximum Balance during the current year	Maximum Balance during the Previous year
(i) Aurionpro Solutions Pte. Limited	2 491.32	3 994.71	4,026.91	4,859.24
(ii) Aurofidel Outsourcing Limited	43.86	485.34	497.28	5,098.29
(iii) Intellvisions Solutions Private Limited	671.82	643.05	671.82	643.05

Note:- There is no investment in shares of the Company by such parties

## Notes to the financial statements

### NOTE 38

#### CORPORATE SOCIAL RESPONSIBILITY

The Company has spent ₹ 55.00 lakhs (Previous year: ₹ 54 lakhs) towards various schemes of Corporate Social Responsibility(CSR) as prescribed under,

- I. Gross amount required to be paid by the Company during the year: ₹ 50.68 lakhs (Previous year: ₹ 53.64 lakhs)
- II. Amount paid during the year

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	In cash / payable	Yet to be paid in cash	In cash / payable	Yet to be paid in cash
(i) Construction/Acquisition of any asset	-	-	-	-
(ii) For purposes other than (i) above	55.00	-	54.00	-

₹ in lakhs

The Company does not carry any provisions for CSR expenses for current year and previous year.

### NOTE 39

#### EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic and Diluted EPS		
(a) Profit/(Loss) attributable to Equity Shareholders	(2,453.22)	1,028.60
(b) Weighted average number of Equity Shares (Basic and Diluted)	2,28,00,165	2,33,93,397
(c) Earnings per Share		
- Basic Earnings per Share of ₹ 10 each	(10.76)	4.40
- Diluted Earnings per Share of ₹ 10 each	(10.76)	4.40

### NOTE 40

#### DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013:

The details of loans, guarantees and investments under section 186 of the companies Act, 2013 read with the companies Rules, 2014 are as follows.

- 1) Details of investment made are given in Note no. 5
- 2) Detail of loans given by company are as follows.

	As at March 31, 2021	As at March 31, 2020	Purpose
(i) Aurionpro Solutions Pte. Limited	2 491.32	3 994.71	Working Capital Loans
(ii) Aurofidel Outsourcing Limited	43.86	485.34	Working Capital Loans
(iii) Intellvisions Solutions Private Limited	671.82	643.05	Working Capital Loans

The Company has not issued any guarantees under Section 186 of the Act read with rules issued thereunder other than those disclosed in sub-note of Note no. 34 (i).

## Notes to the financial statements

### NOTE 41 LEASE

#### Details regarding the contractual maturities of lease liabilities on an discounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	252.62	434.10
One to five years	169.95	815.40
More than five years	-	-
<b>Total</b>	<b>422.57</b>	<b>1,249.50</b>

#### Details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	472.99	585.82
One to five years	146.80	905.81
More than five years	-	-
<b>Total</b>	<b>619.79</b>	<b>1,491.63</b>

- The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- Rental expense recorded for short-term leases was ₹ 25.33 lakhs (Previous year: ₹ 66.68 lakhs) for the year ended 31 March 2021.
- Effective interest rate in the range of 10 % to 12.50% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- Applied the exemption not to recognize right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and Leases for which the underlying asset is of low value.
- The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - leases, by inserting a practical expedient with respect to "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has applied the practical expedient during the quarter ended June 30, 2020 by accounting the unconditional rent concessions of INR. 42.00 Lakhs netted off with "Other expenses".

### NOTE 42

#### AUDITORS REMUNERATION AND REIMBURSEMENT

	For the year ended March 31, 2021	For the year ended March 31, 2020
Statutory audit fees	27.00	27.00
Fees for other audit related services	-	-
Reimbursement of out-of-pocket expenses	1.39	2.45
	<b>28.39</b>	<b>29.45</b>

### NOTE 43

#### Employee Benefits

##### Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, ESIC and other funds which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

##### Defined benefit plans

The Company has a scheme for payment of gratuity to all its employees as per the provisions of the Payment of Gratuity Act, 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by independent actuary. The gratuity plan is a funded plan.



## Notes to the financial statements

**NOTE 43**

The following table sets out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
<b>(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>		
Obligation at the beginning of the year	895.73	669.46
Interest Cost	53.46	48.55
Current Service Cost	138.32	119.38
Past Service Cost	-	-
Actuarial (gain) / loss recognised in other comprehensive income	-	-
- Change in Demographic Assumptions	(156.08)	(25.21)
- Change in financial assumptions	(46.10)	79.13
- Experience adjustments	(31.68)	24.63
Benefits Paid directly by the Employer	(33.19)	(7.55)
Benefits Paid	(12.42)	(12.66)
Liabilities Extinguished on Settlement	-	-
Obligation at the end of the year	808.04	895.73
<b>(ii) Change in plan assets</b>		
Plan assets at the beginning of the year, at fair value	146.53	130.87
Interest income	9.56	9.94
Expected return on plan assets	6.89	(5.91)
Actuarial gain / (loss) recognised in other comprehensive income	-	-
Contributions	(7.13)	24.28
Benefits paid from the fund	(12.41)	(12.66)
Assets distributed on settlement	-	-
Plan assets at the end of the year, at fair value	143.44	146.53
<b>(iii) Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Fair value of plan assets at the end of the year	143.44	146.53
Present value of the defined benefit obligation at the end of the year	808.04	895.73
Net Liability recognized in the Balance Sheet	664.61	749.21
<b>(iv) Expense Recognised in Profit or Loss</b>		
Current Service Cost	138.32	119.38
Past Service Cost	-	-
Net Interest Cost	43.91	38.61
<b>Total</b>	<b>182.23</b>	<b>158.00</b>
<b>(v) Amount Recognised in Other Comprehensive Income</b>		
Actuarial (gain) / loss recognised in other comprehensive income	(233.87)	78.54
Expected return on plan assets	7.13	5.91
<b>Total</b>	<b>(226.74)</b>	<b>84.45</b>
<b>(vi) Assumptions</b>		
Interest rate	5.18 %	5.45%, 6.56%
Estimated return on plan assets	5.18 %	5.45%, 6.56%
Salary growth rate	9.25%	9.45%, 16%
Employee turnover rate	For service 4 year and below 33.75%, 19% thereafter	For service 4 year and below 33.75%, 25.55% and 19%, 7.52% thereafter

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

## Notes to the financial statements

### NOTE 43 (Contd.)

#### (vii) Particulars of the amounts for the year and Previous years

	Gratuity As at March 31				
	2021	2020	2019	2018	2017
Present Value of benefit obligation	808.04	895.73	669.46	524.12	364.11
Fair value of plan assets	143.44	146.53	130.87	83.77	82.60
Excess of obligation over plan assets (plan assets over obligation)	664.61	749.21	538.59	440.36	281.51

#### (viii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2021	As at March 31, 2020
Discount rate (+ 1% movement)	(34.27)	(68.85)
Discount rate (- 1% movement)	37.90	81.45
Future salary growth (+ 1% movement)	31.24	46.00
Future salary growth (- 1% movement)	(29.59)	(45.72)
Employee turnover (+ 1% movement)	(8.43)	(27.65)
Employee turnover (- 1% movement)	9.11	31.38

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

#### (ix) Maturity analysis of defined benefit plan (fund)

Project benefit payable in future from the date of reporting		
1 <sup>st</sup> following year	146.43	104.80
2 <sup>nd</sup> following year	108.39	78.99
3 <sup>rd</sup> following year	100.82	76.68
4 <sup>th</sup> following year	93.18	87.60
5 <sup>th</sup> following year	81.24	69.12
Sum of 6 to 10 years	281.55	285.47
Sum of years 11 and above	246.80	1,113.83

#### (x) Expenses Recognized in the Statement of Profit or Loss for Next Year

Current Service Cost	98.61
Net Interest Cost	34.42
(Expected Contributions by the Employees)	-
Expenses Recognized	133.04

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 effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.



## Notes to the financial statements

## NOTE 44

## CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Debt	9,800.05	12,321.36
Less : Cash and Marketable Securities	(2,895.06)	(3,154.86)
Net Debt (A)	6,904.99	9,166.50
(ii) Equity (B)	21,390.80	23,617.28
Capital Gearing Ratio ( A/B )	32%	39%

## NOTE 45

## FINANCIAL INSTRUMENTS

## (i) Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

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

The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.

The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

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

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The carrying values of the financial instruments by categories were as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amount	Level of input used in Level 1,2,3	Carrying Amount	Level of input used in Level 1,2,3
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
(i) Investments	5,595.16	-	14,477.55	-
(ii) Trade Receivables	8,654.18	-	8,101.95	-
(iii) Cash and Cash Equivalents	432.44	-	802.71	-
(iv) Bank Balance and Bank Fixed Deposits	2,476.41	-	2,366.42	-
(v) Loans	3,207.00	-	5,123.10	-
(vi) Other Financial Assets	3,077.31	-	5,925.11	-
<b>At FVTPL</b>	Nil	-	Nil	-
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
(i) Borrowings	9,800.05	-	12,321.36	-
(ii) Lease Liabilities	422.57	-	1,249.50	-
(iii) Trade Payables	4,967.87	-	6,542.74	-
(iv) Other Financial Liabilities	1,902.17	-	3,053.15	-
<b>At FVTPL</b>	Nil	-	Nil	-



## Notes to the financial statements

### (ii) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk,.

The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

- (i) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.
- (ii) Foreign currency risk: Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The carrying amounts of the Company's net foreign currency exposure denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

#### Foreign Currency Risk from financial instruments as of:

	As at March 31, 2021		As at March 31, 2020	
	USD	Other Currency	USD	Other Currency
(i) Trade Receivables	1,557.59	17.93	1,759.32	54.58
(ii) Loans Receivable	2,491.32	-	3,994.71	-
(iii) Advance to Vendors	256.39	6.03	23.69	5.81
(vi) Trade Payables	(381.61)	-	(327.11)	(89.69)
(v) Advance Received from Customers	(2.63)	-	(269.88)	-
(vi) Borrowings	(3,882.43)	-	-	-
<b>Total</b>	<b>38.63</b>	<b>23.96</b>	<b>5,180.73</b>	<b>(29.30)</b>

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as mentioned below.

Impact of 2% increase in exchange rate	0.77	0.48	103.61	(0.59)
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If exchange rate is unfavorably affected with decrease by 2%, gain shall also accordingly be affected.

#### Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### Exposure to Interest Rate Risk

Interest rate risk of the Company arises from borrowings. The Company endeavor to adopt a policy of ensuring that maximum of its interest rate risk exposure is at fixed rate. The Company's interest-bearing financial instruments are reported as below:

	As at March 31, 2021	As at March 31, 2020
<b>Fixed Rate Instruments</b>		
Financial Assets	6,167.03	8,328.55
Financial Liabilities	10,192.43	13,829.18
<b>Floating Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities	-	-



## Notes to the financial statements

### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for floating-rate instruments : Since floating-rate instruments is Nil, hence impact for the reporting period is Nil.

### Equity Price Risk

The Company is exposed to equity price risks arising from equity investments which is not material.

### Commodity Risk

The Company forecasts commodity prices and movements, accordingly The Company is advises the Procurement team on cover strategy. A robust planning and strategy ensure that Company's interests are protected despite 'volatility in commodity prices.

### Derivative Financial Instruments

The Company does not hold derivative financial instruments

The Company offsets financial asset and financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

### Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

### Trade Receivables

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

### Other Financial Assets

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and/or domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by Government and Quasi Government organizations and certificates of deposit which are funds deposited at a bank for a specified time period.

### Liquidity risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for:

Particulars	As at March 31, 2021	Less than 1 year	1-2 years	2-5 years	Above 5 years
(i) Borrowings	9,800.05	5,197.43	1,810.83	2,791.79	-
(ii) Lease Liabilities	422.57	252.62	169.95	-	-
(iii) Trade Payables	4,967.87	4,967.87	-	-	-
(iv) Other Financial Liabilities	1,902.17	1,902.17	-	-	-

Particulars	As at March 31, 2020	Less than 1 year	1-2 years	2-5 years	Above 5 years
(i) Borrowings	12,321.36	6,809.94	3,294.29	2,217.13	-
(ii) Lease Liabilities	1,249.50	434.10	512.26	303.14	-
(iii) Trade Payables	6,542.74	6,542.74	-	-	-
(iv) Other Financial Liabilities	3053.15	3053.15	-	-	-

## Notes to the financial statements

### NOTE 46

#### RELATED PARTIES

##### (A) List of Related Parties : where control exists

##### (I) Name of the Subsidiary Companies (direct and step down subsidiaries)

###### (i) Direct Subsidiary Companies

- 1 Cyberinc Corporation (divested post closure of FY 21)
- 2 Aurionpro Solutions Pte Limited
- 3 PT Aurionpro Solutions
- 4 Aurofidel Outsourcing Ltd
- 5 Intellvisions Solutions Private Limited.
- 6 SC Soft Technologies Pvt. Ltd.

###### (ii) Step-down Subsidiary Companies

- 1 Aurionpro Fintech Inc
- 2 Aurionpro Holdings Pte. Ltd.
- 3 Integro Technologies Pte. Ltd
- 4 Integro Technologies SDN BHD
- 5 Integro Technologies Co. Ltd
- 6 Aurionpro Market Systems Pte Ltd
- 7 Aurionpro Future Solutions Pte Ltd
- 8 Integrosys Corporation
- 9 Integro Technologies Pty Ltd.
- 10 Integro Technologies (Vietnam) Limited Liability Company.
- 11 Aurionpro Solutions (Africa) Ltd
- 12 Sena Systems Private Limited (divested post closure of FY 21)
- 13 Spike Inc
- 14 Aurionpro Solutions PLC
- 15 Aurionpro Solutions Pty Ltd
- 16 Neo Bnk Pte Ltd.
- 17 SC Soft Pte Ltd
- 18 Extrabox Pte Ltd.
- 19 SC Soft SDN BHD
- 20 Shenzhen SC Trading Co. Limited

##### (II) Joint Venture

- 1 Intellvisions Software LLC

##### (III) Other Related Parties

- 1 Trejhara Solutions Limited
- 2 Groei Consultancy LLP

##### (IV) Key Managerial Person

- 1 Paresh Zaveri (Chairman and Director)
- 2 Amit Sheth (Co-Chairman and Director)
- 3 Ninad Kelkar (Company Secretary)
- 4 Hemant Chopra (Chief Financial Officer) (upto June 12, 2020)
- 5 Vipul Parmar (Chief Financial Officer) (w.e.f. June 29, 2020)



## Notes to the financial statements

## NOTE 46

## RELATED PARTIES

## (B) Transactions during the year with Related Parties

Sr. No	Nature of Transactions	Subsidiaries	Joint Venture/ Associate	Other Related Parties	KMP/ Individual	Total
<b>1</b>	<b>Investments</b>					
	Balance as at April 1, 2019	10,523.25	21.55	-	-	10,544.80
	Purchased/ (Sold) during the year	23.21	-	-	-	23.21
	Impairment	(1.00)				(1.00)
	Conversion during the year	3,800.00				3,800.00
	Balance as at March 31, 2020	14,345.46	21.55	-	-	14,367.01
	Purchased/ (Sale or redeem) during the year	(8,780.43)	-	-	-	(8,780.43)
	Balance as at March 31, 2021	5,564.03	21.55	-	-	5,585.58
<b>2</b>	<b>Trade Receivables</b>					
	As at March 31, 2021	1,248.88	1.36	-	-	1,250.24
	As at March 31, 2020	1,404.72	39.56	-	-	1,444.28
<b>3</b>	<b>Loans (receivables)</b>					
	Balance as at April 1, 2019	10,446.67	-	-	-	10,446.67
	Given / Adjusted during the Year	(1,523.57)	-	-	-	(1,523.57)
	Conversion in to investment	(3,800.00)				(3,800.00)
	Balance as at March 31, 2020	5,123.10	-	-	-	5,123.10
	(Repaid) / Adjusted during the Year	(1,916.10)	-	-	-	(1,916.10)
	Balance as at March 31, 2021	3,207.00	-	-	-	3,207.00
<b>4</b>	<b>Other Financial Assets</b>					
	(i) Other receivables					
	As at March 31, 2021	-	-	379.02	-	379.02
	As at March 31, 2020	-	-	748.55	-	748.55
	(ii) Unbilled Revenue					
	As at March 31, 2021			-		-
	As at March 31, 2020			244.00		244.00
<b>5</b>	<b>Other Current Assets</b>					
	(i) Prepaid Expenses					
	As at March 31, 2021			268.60		268.60
	As at March 31, 2020			-		-
	(ii) Advance to supplier					
	As at March 31, 2021	48.39		-		48.39
	As at March 31, 2020	-		-		-
<b>6</b>	<b>Assets Held for Sale</b>	4,467.03				4,467.03
<b>7</b>	<b>Borrowings-Current</b>					
	Balance as at April 1, 2019	1,031.35	-	-	52.69	1,084.04
	Taken/ (repaid/adjusted) during the Year	0.07	-	-	-	0.07
	Balance as at March 31, 2020	1,031.42	-	-	52.69	1,084.11
	Taken/ (repaid/adjusted) during the Year	(1,031.42)	-	-	-	(1,031.42)
	Balance as at March 31, 2021	-	-	-	52.69	52.69

## Notes to the financial statements

### NOTE 46 (Contd.)

#### RELATED PARTIES

##### (B) Transactions during the year with Related Parties

Sr. No	Nature of Transactions	Subsidiaries	Joint Venture/ Associate	Other Related Parties	KMP/ Individual	Total
<b>8</b>	<b>Trade Payables</b>					
	As at March 31, 2021	162.62	-	9.72	-	172.34
	As at March 31, 2020	429.24	26.66	46.57	-	502.47
<b>9</b>	<b>Other Current Liabilities</b>					
	(i) Unearned and Deferred Revenue					
	As at March 31, 2021	201.76	-	-	-	201.76
	As at March 31, 2020	-	-	-	-	-
	(ii) Other Payables					
	As at March 31, 2021	23.22	-	-	-	23.22
	As at March 31, 2020	23.22	-	-	-	23.22
<b>10</b>	<b>Income</b>					
	(i) Revenue From Operations					
	For the year ended March 31, 2021	1,959.18	6.69	444.89	-	2,410.76
	For the year ended March 31, 2020	2,294.12	60.48	595.09	-	2,949.69
	(ii) Other Income					
	For the year ended March 31, 2021	105.90	-	-	-	105.90
	For the year ended March 31, 2020	375.92	-	-	-	375.92
<b>11</b>	<b>Expenditure</b>					
	(i) Operating expenses					
	For the year ended March 31, 2021	196.65	-	726.05	-	922.70
	For the year ended March 31, 2020	75.91	-	2,006.54	-	2,082.45
	(ii) Other expenses					
	For the year ended March 31, 2021	-	-	75.00	-	75.00
	For the year ended March 31, 2020	-	-	75.00	-	75.00
<b>12</b>	<b>Exceptional Items</b>	3,903.40				3,903.40
<b>13</b>	<b>Property, Plant and Equipment</b>					
	As at March 31, 2021	-	-	-	-	-
	As at March 31, 2020	-	53.71	-	-	53.71
<b>14</b>	<b>Dividend Paid</b>					
	For the year ended March 31, 2021	-	-	-	-	-
	For the year ended March 31, 2020	-	-	-	102.03	102.03
<b>15</b>	<b>Managerial Remuneration</b>					
	For the year ended March 31, 2021	-	-	-	77.09	77.09
	For the year ended March 31, 2020	-	-	-	59.39	59.39



## Notes to the financial statements

The following table describes the components of compensation paid or payable to key management personnel for the services rendered during the year ended:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and other benefits	74.05	56.57
Contributions to defined contribution plans	3.04	2.82
Share-based payments expense	-	-

Some of the key management personnel of the Company are also covered under the Company's Gratuity Plan along with the other employees of the Company. Proportionate amounts of gratuity accrued under the Company's Gratuity Plan have not been separately included in the above disclosure.

### NOTE 47. PRIOR PERIODS COMPARATIVE

The previous year figures have been regrouped / restated to the extent possible to confirm to current year presentation.

### NOTE 48. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on May 28, 2021.

As per our attached report of even date  
**FOR CHOKSHI & CHOKSHI LLP**  
 Chartered Accountants  
 Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
 CIN- L99999MH1997PLC111637

**Vineet Saxena**  
 Partner  
 Membership No 100770

**Paresh Zaveri**  
 Chairman & Managing Director  
 DIN : 01240552  
 Place : Singapore

**Amit Sheth**  
 Co- Chairman & Director  
 DIN : 00122623  
 Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021  
 Place : Navi Mumbai

**Ninad Kelkar**  
 Company Secretary  
 Place : Navi Mumbai

**Vipul Parmar**  
 Chief Financial Officer  
 Place : Navi Mumbai

# CONSOLIDATED FINANCIALS







## Independent Auditor's Report

### To the Members of Aurionpro Solutions Limited

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

- 1) We have audited the accompanying consolidated financial statements of Aurionpro Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together to be referred to as 'the Group') and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements')

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, 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 specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs

#### Key Audit Matters

- 4) Key Audit Matters ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current audit period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key Audit Matter	Auditors' Response
<p><b>Revenue from Fixed Price Contracts:</b></p> <p>Revenue from fixed price contracts, where the performance obligations are satisfied over time, has been recognized using the percentage of completion method and computed as per the input method based on the Company's estimate of contract costs.</p> <p>Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.</p> <p>The application of <b>Ind AS 115 "Revenue from Contracts with Customers"</b> involves Key judgements relating to (1) identification of distinct performance obligations (2) determination of transaction price of the said identified performance obligations (3) allocation of transaction price to the said performance obligations (4) basis for recognition of revenue over a period.</p> <p>Refer Note 27.1 to the Consolidated Financial Statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We tested the effectiveness of controls relating to recording and computing revenue and associated contract assets, unearned and deferred revenue balances.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as under:</p> <ul style="list-style-type: none"> <li>➤ Selected samples of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We performed procedures involving enquiry and observation, verification of evidence in respect of operation of these controls.</li> <li>➤ Tested the IT systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the said Ind AS.</li> <li>➤ Selected a sample of continuing and new contracts and performed certain procedures.</li> </ul>

of the Group and its joint venture as at 31st March, 2021, the consolidated loss and consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matters

- 3) We draw attention to note 4.02 to the consolidated financial statements, in respect of accelerated depreciation charged by the Group on intangible assets held by certain overseas subsidiaries in accordance with the management estimates.

Our opinion is not modified in respect of this matter.

## Independent Auditors' Report (Contd.)

Key Audit Matter	Auditors' Response
<p><b>External Confirmations:</b></p> <p>This matter is considered to be key audit matter given the circumstances of the year-end confirmations under COVID-19 vis-à-vis non-COVID-19 scenario.</p> <p>COVID-19 has impacted the procedure of external confirmation request to vendors and customers at the year-end and therefore, external confirmation request was sent through electronic mode by the Company.</p> <p>In view of this, we have performed alternative audit procedures.</p> <p>Refer Note 10 to the Consolidated Financial Statements.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>➤ Revised the assessed risk and modified our audit procedures to mitigate these risks;</li> <li>➤ Obtained a reliable assurance pertaining to transactions with confirming parties, for accurate and complete process of routine and significant classes of transactions such as revenue, purchases, etc.;</li> <li>➤ Selected samples and tested the effectiveness of controls related to accuracy and completeness of transactions in totality, considering the frequency and regularity of transactions;</li> <li>➤ Obtained representations from the management regarding any impairment in the receivables</li> </ul>
<p><b>Net realisable value (NRV) of Inventory</b></p> <p>The Company deals in information technology products, which includes hardware, software and assembling of machines which may be subject to changing customer demands and technology evolution over the time.</p> <p>Company uses IT technology / products primarily in assembling / resale of the above products. Significant degree of judgment is thereby required to assess the NRV of the inventories and appropriate write down of items.</p> <p>Such judgment includes Company's expectations for future sale, inventory liquidation plans and future selling prices less cost to sell &amp; modification cost.</p> <p>In view of the above, assessment of NRV and its consequential impact, if any on the carrying value of software &amp; hardware including assemble machines has been identified as a key audit matter.</p> <p>Refer Note 09 to the Consolidated Financial Statements.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient audit evidence:</p> <p>Assessed the appropriateness of the accounting policy for inventories as per relevant Indian accounting standards.</p> <ul style="list-style-type: none"> <li>➤ Evaluated the design and implementation of key internal financial controls with respect to determination of NRV and tested the operating effectiveness of such controls on selected transactions.</li> <li>➤ Verified inventory ageing report by testing samples, selected using statistical sampling method.</li> <li>➤ Tested the weighted average rate computation of inventory samples, selected using statistical sampling method.</li> </ul> <p>Evaluated the judgement and assumptions taken for valuation of inventory.</p>
<p><b>Allowance for credit losses</b></p> <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the geographical location where it operates.</p> <p>In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.</p> <p>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p> <p>Refer Note 34 to the Consolidated Financial Statements.</p>	<p>Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others:</p> <p>We tested the effectiveness of controls over the</p> <ol style="list-style-type: none"> <li>(1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions</li> <li>(2) completeness and accuracy of information used in the estimation of probability of default and</li> <li>(3) Computation of the allowance for credit losses.</li> </ol> <p>For a sample of customers:</p> <p>We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</p> <p>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>



## Independent Auditors' Report (Contd.)

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

- 5) The Company's management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Corporate Governance Report and Shareholder's information, but does not include the consolidated financial statements and our auditors' 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.

- 6) In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to date of this audit report, 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 Responsibilities for the Consolidated Financial Statements

- 7) The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group, including its joint venture, in accordance with the Ind AS and other accounting principles generally accepted in India. The respective management and Board of Directors of the Companies included in the Group and of its joint venture are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by management and directors of the Holding Company, as aforesaid.
- 8) In preparing the consolidated financial statements, the respective management and Board of Directors of the Companies included in the Group and of its joint venture, are responsible for assessing the ability of the Group and

its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective management and Board of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- 9) 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 auditors' 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.

The description of the auditor's responsibilities for the audit of the consolidated financial statements is given in "Appendix I" to this report.

### Other Matters

- 10) a) The consolidated financial statements include the audited consolidated (where applicable) financial statements of certain subsidiaries and joint venture whose financial statements / financial information reflect Group's share of total assets of Rs. 88,358.66 lakhs as at 31st March 2021, Group's share of total revenue of Rs. 38,642.10 lakhs, Group's share of total net loss after tax of Rs. 7,604.65 lakhs and Group's share of net cash outflows of Rs. 678.84 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have been audited by their respective independent auditors whose reports have been furnished to us by the management of the Company and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of section 143(11)(3) of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

Of the aforesaid subsidiaries companies and joint venture, certain subsidiaries, are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the audited financial statements of these subsidiaries companies and joint venture, located outside India

## Independent Auditors' Report (Contd.)

from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. These conversion adjustments made by the Company's management have been audited and certified by the independent chartered accountants. Our opinion in so far as it relates to the amounts and disclosures of these subsidiary companies and joint venture, located outside India is based on the report of other auditors and conversion adjustments prepared by management of the Holding Company and audited by the independent chartered accountants.

- b) The consolidated financial statements include the unaudited financial statements of certain subsidiaries whose financial statements / financial information reflect Group's share of total assets of Rs. 18,846.56 lakhs as at 31st March 2021, Group's share of total revenue of Rs. 3,525.74 lakhs, Group's share of total net loss after tax of Rs. 8,505.11 lakhs and Group's share of net cash inflows of Rs. 100.41 lakhs for the year ended on that date, as considered in the consolidated financial statements. These unaudited financial statements / financial information have been prepared by the management based on the financial statements as approved by the respective Board of Directors of these subsidiaries companies which have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(11)(3) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on such board approved financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors of the Holding Company, these financial statements / financial information are material to the Group.

Of the aforesaid subsidiaries, certain subsidiaries companies are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries entities, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. These conversion adjustments made by the Company's management have been audited and certified by the independent chartered accountants. Our opinion in so far as it relates to the amounts and disclosures of these subsidiaries companies, located outside India is based on the conversion adjustments prepared by management of the Holding Company and audited by the independent chartered accountants.

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 work done and the reports of the other auditors referred into sub-paragraph (a) above, and the financial statements /

financial information approved by the Board referred in sub-paragraph (b) above.

### Report on Other Legal and Regulatory Requirements

- 11) As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate financial statements and the other financial information of subsidiaries and joint venture as noted in sub-paragraph (a) of 'Other Matters' paragraph, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and reports of the other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditors of the subsidiary and associate companies incorporated in India, none of the directors of any such company is disqualified as on 31st March, 2021 from being appointed as a director of that company in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, subsidiary companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report on the Holding Company and its subsidiary companies. Based on these reports, our report expresses an unmodified opinion on the existence and operating effectiveness of the Group's internal financial control with reference to financial statements;
  - g) In our opinion and to the best of our information and according to the explanations given to us, the holding company and its subsidiaries, which are incorporated in India, has paid no remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable.



## Independent Auditors' Report (Contd.)

- h) With respect to the other matters to be included in the Auditors' 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 Holding Company and its subsidiary companies included in the consolidation did not have any pending litigations which have impact on its financial position on its consolidated financial statements.
  - ii. The Holding Company and its subsidiary companies included in the consolidation 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 Holding Company and its subsidiary companies incorporated in India,

except for Rs.2,350/- pertaining to the Holding Company for the financial year 2011-12 is yet to be transferred to IEPF. The Holding Company has initiated necessary procedure in this regard for completion of the same.

**For CHOKSHI & CHOKSHI LLP**  
**Chartered Accountants**  
**FRN - 101872W/W100045**

**Vineet Saxena**  
**(Partner)**  
**M. No: 100770**  
**UDIN: 21100770AAAAFQ6246**

**Place : Navi Mumbai**  
**Date : 28th May 2021**



## Independent Auditors' Report (Contd.)

### APPENDIX – I: THE FURTHER DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls with reference to financial statements 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 and its joint venture 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 and its joint venture 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in para (a) of the section titled 'Other Matters' in this audit report, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.



## Annexure - A to Independent Auditors' Report

(Referred to in paragraph 11(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Aurionpro Solutions Limited of even date.)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to consolidated financial statements of Aurionpro Solutions Limited ("the Holding Company") and its subsidiary companies incorporated in India, as of and for the year ended 31st March 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of 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 Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, 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 existence of internal financial controls with reference to 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 existence of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial

controls with reference to 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 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 internal financial controls system with reference to financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India.

### 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 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-

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to 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.



## Annexure - A Independent Auditors' Report (Contd.)

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, has maintained, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For CHOKSHI & CHOKSHI LLP**  
**Chartered Accountants**  
**FRN - 101872W/W100045**

**Vineet Saxena**  
**(Partner)**  
**M. No: 100770**  
**UDIN: 21100770AAAAFQ6246**

**Place : Navi Mumbai**  
**Date : 28th May 2021**

**Consolidated Balance Sheet as at 31 March, 2021**

	Note	As at 31 March, 2021	As at 31 March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	5,467.28	6,195.93
(b) Capital Work-in-Progress	3	1,340.66	484.52
(c) Right-of-Use Assets	3	906.78	2,299.29
(d) Goodwill	4	6,588.57	6,594.21
(e) Other Intangible Assets	4	1,348.27	16,607.70
(f) Intangible Assets under Developments	4	-	12,913.47
<b>(g) Financial Assets</b>			
(i) Investments	5	3,591.97	4,169.18
(ii) Other Financials Assets	6	1,241.27	1,347.80
(h) Income Tax Assets (net)		812.01	906.12
(i) Deferred Tax Assets (net)	7	817.59	4,095.87
(j) Other Non Current Assets	8	71.58	218.56
		<b>22,185.98</b>	<b>55,832.65</b>
<b>Current Assets</b>			
(a) Inventories	9	2,600.35	2,664.05
<b>(b) Financial Assets</b>			
(i) Trade Receivables	10	10,305.44	13,338.17
(ii) Cash and Cash Equivalents	11	2,217.04	2,001.48
(iii) Bank Balance other than (ii) above	12	1,639.80	1,229.87
(iv) Other Financial Assets	13	6,324.39	7,499.93
(c) Other current assets	14	11,029.65	15,066.87
(d) Assets held for sale	44	5,200.70	-
		<b>39,317.37</b>	<b>41,800.37</b>
<b>TOTAL</b>		<b>61,503.35</b>	<b>97,633.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	2,280.02	2,280.02
(b) Other Equity	16	31,366.70	52,059.92
<b>Equity attributable to Equity Shareholders</b>		<b>33,646.72</b>	<b>54,339.94</b>
Non Controlling Interest	17	311.82	8,755.37
<b>Total Equity</b>		<b>33,958.54</b>	<b>63,095.31</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	18	4,956.87	5,552.61
(ii) Lease Liability	40	402.57	1,698.08
(b) Other Non Current Liabilities	19	994.67	1,014.45
(c) Provisions	20	440.58	518.55
		<b>6,794.69</b>	<b>8,783.69</b>
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	21	3,696.08	4,039.18
(ii) Lease Liability	40	630.37	767.21
(iii) Trade Payables	22		
Due to Micro and Small Enterprises		60.75	17.22
Due to Others		5,351.99	7,765.28
(iv) Other Financial Liabilities	23	5,964.01	7,513.20
(b) Other Current Liabilities	24	4,070.23	4,950.31
(c) Provisions	25	455.20	504.28
(d) Current Tax Liabilities (net)	26	521.49	197.34
		<b>20,750.12</b>	<b>25,754.02</b>
<b>TOTAL</b>		<b>61,503.35</b>	<b>97,633.02</b>
Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date  
**FOR CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
Firm Registration No. 101872W/W100045

**Vineet Saxena**  
Partner  
Membership No 100770

Date : 28<sup>th</sup> May 2021  
Place : Navi Mumbai

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
CIN- L99999MH1997PLC111637

**Paresh Zaveri**  
Chairman & Managing Director  
DIN : 01240552  
Place : Singapore

**Ninad Kelkar**  
Company Secretary  
Place : Navi Mumbai

**Amit Sheth**  
Co- Chairman & Director  
DIN : 00122623  
Place : Navi Mumbai

**Vipul Parmar**  
Chief Financial Officer  
Place : Navi Mumbai

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

(₹ in lakhs)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>1 Income</b>			
(a) Revenue from Operations	27	37,401.77	46,976.08
(b) Other Income	28	297.45	978.79
(c) <b>Total Income ((a)+(b))</b>		<b>37,699.22</b>	<b>47,954.87</b>
<b>2 Expenses</b>			
(a) Operating Expenses	29	10,791.45	17,992.00
(b) Change in Inventories of Raw Material, Finished Goods and Stock-in-Trade	30	63.70	764.94
(c) Employee Benefits Expense	31	14,978.15	14,920.55
(d) Finance Costs	32	1,579.78	1,822.42
(e) Depreciation and Amortisation Expenses	33	13,939.06	3,968.75
(f) Other Expenses	34	3,191.97	4,849.15
(g) <b>Total Expenses ((a) to (f))</b>		<b>44,544.11</b>	<b>44,317.81</b>
<b>3 Profit/ (Loss) before Share of Profit of Associates, Exceptional Items and Tax (1(c)-2(g))</b>		(6,844.89)	3,637.06
<b>4 Share of Profit of Associates</b>		-	40.78
<b>5 Profit/ (Loss) before Exceptional Items and Tax (3+4)</b>		<b>(6,844.89)</b>	<b>3,677.84</b>
6 Exceptional Items	44	4,618.37	-
<b>7 Profit/ (Loss) before Tax (5-6)</b>		<b>(11,463.26)</b>	<b>3,677.84</b>
<b>8 Tax Expense:</b>	7		
(a) Current Tax		738.95	428.21
(b) Deferred Tax Credit		(445.66)	(169.46)
<b>Total Tax Expenses</b>		<b>293.29</b>	<b>258.75</b>
<b>9 Profit/(Loss) after Tax (7-8)</b>		<b>(11,756.55)</b>	<b>3,419.09</b>
10 Profit/ (Loss) before Tax from Discontinued Operations	44	(7,443.82)	(249.99)
11 Tax Expenses of Discontinued Operations		-	-
<b>12 Profit/ (Loss) after Tax from Discontinued Operations (10-11)</b>		<b>(7,443.82)</b>	<b>(249.99)</b>
<b>13 Profit/ (Loss) after tax from continuing operations &amp; discontinued operations (9+12)</b>		<b>(19,200.37)</b>	<b>3,169.10</b>
<b>14 Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified subsequently to profit and loss</b>			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)		226.74	(84.55)
Exchange difference on translation of financial statements of foreign subsidiaries / joint venture		47.55	58.80
<b>15 Other Comprehensive Income/ (Loss) for the year</b>		<b>274.29</b>	<b>(25.75)</b>
<b>16 Total Comprehensive Income/ (Loss) (13+15)</b>		<b>(18,926.08)</b>	<b>3,143.35</b>
<b>17 Profit/ (Loss) for the period attributable from Continued Operations</b>			
(a) Equity holders of the company		(9,961.72)	3,348.08
(b) Non Controlling Interest		(1,794.83)	71.01
<b>18 Profit/ (Loss) for the period attributable from discontinued Operations</b>			
(a) Equity holders of the company		(2,233.15)	(154.99)
(b) Non Controlling Interest		(5,210.67)	(95.00)
19 Earnings per equity share (for continuing operation)	38		
- Basic and Diluted (in ₹)		(43.69)	14.68
20 Earnings per equity share (for discontinued operation)			
- Basic and Diluted (in ₹)		(9.79)	(0.68)

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm Registration No. 101872W/W100045

**Vineet Saxena**

Partner

Membership No 100770

Date : 28<sup>th</sup> May 2021

Place : Navi Mumbai

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

**Paresh Zaveri**

Chairman &amp; Managing Director

DIN : 01240552

Place : Singapore

**Amit Sheth**

Co- Chairman &amp; Director

DIN : 00122623

Place : Navi Mumbai

**Ninad Kelkar**

Company Secretary

Place : Navi Mumbai

**Vipul Parmar**

Chief Financial Officer

Place : Navi Mumbai



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

(a) Equity Share Capital	For the period ended									
	March 31, 2021					March 31, 2020				
<b>Balance at the beginning of the year</b>	2,280.02					2,363.63				
Less: Buyback of Equity shares	-					(83.61)				
<b>Balance at the end of the year</b>	<b>2,280.02</b>					<b>2,280.02</b>				

  

(b) Other Equity	Attributable to the equity holders of the parent									
	Reserves and Surplus			Statutory Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other Comprehensive Income	Stock Option	Restructuring Reserve	Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve							
Balance as at March 31, 2019	93.99	31,309.60	-	28.30	37,568.79	500.87	(1,245.27)	1,334.81	(22,192.00)	47,399.09
Transition impact Ind AS 116	-	-	-	-	(153.51)	-	-	-	-	(153.51)
Restated Balance as at April 01, 2019	93.99	31,309.60	-	28.30	37,415.28	500.87	(1,245.27)	1,334.81	(22,192.00)	47,245.58
Surplus/ (Deficit) of Statement of Profit and Loss	-	-	-	-	3,193.09	-	-	-	-	3,193.09
Dividend (including dividend distributed tax)	-	-	-	-	(594.19)	-	-	-	-	(594.19)
Transfer to Capital Redemption Reserve	-	-	-	-	(83.61)	-	-	-	-	(83.61)
Issue of equity shares	-	3,244.62	-	-	-	-	-	-	-	3,244.62
Buyback of equity shares	-	(931.52)	-	-	-	-	-	-	-	(931.52)
On account of change in Minority interest share	-	-	-	-	(3,117.79)	-	-	-	-	(3,117.79)
Additions/ (Deduction) during the year	373.13	-	83.61	2.21	-	2,017.68	(25.75)	652.86	-	3,103.74
<b>Balance as at March 31, 2020</b>	<b>467.12</b>	<b>33,622.70</b>	<b>83.61</b>	<b>30.51</b>	<b>36,812.78</b>	<b>2,518.55</b>	<b>(1,271.02)</b>	<b>1,987.67</b>	<b>(22,192.00)</b>	<b>52,059.92</b>
Surplus/ (Deficit) of Statement of Profit and Loss	-	-	-	-	(12,194.87)	-	-	-	-	(12,194.87)
On account of divestment of Investment	-	(6,491.46)	-	-	-	-	-	-	-	(6,491.46)
Additions/ (Deduction) during the year	18.58	-	-	(0.61)	-	(311.49)	274.29	(1,987.67)	-	(2,006.90)
<b>Balance as at March 31, 2021</b>	<b>485.70</b>	<b>27,131.24</b>	<b>83.61</b>	<b>29.90</b>	<b>24,617.91</b>	<b>2,207.06</b>	<b>(996.73)</b>	<b>-</b>	<b>(22,192.00)</b>	<b>31,366.70</b>

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date  
**FOR CHOKSHI & CHOKSHI LLP**  
 Chartered Accountants  
 Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
 CIN- L99999MH1997PLC111637

**Vineet Saxena**  
 Partner  
 Membership No 100770

**Pareesh Zaveri**  
 Chairman & Managing Director  
 DIN : 01240552  
 Place : Singapore

**Amit Sheth**  
 Co- Chairman & Director  
 DIN : 00122623  
 Place : Navi Mumbai

**Ninad Kelkar**  
 Company Secretary  
 Place : Navi Mumbai

**Vipul Parmar**  
 Chief Financial Officer  
 Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021  
 Place : Navi Mumbai

## Consolidated Statement of Cash Flow for the year ended 31 March, 2021

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A Cash Flow from Operating Activities</b>		
Net profit/ (loss) before tax (including discontinued operations)	(18,907.08)	3,427.85
<b>Adjustments :</b>		
Depreciation and Amortisation Expense	13,939.06	4,219.75
Interest Income	(155.04)	(485.03)
Interest Expenses	1,395.45	1,632.03
Bad debts	632.36	47.10
Provision for doubtful debts	188.32	99.26
Loss on sale of Property, Plant and Equipment (PPE)	28.69	552.06
ESPS/ Stock Option Plan	-	652.85
Other non cash exceptional items	4,618.37	-
Foreign exchange differences (Gain)/ Loss (net)	978.07	(2,780.09)
<b>Operating Profit before working capital changes</b>	<b>2,718.20</b>	<b>7,365.78</b>
<b>Movements in Working Capital</b>		
Decrease/ (Increase) in Inventories	(8.56)	729.64
Decrease in Trade Receivables and Other Advances	5,074.92	792.23
Increase in Trade Payables, Other Liabilities	(2,160.56)	(5,824.58)
<b>Cash Generated from Operations</b>	<b>5,624.00</b>	<b>3,063.07</b>
Income taxes paid (net of refund)	(708.29)	(870.01)
<b>Net cash Generated from Operating Activities (A)</b>	<b>4,915.71</b>	<b>2,193.06</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of PPE and Other Intangible Assets	(966.66)	(5,466.86)
Purchase of Investments	130.03	-
Interest received	143.83	485.03
Fixed Deposits with Banks	(303.40)	(209.48)
<b>Net cash (used in) Investing Activities (B)</b>	<b>(996.20)</b>	<b>(5,191.31)</b>
<b>C Cash flow from Financing Activities</b>		
Proceeds from Long-Term Borrowings (net)	(1,240.91)	982.19
Proceeds from Short-Term Borrowings (net)	(343.10)	327.77
Repayment of Lease Liabilities	(863.33)	(925.09)
Buyback of Equity Shares	-	(1,015.13)
Proceeds from issue of Equity in Foreign Subsidiary	-	3,897.49
Dividend and Dividend Distribution Tax paid	-	(594.19)
Interest paid	(1,256.61)	(1,196.40)
<b>Net cash Generated from Financing Activities (C)</b>	<b>(3,703.95)</b>	<b>1,476.64</b>
<b>Net (Decrease) / Increase In Cash and Cash Equivalents (A+B+C)</b>	<b>215.56</b>	<b>(1,521.60)</b>
Cash and Cash Equivalents at beginning of year	2,001.48	3,523.08
<b>Cash and Cash Equivalents at end of year</b>	<b>2,217.04</b>	<b>2,001.48</b>

- a Cash and Cash Equivalents includes cash and bank balances including Fixed Deposits with original maturity less than 3 months.  
b Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

**Vineet Saxena**

Partner

Membership No 100770

**Paresh Zaveri**

Chairman & Managing Director

DIN : 01240552

Place : Singapore

**Amit Sheth**

Co- Chairman & Director

DIN : 00122623

Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021

Place : Navi Mumbai

**Ninad Kelkar**

Company Secretary

Place : Navi Mumbai

**Vipul Parmar**

Chief Financial Officer

Place : Navi Mumbai



## Notes to the consolidated financial statements

### General Information and Significant Accounting Policies

#### 1. Company overview

Aurionpro Solutions Limited (‘hereinafter referred to as “the Company” or “the Parent Company”) and its subsidiaries and Joint ventures (hereinafter collectively referred to as “the Group”) is a public limited company incorporated and domiciled in India and has its registered office at Synergia IT Park, Plot No-R-270, T.T.C., Industrial Estate, Near Rabale Police Station, Rabale, Navi Mumbai-400701 Maharashtra, India. The Company’s equity shares are listed on the National Stock Exchange Limited and BSE Limited in India.

The Group leverage industry leading IP (Intellectual Property) to deliver tangible business results for global corporations. The Group’s cutting-edge industry leading IP and products are designed to solve challenges for clients in areas of Transaction Banking Platform, Customer Experience (ACE Platform), Smart city and Smart Transportation experience.

The Group cater end-to-end transaction banking solutions through ‘iCashpro+’ and the next generation transaction banking platform that reflects our deep insight and knowledge gained over a decade of working with some of the marquee customers across region, lending platform ‘SmartLender’ continues to be the platform of choice across leading banks and facilitated their credit approval process through a completely automated mode and Customer Experience (ACE Platform), an integrated design platform which deliver automation and Self-service technologies to handle customer targeted needs in Banking and Financial services.

The Group has been also on the forefront of India’s smart cities and mobility initiatives. The Group have successfully created Digital Urban Infrastructures that can help citizens realize their aspirations using a combination of disruptive technologies backed by a strong service network.

#### 2. Significant accounting policies

##### 2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, and other provisions of the Act to the extent notified and applicable.

##### 2.2 Basis of preparation & presentation

The Consolidated Financial Statements comprise financial statements of the Group and includes share of profit of the joint venture for the year ended March 31, 2021.

These consolidated financial statements have been prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair values 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.

The statement of Consolidated financial position (including Consolidated statement of changes in equity) and the Consolidated statement of profit and loss are prepared

and presented in the format prescribed in Division II of Schedule III to the Companies Act, 2013. The Consolidated cash flow statement has been prepared and presented as per the requirements of Ind AS 7 “Cash Flow Statements”. The disclosure requirements with respect to items in the Consolidated balance sheet and Consolidated statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

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 under Ind AS and in the Schedule III to the Act. Based on the nature of the services and their realisation in Cash and Cash Equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Group’s consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency. All amounts have been rounded off to the nearest lakhs unless otherwise indicated.

The Group has examined the possible effects that may arise from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, inventory, investments, right of use assets and intangible assets. While estimating the possible future uncertainties in the global economic conditions because of this pandemic, the Group, has used internal and external sources of information including credit reports, economic forecasts and consensus estimates from market sources. The Group has carried out sensitivity analysis on the assumptions used and based on current estimates, expects that the carrying amounts of the aforementioned assets will be realized. The impact of COVID-19 on the Group’s Consolidated financial statements may differ from that estimated as at the date of approval of these Consolidated financial statements.

##### 2.3 Principles of Consolidation

The Consolidated Financial Statements relate to the Group. The Group controls an entity when it has power over the entity, it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interest in associates and the joint venture are accounted for using the equity method. The financial statements of entities are included in the consolidated financial statements from the date on which control commences and until the date on which control ceases. The Consolidated Financial Statements have been prepared on the following bases.



## Notes to the consolidated financial statements

(a) The financial statements of the Company and its subsidiaries are consolidated by combining like items of assets, liabilities, incomes and expenses and cash flows after fully eliminating intra group balances and intra group transactions resulting in unrealized profit or loss in accordance with the Indian Accounting Standard ("Ind AS") 110 "Consolidated Financial Statements" as referred to in the Indian Accounting Standards Rules, 2015 and as amended from time to time.

(b) Investments in subsidiaries are eliminated and differences between the costs of investment over the net assets on the date of investment or on the date of the financial statements immediately preceding the date of investment in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be. Investment in associates and joint ventures are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity accounted investees, until the date on which significant influence or joint control ceases. When the Group's share of loss in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

(c) Changes in ownership interests for transactions with non-controlling interests that do not result in loss of control are treated as the transactions with the equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset.

(d) Share of Non-Controlling Interest in net profit or loss of consolidated subsidiaries for the year is identified and adjusted against income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Company.

(e) Share of Non-Controlling Interest in net assets of consolidated subsidiaries is identified and presented in the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated balance sheet respectively as a separate item from liabilities and the Shareholders' Equity.

(f) The Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are

presented in the same manner as far as possible, as the standalone financial statements of the Company.

### 2.4 Key Accounting Estimate and Judgements

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at date of consolidated financial statements and reported consolidated statement of income and expense for the period presented. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Estimates & underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Detailed information about each of these estimates and judgements is included in relevant notes together with the information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements pertaining to revenue recognition, investments, useful life of property, plant and equipment including intangible asset, current tax expense and tax provisions, recognition of deferred tax assets and provisions and contingent liabilities. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

**Impairment of Investments:** The Group reviews its carrying value of investments in subsidiaries and other entities at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**Useful life of Property, Plant and Equipment including intangible asset:** Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Taxes:** The Group provides for tax considering the applicable tax regulations and based on probable estimates.

The recognition of deferred tax assets is based on estimates of sufficient taxable profits in the Group against which such assets can be utilized.

**Provisions and contingent liabilities:** Provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**Fair Value Measurements:** When the fair value of the financial assets or financial liabilities recorded or disclosed in the Consolidated Financial Statements cannot be measured at quoted price in the active markets, their fair value is measured





## Notes to the consolidated financial statements

using the valuation techniques. The input to these valuation techniques are taken from observable markets, where possible, but where these is not feasible, a degree of judgment is required in establishing fair values.

**Leases:** The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

### 2.5 Revenue recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material and job contracts is recognized as and when the related services are performed (units delivered, efforts expended, number of transactions processed etc.) and Unbilled revenue is accounted on estimate basis in respect of contracts where the contractual right to consideration is based on completion of contractual milestones and other technical measurements. Invoicing in excess of revenues are recognized as unearned revenues. Revenue on fixed price contracts is recognized where performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration on the percentage of completion method. Efforts and costs expended have been used to measure progress towards completion since there is direct relationship between input and productivity. Revenue recognised for any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Revenue from sale of licenses / hardware, where the customer obtains a "right to use" the licenses / hardware is recognized at the point in time when the related license / hardware is made available to the customer. Revenue from licenses / hardware where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and annual maintenance. In accordance with the principles of Ind AS 115, when implementation services are provided in conjunction with the licensing arrangement, the license and implementation have been identified as two separate performance obligations. The transaction price for such contracts are allocated to each performance obligations based on their respective selling prices. Maintenance revenue in respect of software products and other products/ equipment is recognised on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of discounts/ price incentives which are estimated and accounted based on the terms of the contracts and excludes applicable indirect taxes.

Revenue from leasing income is recognised on pro-rata basis over the period of the contract.

Unearned and deferred revenue represents contractual billings/money received in excess of revenue recognised as per the terms of the contract.

Dividend income is recognised when the Company's right to receive payment is established.

Interest income is recognised on a time proportion basis using effective interest rate method.

### 2.6. Property, Plant and Equipment

Property plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset and cost incurred for bringing the asset to its present location and condition for its intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and are stated at cost.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- i. Computers is depreciated in 6 years and certain assets of Plant and machinery, Computers is depreciated over its project useful years/ life.
- ii. Leasehold improvements are amortized over the period of lease term or useful life, whichever is lower.
- iii. Assets given on lease are depreciated over the shorter of lease term or their useful lives.
- iv. Individual assets costing up to Rupees five thousand are depreciated in full in the period of purchase.

The residual values, useful lives and method of depreciation of PPE is reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.7. Intangible assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.

Finite-life intangible assets are amortised on a straightline basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful lives of the Computer Software for the current and comparative periods is 5 to 10 years.

Goodwill is initially recognised based on the accounting policy for business combinations. These assets are not amortised but are tested for impairment annually.

## Notes to the consolidated financial statements

### 2.8 Leases

#### The Group as a lessee

The Group have adopted Ind AS 116–Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

The Group's lease asset classes primarily consist of leases for Buildings and lease hold improvement. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.
- (iv) the Group has the right to operate the asset; or
- (v) the Group designed the assets in a way that predetermined how and for what purpose it will be used

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

### 2.09 Business Combinations

The Group accounts for its business combinations under the acquisition method of accounting using fair valuation of the net asset taken over as per Ind AS 103, Business Combination. Intangible assets acquired in a business combination are recognized and reported separately from goodwill

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased..

### 2.10. Inventories

Inventories include traded goods and are valued at lower of cost or net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on the first-in, first-out (FIFO) basis.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value of finished goods is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

### 2.11. Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. Income Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity. Foreign subsidiaries recognize current tax/ deferred tax liabilities and assets in accordance with the applicable local laws.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Management periodically evaluates positions taken in tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized



## Notes to the consolidated financial statements

amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base used for computation of taxable Income.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

The Company uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which are exercised while determining the provision for income tax.

### 2.12. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.13. Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognized in the Statement of Profit and Loss.

Monetary assets and liabilities in foreign currency which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss in the year in which they arise.

Non-monetary foreign currency items are carried at cost.

### 2.14 Assets Held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as " " when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

### 2.15 Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

### 2.16. Employee benefits

#### i. Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee service are classified as short-term employee benefits. This benefits includes salaries and wages, bonus and ex- gratia. The undiscounted amount of short-term employee benefits to be paid in exchange of employees services are recognised in the period in which the employee renders the related service.

#### ii. Long term employee benefits

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

##### Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

## Notes to the consolidated financial statements

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Remeasurement which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI. Plan Assets of Defined Benefit Plans have been measured at fair value.

### 2.17. Employee's Stock Options Plan

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, fair value of the options as at grant date is treated as discount and accounted as employee compensation cost over the vesting period. Employee compensation cost recognised earlier on grant of options is reversed in the period when the options are surrendered by any employee or lapsed as per the terms of the scheme.

### 2.18. Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.19. Earnings per share (EPS)

In determining Earnings per Share, the Group considers net profit after tax attributable to equity shareholders and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any, except when result will be anti-dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

### 2.20. Provisions, contingent liabilities and contingent assets

The Group creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are disclosed only when an inflow of economic benefit is probable.

### 2.21. Cash and cash equivalents

Cash and cash equivalents comprise cash and deposit with banks and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.22. Impairment of non-financial assets

Non-financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they may be impaired. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the assets' net selling price and value in use.

### 2.23. Impairment of financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for the trade receivables with no significant financing component is measured at amount equal to life time ECL. For all other financial assets, ECLs are measured at an amount equal to the 12 month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit and loss.

### 2.24. Measurement of Fair value of financial instruments

The Group's accounting policies and disclosures require measurement of fair values for the financial instruments. The Group has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a



## Notes to the consolidated financial statements

fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.25. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. 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 profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

#### (i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

#### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at FVTPL unless they are measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss.

#### (iv) Financial liabilities

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost. Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### (v) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

#### (vi) Derecognition of financial instruments

The Group derecognizes a financial liability (or a part of a financial liability) from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.



## Notes to the consolidated financial statements (Contd.)

**NOTE 3. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK IN PROGRESS AND RIGHT-OF-USE ASSETS**

Particulars	(I) Property, Plant and Equipment							(II) Capital Work in Progress	
	Computers	Furniture and fixtures	Office Equipments	Plant and machinery	Leasehold Improvements	Motor Car	Office Premises	Factory Premises	Total
<b>Gross Carrying value</b>									
Balance as at 31 March 2019	3,969.56	668.65	494.38	3,368.80	656.99	300.39	2,142.81	361.44	11,963.01
Additions	98.02	27.24	39.59	933.02	174.65	0.00	(0.00)	-	1,272.51
Deductions	-	-	-	(1,545.51)	-	-	-	-	(1,545.51)
Addition on acquisitions	23.59	3.90	4.16	-	5.62	0.35	-	-	37.61
Other adjustments	156.77	49.47	3.96	-	1.48	13.91	-	-	225.59
Balance as at 31 March 2020	<b>4,247.93</b>	<b>749.25</b>	<b>542.08</b>	<b>2,756.31</b>	<b>838.74</b>	<b>314.65</b>	<b>2,142.81</b>	<b>361.44</b>	<b>11,953.22</b>
Additions	51.19	0.02	52.98	36.42	(0.00)	8.71	(0.00)	(0.00)	149.31
Deductions	(405.18)	(44.10)	(20.44)	-	(110.17)	-	-	-	(579.89)
Other adjustments	106.97	5.49	2.95	(115.31)	27.24	4.16	-	-	31.50
<b>Balance as at 31 March 2021</b>	<b>4,000.91</b>	<b>710.66</b>	<b>577.57</b>	<b>2,677.42</b>	<b>755.81</b>	<b>327.52</b>	<b>2,142.81</b>	<b>361.44</b>	<b>11,554.14</b>
<b>Accumulated Depreciation</b>									
Balance as at 31 March 2019	3,576.09	398.69	420.02	606.75	421.29	58.49	69.22	39.59	5,590.12
Depreciation for the year	157.15	60.53	37.09	590.74	107.43	33.44	22.69	13.68	1,022.75
Deductions*	(23.94)	-	-	(993.45)	-	-	-	-	(1,017.39)
Other adjustments	149.06	20.21	6.31	-	(16.92)	3.14	-	-	161.80
Balance as at 31 March 2020	3,858.36	479.42	463.42	204.04	511.80	95.06	91.91	53.27	5,757.29
Depreciation for the year	120.41	44.59	39.99	361.40	102.53	34.99	22.36	13.41	739.69
Deductions*	(369.33)	(39.82)	(15.82)	-	(58.01)	-	-	-	(482.97)
Other adjustments	157.19	5.01	2.64	(89.17)	(1.33)	(1.48)	-	-	72.86
<b>Balance as at 31 March 2021</b>	<b>3,766.63</b>	<b>489.21</b>	<b>490.22</b>	<b>476.27</b>	<b>555.00</b>	<b>128.57</b>	<b>114.27</b>	<b>66.69</b>	<b>6,086.86</b>
<b>Net Carrying Value</b>									
As at 31 March 2020	389.57	269.83	78.66	2,552.28	326.93	219.59	2,050.90	308.17	6,195.93
<b>As at 31 March 2021</b>	<b>234.28</b>	<b>221.45</b>	<b>87.35</b>	<b>2,201.14</b>	<b>200.81</b>	<b>198.95</b>	<b>2,028.53</b>	<b>294.75</b>	<b>5,467.28</b>

Note 3.01 The Company has leased out certain Plant and machinery for a period of 1-3 years. The lease rental income recognised in the Statement of Profit and Loss is ₹ 489.67 lakhs (31 March 2020: ₹ 956.87 lakhs).

Note 3.02 Refer Note 18.1 and 21.1 for Security in favour of the Lenders.

Note 3.03 Other adjustments Includes adjustment relating to foreign exchange on account of translation of foreign subsidiaries/ entities .

Note 3.02 The Company has reassessed useful life of 10 years from 6 years for certain class of Property. Plant and Equipment and applied the change w.e.f. 1<sup>st</sup> April, 2020, accordingly depreciation impact applied prospectively.

\*Assets of Disposal Group which were kept as held for Sale in Property, Plant and equipment are presented in 'Deduction'. refer Note 44

## Notes to the consolidated financial statements

### NOTE 3. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK IN PROGRESS AND RIGHT-OF-USE ASSETS (CONTD.)

Particulars	(III) Right-of-Use Assets		
	Leasehold Improvements	Building	Total
<b>Gross Carrying value</b>			
Balance as at 01 April, 2019	<b>487.60</b>	<b>1,435.74</b>	<b>1,923.34</b>
Additions	136.01	956.78	1,092.79
Deductions/ Other adjustments	-	-	-
<b>Balance as at 31 March 2020</b>	<b>623.61</b>	<b>2,392.52</b>	<b>3,016.13</b>
Additions	-	-	-
Deductions/ Other adjustments	(253.47)	(408.07)	(661.54)
<b>Balance as at 31 March 2021</b>	<b>370.14</b>	<b>1,984.45</b>	<b>2,354.59</b>
<b>Accumulated Depreciation</b>	-	-	-
Balance as at 01 April, 2019	-	-	-
Depreciation for the year	165.66	551.18	<b>716.84</b>
Deductions/Other adjustments	-	-	-
<b>Balance as at 31 March 2020</b>	<b>165.66</b>	<b>551.18</b>	<b>716.84</b>
Depreciation for the year	174.40	476.03	650.43
Deductions/ Other adjustments	(176.47)	257.01	80.54
<b>Balance as at 31 March 2021</b>	<b>163.59</b>	<b>1,284.22</b>	<b>1,447.81</b>
<b>Net Block</b>			
As at 31 March 2020	457.95	1,841.34	2,299.29
<b>As at 31 March 2021</b>	<b>206.55</b>	<b>700.23</b>	<b>906.78</b>

### NOTE 4. GOODWILL, OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENTS

#### (i) Goodwill on Consolidation

Goodwill is recognised on consolidation of financial statements of the subsidiaries as per details given herein:

	As at 31 March, 2021	As at 31 March, 2020
Balance at the beginning of the year	6,594.21	6,166.28
Foreign currency exchange gain / (loss)	(5.64)	427.93
<b>Balance at the end of the year</b>	<b>6,588.57</b>	6,594.21

The Group tests goodwill annually for impairment.

Goodwill of ₹ 6,588.57 lakhs (March 31, 2020: ₹ 6,594.21 lakhs) has been allocated to the Aurionpro business in Singapore. The estimated value-in-use of this CGU is based on the future cash flows using a 2.32% annual growth rate for periods subsequent to the forecast period of 5 years. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.



## Notes to the consolidated financial statements

**NOTE 4. GOODWILL, OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENTS (CONTD.)****(ii) Other Intangible Assets and Intangible Assets under Developments**

Particulars	Computers Software	Goodwill	Total	Intangible Assets under Developments
<b>Gross Carrying value</b>				
Balance as at 31 March, 2019	10,625.38	15,089.84	25,715.22	8,219.69
Additions	1,210.39	-	1,210.39	4,015.06
Addition on acquisitions	1,143.78	-	1,143.78	-
Other adjustments	876.10	(427.50)	448.60	678.73
Balance as at 31 March, 2020	13,855.63	14,662.35	28,517.99	12,913.47
Additions	3,898.60	-	3,898.60	-
Deductions*	(14,099.19)	(14,606.70)	(28,705.89)	(12,913.47)
Other adjustments	83.65	-	83.65	-
<b>Balance as at 31 March 2021</b>	<b>3,738.69</b>	<b>55.65</b>	<b>3,794.34</b>	<b>-</b>
<b>Accumulated Amortisation</b>				
Balance as at 31 March 2019	3,733.97	4,916.04	8,650.01	-
Amortisation for the year	1,432.69	1,047.47	2,480.16	-
Other adjustments	399.93	380.20	780.12	-
Balance as at 31 March 2020	5,566.58	6,343.71	11,910.29	-
Amortisation for the year	12,548.94	-	12,548.94	-
Deductions*	(15,784.75)	(6,288.06)	(22,072.81)	-
Other adjustments	59.64	-	59.64	-
<b>Balance as at 31 March 2021</b>	<b>2,390.41</b>	<b>55.65</b>	<b>2,446.06</b>	<b>-</b>
<b>Net Block</b>				
As at 31 March 2020	8,289.05	8,318.64	16,607.70	-
<b>As at 31 March 2021</b>	<b>1,348.27</b>	<b>0.00</b>	<b>1,348.27</b>	<b>-</b>

Note 4.01 Other adjustments Includes adjustment relating to foreign exchange on account of translation of foreign subsidiaries/entities and reclassification

\*Note 4.02 The Company has built robust IP based products which have now matured and surpassed the phase requiring heavy investments, costs incurred on R&D and product development were expensed out as a part to implement a uniform policy of accounting for the product development costs across all the group companies. Accordingly, intangibles assets have been expensed out and depleted from carrying and accumulated value of Computer Software block.

\*Note 4.03 Assets of Disposal Group which were kept as held for Sale of Other Intangible assets Goodwill block and Intangible Assets under Developments are presented in 'Deduction'. refer Note 44

**NOTE 5. NON-CURRENT INVESTMENTS**

(valued at cost unless stated otherwise)

	As at 31 March, 2021	As at 31 March, 2020
<b>Investment</b>		
<b>Equity investment in Others carried at cost (unquoted and fully paid up)</b>		
Centrolene Pte Ltd	-	447.28
Nil (31 March 2020: 1,470) equity shares of SGD 1 each		
<b>Other investments in company carried at cost (unquoted and fully paid up)</b>		
3,58,20,000 units (31 March 2020: 3,50,00,000) of ₹ 10 each optionally convertible Debentures in Auroscient Outsourcing Limited	3,582.00	3,500.00
<b>Other investments, unquoted (fully paid-up)</b>		
Investment in RBI Bonds	-	101.75
Nil (31 March 2020: 101,750 Units) of ₹ 100 each		
Investment in Treasury Bills of Philippines Govt. and other	9.97	8.78
Investment in Employee Trust, USA	-	111.36
	<b>3,591.97</b>	<b>4,169.18</b>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	<b>3,591.97</b>	<b>4,169.18</b>

## Notes to the consolidated financial statements

	As at 31 March, 2021	As at 31 March, 2020
<b>NOTE 6. OTHER FINANCIAL ASSETS</b>		
(Unsecured and Considered good)		
Bank Fixed Deposits with original Maturity of more than 12 months (held as margin money)	1,241.27	1,347.80
	<b>1,241.27</b>	<b>1,347.80</b>

### NOTE 7. DEFERRED TAX ASSETS

	As at 31 March, 2021	As at 31 March, 2020
<b>(A) Deferred Tax Assets</b>		
Related to timing difference on depreciation/ amortisation on PPE and Other Intangible Assets	86.58	477.81
Related to Employee Benefits Provisions	228.66	583.16
Related to Provision for doubtful Debts	72.00	71.68
Related to carry forward Loss	406.29	2,582.02
Others	24.06	381.20
<b>Net Deferred Tax Assets</b>	<b>817.59</b>	<b>4,095.87</b>

Management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income for the period over which deferred income tax assets will be recovered. Deferred Tax Assets as on 31 March, 2021 includes foreign exchange gain of ₹ 179.17 lakhs.

	For the year ended 31-Mar-21	For the year ended 31-Mar-20
<b>(B) Amounts recognised in Statement of Profit and Loss</b>		
(i) Current income tax	738.95	428.21
(ii) Deferred tax credit	(445.66)	(169.46)
<b>Tax expense for the year</b>	<b>293.28</b>	<b>258.75</b>
<b>(C) Reconciliation of Tax Expenses</b>		
<b>Profit/ (Loss) after exceptional items and before Tax</b>	(18,907.08)	3,427.85
Less: Accelerated amortisation of intangible assets	(10,505.06)	-
Less: Exceptional loss on account of divestment	(4,618.37)	-
Less: Profit/ (Loss) before Tax from Discontinued Operations	(7,443.82)	(249.99)
<b>Profit/ (Loss) before Tax</b>	3,660.17	3,677.84
<b>Applicable Tax Rate</b>	25.17%	25.17%
Computed Tax Expenses	921.19	925.64
Add/ (Less):		
Tax effect of:		
Effect of expenses disallowed for tax purpose	475.51	686.11
Effect of expenses allowed for tax purpose	(610.29)	(575.09)
Effect of tax impact in Foreign jurisdiction	(47.46)	(608.45)
<b>Current Tax Provision (i)</b>	<b>738.95</b>	<b>428.21</b>
Incremental Deferred Tax Charge on account of PPE and Other Intangible Assets	23.49	146.94
Incremental Deferred Tax Credit on account of Other Assets/ Liabilities	(469.15)	(316.40)
<b>Deferred tax credit (ii)</b>	<b>(445.66)</b>	<b>(169.46)</b>
<b>Income Tax Expenses (i+ii)</b>	<b>293.29</b>	<b>258.75</b>

The Company's weighted average tax rates for the years ended March 31, 2021 and 2020 have been 8% and 7% respectively. The effective tax rate for the year ended March 31, 2020 has been relatively higher primarily as a result of the facts mentioned above.

## Notes to the consolidated financial statements

### NOTE 8. OTHER NON CURRENT ASSETS (UNSECURED AND CONSIDERED GOOD)

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	63.10	204.39
Prepaid Expenses	8.48	14.17
	<b>71.58</b>	<b>218.56</b>

### NOTE 9. INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

	As at 31 March, 2021	As at 31 March, 2020
Raw Material	23.24	223.32
Finished Goods (including goods in transit)	489.62	393.96
Stock-in-trade	2,087.49	2,046.77
	<b>2,600.35</b>	<b>2,664.05</b>

### NOTE 10. TRADE RECEIVABLES (REFER NOTE 43) (UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE MENTIONED)

	As at 31 March, 2021	As at 31 March, 2020
Considered Good	10,305.44	13,338.17
Considered doubtful	344.54	(327.75)
Less : Provisions for doubtful receivables	(344.54)	327.75
	<b>10,305.44</b>	<b>13,338.17</b>

### NOTE 11. CASH AND CASH EQUIVALENTS

	As at 31 March, 2021	As at 31 March, 2020
Bank Balance in Current Accounts	2,198.37	1,970.24
Cash on Hand	18.67	31.24
	<b>2,217.04</b>	<b>2,001.48</b>

### NOTE 12. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March, 2021	As at 31 March, 2020
Earmarked Balance- Unpaid Dividend	13.79	14.27
Bank Deposits with original maturity of more than 3 months but less than 12 months (held as margin money)	1,626.01	1,215.60
	<b>1,639.80</b>	<b>1,229.87</b>

### NOTE 13. OTHER FINANCIAL ASSETS (UNSECURED AND CONSIDERED GOOD)

	As at 31 March, 2021	As at 31 March, 2020
Unbilled Revenue	5,204.04	6,655.97
Interest Accrued on Deposits	74.84	63.63
Other Receivables		
- From Other Related Party	379.02	748.55
- From Others	666.49	31.78
	<b>6,324.39</b>	<b>7,499.93</b>



## Notes to the consolidated financial statements

**NOTE 14. OTHER CURRENT ASSETS****(UNSECURED AND CONSIDERED GOOD UNLESS OTHERWISE MENTIONED)**

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits	294.34	486.00
Prepaid Expenses	1,158.48	966.23
Retention Money	2,648.15	1,890.91
Advance to Supplier		
Considered Good	818.64	939.62
Considered doubtful	13.63	13.63
Less : Provisions for doubtful advance	(13.63)	(13.63)
	818.64	939.62
Advances to Employees	44.51	513.31
Balance with Government Authorities	293.22	184.36
Due from Group Companies	5,772.31	5,244.99
Other Receivables	-	4,841.45
	<b>11,029.65</b>	<b>15,066.87</b>

**NOTE 15. SHARE CAPITAL**

	As at 31 March, 2021	As at 31 March, 2020
<b>Authorised Share Capital</b>		
66,150,000 (31 March 2020 : 66,150,000) equity shares of ₹ 10 each	6,615.00	6,615.00
<b>Issued, subscribed and paid-up Share Capital</b>		
22,800,165 (31 March 2020: 22,800,165) equity shares of ₹ 10 each, fully paid-up	2,280.02	2,280.02
	<b>2,280.02</b>	<b>2,280.02</b>

**(1) Details of Shareholders holding more than 5% shares in the Company**

	No. of Shares	%	No. of Shares	%
Mr. Naresh Nagpal	-	-	11,49,009	5.04
Mr. Amit Sheth	17,09,011	7.50	17,09,011	7.50
Mr. Paresh Zaveri	39,81,301	17.46	36,18,301	15.87

**(2) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(3) Shares issue under ESPS**

The Company has employee share purchase scheme (ESPS), namely, Aurionpro ESPS 2017. As on 31 March, 2021, number of outstanding shares available for further grant are 550,765.

**(4) Reconciliation of Equity Shares**

	March 31, 2021		March 31, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
At the beginning of the year	2,28,00,165	2,280.02	2,36,36,301	2,363.63
less: Buy back of Shares	-	-	(8,36,136)	(83.61)
<b>At the end of the year</b>	<b>2,28,00,165</b>	<b>2,280.02</b>	<b>2,28,00,165</b>	<b>2,280.02</b>

The Company has buyback fully paid-up equity shares of face value of INR 10/- (Rupees Ten only) each ("Equity Shares") from its shareholders (excluding promoters and promoters group) via "open market" route through the stock exchanges. The buyback of shares was concluded on 04/10/2019 and the Company has bought back 8,36,136 Equity Shares at an aggregate amount of INR 1,015.11 Lakhs.

**(5) The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the equity balance.**

## Notes to the consolidated financial statements

## NOTE 16. OTHER EQUITY

	As at 31 March, 2021	As at 31 March, 2020
<b>Capital Reserves</b>		
Opening Balance	467.12	93.99
Additions during the year	18.58	373.13
Closing Balance	<b>485.70</b>	<b>467.12</b>
<b>Securities Premium</b>		
Opening Balance	33,622.70	31,309.60
Add: issue of equity shares	-	3,244.62
Less: buy back of equity shares	-	(931.52)
Add: on account of divestment of Investment	(6,491.46)	-
Closing Balance	<b>27,131.24</b>	<b>33,622.70</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	<b>83.61</b>	-
Add: transferred on account of buyback of shares	-	83.61
Closing Balance	<b>83.61</b>	<b>83.61</b>
<b>Statutory Reserve</b>		
Opening Balance	30.51	28.30
Additions/ (Deduction) during the year	(0.61)	2.21
Closing Balance	<b>29.90</b>	<b>30.51</b>
<b>Surplus in Retained Earnings</b>		
Opening Balance	36,812.78	37,568.79
Transition impact of Ind AS 116, net of tax	-	(153.51)
Balance as on April 01, 2020	<b>36,812.78</b>	<b>37,415.28</b>
Add: Profit/(Loss) for the year	(12,194.87)	3,193.09
Less:		
(a) Equity Dividends (including Tax on Dividends)	-	(594.19)
(b) Capital Redemption Reserve	-	(83.61)
(c) On account of change in Minority interest share	-	(3,117.79)
Closing Balance	<b>24,617.91</b>	<b>36,812.78</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	2,518.55	500.87
Additions/ (Deduction) during the year	(311.49)	2,017.68
Closing Balance	<b>2,207.06</b>	<b>2,518.55</b>
<b>Other Comprehensive Income</b>		
Opening Balance	(1,271.02)	(1,245.27)
Additions/ (Deduction) during the year	274.29	(25.75)
Closing Balance	<b>(996.73)</b>	<b>(1,271.02)</b>
<b>Stock Option</b>		
Opening Balance	1,987.67	1,334.81
Additions/ (Deduction) during the year	(1,987.67)	652.86
Closing Balance	-	<b>1,987.67</b>

## Notes to the consolidated financial statements

### NOTE 16. OTHER EQUITY

	As at 31 March, 2021	As at 31 March, 2020
<b>Restructuring Reserve</b>		
Opening Balance	(22,192.00)	(22,192.00)
Additions during the year	-	-
Closing Balance	<b>(22,192.00)</b>	<b>(22,192.00)</b>
	<b>31,366.70</b>	<b>52,059.92</b>

### NOTE 17. NON CONTROLLING INTEREST

	As at 31 March, 2021	As at 31 March, 2020
Opening Balance	8,755.37	4,427.09
Add: Loss/ (Gain) of control in subsidiary (net)	(1,438.05)	3117.79
Addition during the year	-	1,234.48
Add: Net Profit/ (Loss) for the year	(7,005.50)	(23.99)
Closing Balance	<b>311.82</b>	<b>8,755.37</b>

#### Note 17.1

##### (i) Capital Reserve

The Company recognise profit and loss on sale, purchase and cancellation of the Company's own equity instruments to capital reserve.

##### (ii) Securities Premium

Securities Premium is used to record premium on issuance of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

##### (iii) Capital Redemption Reserve

As per Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of Profits. A sum equal to nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of Companies Act, 2013

##### (iv) Statutory Reserve

Statutory Reserve is created in compliance for statutory requirement.

##### (v) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

##### (vi) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

##### (vii) Stock Option:

Stock option that are set aside for issuance in the future. Shares are often reserved for issuance under a stock option plan. These reserved shares are part of the total number of authorized shares, but the Company may not issue them, except under the stock option plan.

##### (viii) Restructuring Reserve :

Pursuant to the Demerger, the difference between the net assets & liabilities transferred is included in Restructuring Reserve (after adjusting Capital Reserve & General Reserve).

##### (ix) Other Comprehensive Income

Other Comprehensive Income refers to items of income and expenses that are not recognized as a part of the profit and loss account.

## Notes to the consolidated financial statements

### NOTE 18. BORROWINGS-NON CURRENT

	As at 31 March, 2021	As at 31 March, 2020
<b>Loans from :-</b>		
a) Foreign Currency Loans Long term from Banks (secured)	373.15	55.02
b) Banks (secured)	3,552.87	3,575.81
c) Financial institutions (secured)	997.59	1,788.24
d) Banks (unsecured)	-	5.04
e) Financial institutions (unsecured)	33.26	128.50
	<b>4,956.87</b>	<b>5,552.61</b>

#### Note 18.1

- (i) Foreign Currency Loans Long term from Banks of ₹ 50.27 lakhs secured equitable mortgage on the underlying vehicles and ₹ 336.44 lakhs secured by receivable and personal guarantee by Promoter.
- (ii) Foreign Currency Loans from bank of ₹ 3,882.43 lakhs (USD 5,301,597) secured by pari passu charge on entire receivables, stock in process and computers, furniture and fixtures and Plant & Machinery, this loans is also secured by 19,70,000 Shares and certain immovable assets owned by the Promoters.
- (iii) Loans from bank of ₹ 121.52 lakhs secured by Equitable Mortgage on the underlying properties and ₹ 20.94 lakhs secured by equitable mortgage on the underlying vehicles.
- (iv) Loan from financial institutions is secured by equipments & machines purchased by the company.
- (v) Repayment schedule of Long term Borrowings

Rate of Interest	Within 1 year	2 - 3 years	4 - 5 years
upto 13%	2,465.93	3,211.32	1,731.20
more than 13%	267.49	33.26	-

### NOTE 19. OTHER NON CURRENT LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
Unearned and deferred revenue	994.67	1,014.45
	<b>994.67</b>	<b>1,014.45</b>

### NOTE 20. PROVISIONS -NON CURRENT

	As at 31 March, 2021	As at 31 March, 2020
Employee Benefits	440.58	518.55
	<b>440.58</b>	<b>518.55</b>

#### Note 20.1

Provision (Non Current) for employee benefits includes for defined benefits plans.





## Notes to the consolidated financial statements

**NOTE 21. BORROWINGS-CURRENT**

	As at 31 March, 2021	As at 31 March, 2020
Foreign Currency Loans from Bank (Secured)	1,102.13	948.81
Foreign Currency Loans from Bank (Unsecured)	-	424.14
Rupee Loans from Banks (Secured)	1,256.99	1,974.21
Rupee Loans from Related Parties (Unsecured)	68.66	230.65
Rupee Loans from other (Unsecured)	1,268.30	461.37
	<b>3,696.08</b>	<b>4,039.18</b>

**Note 21.1**

- (i) Loans from bank of ₹ 1102.13 lakhs secured by property owned by and personal guarantee of then Company's Promoters along with corporate guarantee from the Company.
- (ii) Loans from bank of ₹ 529.71 lakhs secured by pari passu charge on entire receivables, stock in process and computers, furniture and fixtures and Plant & Machinery, this loans is also secured by 19,70,000 Shares and certain immovable assets owned by the Promoters.
- (iii) Loans from bank of ₹ 637.28 lakhs secured by pari passu charge on entire current assets and Fixed assets of the Company, this loans is also secured by 20,20,000 Shares owned by the Promoters.
- (iv) Loans from bank of ₹ 90 lakhs secured by pari passu charge on entire current assets and building of the Company.
- (v) Loans and advances from related parties are interest free and repayable on demand.

**NOTE 22. TRADE PAYABLES (REFER NOTE 43)**

	As at 31 March, 2021	As at 31 March, 2020
- Due to Micro and Small Enterprises	60.75	17.22
- Due to Others	5,351.99	7,765.28
	<b>5,412.74</b>	<b>7,782.50</b>

**Note 22.1 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the company, the following disclosures are made for the amounts due to Micro and Small Enterprises.

	As at 31 March, 2021	As at 31 March, 2020
(i) Principal amount due to any supplier as at the year end	60.75	17.22
(ii) Interest due on the principal amount unpaid at the year end to any supplier	4.99	-
(iii) Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
(v) Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED	-	-
(vi) Amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.99	-
(vii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	-	-

## Notes to the consolidated financial statements

### NOTE 23. OTHER FINANCIALS LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
<b>Current Maturities of Long-Term Borrowings</b>		
Foreign Currency Loans from Banks (secured)	13.56	12.45
From Banks (secured)	442.49	817.59
From Financial Institutions (secured)	1,999.25	1,992.07
From Banks (unsecured)	36.91	96.47
From Financial Institutions (unsecured)	229.93	448.73
	<b>2,722.14</b>	<b>3,367.31</b>
<b>Others</b>		
Interest accrued and not due on Borrowings	224.11	258.40
Unclaimed Dividend	13.79	14.27
Employee Payables	1,769.01	1,188.85
Provision for Expenses	1,195.78	2,420.65
Other Liabilities	39.18	263.72
	<b>5,964.01</b>	<b>7,513.20</b>

### NOTE 24. OTHER CURRENT LIABILITIES

	As at 31 March, 2021	As at 31 March, 2020
Unearned and Deferred Revenue	3,080.56	3,568.40
Advance Received from Customers	104.69	746.85
Security Deposits	87.03	65.64
Statutory Dues Payable	722.32	487.37
Other Liabilities	75.63	82.05
	<b>4,070.23</b>	<b>4,950.31</b>

### NOTE 25. PROVISIONS

	As at 31 March, 2021	As at 31 March, 2020
<b>Provision for employee benefits</b>		
Employee Benefits	455.20	504.28
	<b>455.20</b>	<b>504.28</b>

#### Note 25.1

Provision for employee benefits includes for defined benefits plans and compensated absences.

### NOTE 26. CURRENT TAX LIABILITIES (NET)

	As at 31 March, 2021	As at 31 March, 2020
Current Tax Liabilities (net)	521.49	197.34
	<b>521.49</b>	<b>197.34</b>

## Notes to the consolidated financial statements

### NOTE 27. REVENUE FROM OPERATIONS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Information technologies and consultancy services	27,376.23	33,216.71
Sale of equipment and Licence	10,025.54	13,759.37
	<b>37,401.77</b>	<b>46,976.08</b>

### Note 27.1 Disaggregate Revenue Information

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>The disaggregated revenue from contracts with the customers</b>		
<b>(i) Product and Services wise</b>		
Information Technologies and Consultancy Services	27,376.23	33,216.71
Sale of Equipment and Licence	10,025.54	13,759.37
<b>Total</b>	<b>37,401.77</b>	<b>46,976.08</b>
<b>(ii) Geography wise</b>		
Asia-Pacific	29,797.92	35,776.07
Rest of world	7,603.85	11,200.01
<b>Total</b>	<b>37,401.77</b>	<b>46,976.08</b>

Revenues in excess of invoicing are classified as contract assets (which is referred as unbilled revenues). Changes in contract assets are directly attributable to revenue recognised based on the accounting policy defined and the invoicing done during the year. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures as the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date.

### NOTE 28. OTHER INCOME

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income from Investments	155.04	485.03
Foreign exchange fluctuation gain	-	233.36
Rent Income	59.26	6.00
Miscellaneous Income	83.15	254.40
	<b>297.45</b>	<b>978.79</b>

### NOTE 29. OPERATING EXPENSES

	For the year ended 31 March 2021	For the year ended 31 March 2020
Software, Hardware and Other Material Cost	10,791.45	17,992.00
	<b>10,791.45</b>	<b>17,992.00</b>

## Notes to the consolidated financial statements

### NOTE 30. CHANGES IN INVENTORIES OF RAW MATERIAL, FINISHED GOODS AND STOCK-IN-TRADE

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Stock at the beginning of the year</b>		
Raw Material	223.32	324.73
Finished Goods (including goods in transit)	393.96	434.66
Stock-in-Trade	2,046.77	2,146.33
<b>Total (A)</b>	<b>2,664.05</b>	<b>2,905.72</b>
<b>Stock at the end of the year</b>		
Raw Material	23.24	223.32
Finished Goods (including goods in transit)	489.62	393.96
Stock-in-Trade	2,087.49	2,046.77
<b>Total (B)</b>	<b>2,600.35</b>	<b>2,664.05</b>
<b>Purchase of Stock in Trade (C)</b>	-	523.27
<b>Changes in Inventories (A-B+C)</b>	<b>63.70</b>	<b>764.94</b>

### NOTE 31. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, Wages and Bonus	13,952.49	13,567.53
Contributions to Provident and Other Funds	659.96	596.02
Staff Welfare Expenses	365.70	757.00
	<b>14,978.15</b>	<b>14,920.55</b>

### NOTE 32. FINANCE COSTS

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Expense on		
- Borrowings	1,290.89	1,329.83
- Lease Liabilities	104.56	298.20
Other Borrowing charges	184.33	194.39
	<b>1,579.78</b>	<b>1,822.42</b>

During the financial year 2020-21, due to COVID-19 pandemic and subsequent lockdown, Government of India has announced several initiatives to support industries and thereby the economy. In addition, Reserve bank of India had issued circulars dated 27/03/2020 and 23/05/2020 providing benefits to the industries in form of moratorium and had given the option of moratorium for repayment of loans, which had been exercised by the Company.



## Notes to the consolidated financial statements

**NOTE 33. DEPRECIATION AND AMORTISATION EXPENSES**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on Property, Plant and Equipment	739.69	771.75
Amortisation on Other Intangible Assets	2,043.88	2,480.16
Accelerated Amortisation on Other Intangible Assets	10,505.06	-
Depreciation on Right-of-Use Asset	650.43	716.84
	<b>13,939.06</b>	<b>3,968.75</b>

**NOTE 34. OTHER EXPENSES**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Travelling and Conveyance Expenses	463.02	1,055.57
Legal and Professional Charges	530.88	761.18
Short Term Lease (refer note 39)	130.83	264.15
Rates and Taxes	123.60	522.90
Electricity Expenses	132.71	221.25
Communication Expenses	123.06	121.05
Repairs and Maintenance Expenses	116.70	119.17
Subscription and Membership	49.95	22.39
Commission and Business Promotions	229.94	371.61
Recruitment Expenses	31.15	117.16
Insurance Charges	89.91	75.92
Housekeeping and Security Charges	16.90	21.48
Provision for Bad-debts (allowance for credit loss)	188.32	99.26
Bad debts of receivables/advances	632.36	47.10
Foreign exchange fluctuation Loss	215.66	-
Loss on Sale of PPE	28.69	552.06
CSR Expenses (refer note 37)	55.00	54.00
Others Miscellaneous Expenses	33.28	422.91
	<b>3,191.97</b>	<b>4,849.15</b>

**NOTE 35**

	As at March 31, 2021	As at March 31, 2020
<b>Contingent Liabilities and Commitment</b> (as represented by the Management)		
(i) Guarantees given by the Company on behalf of its Subsidiaries	2,067.96	1,994.24
(ii) Disputed Liabilities not provided for direct/ indirect Tax	-	-
(iii) Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	3,029.59	3,658.82

## Notes to the consolidated financial statements

### NOTE 36 SEGMENT INFORMATION

The Group has identified and disclosed segment information, as "Information technologies and consultancy services" and "Sale of equipment". The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organisational structure by geographical locations of its operations, where its service rendering activities are based. Operating Segment is reported in the manner evaluated by Board, considered as Chief Operating Decision Maker under Ind AS 108 "Operating Segment". The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Segment Revenue</b>		
(a) Information Technologies and Consultancy Services	27,376.23	33,216.71
(b) Sale of Equipment and Licence	10,025.54	13,759.37
<b>Total income from operations (a+b)</b>	<b>37,401.77</b>	<b>46,976.08</b>
<b>Segment Results</b>		
(a) Information technologies and consultancy services	22,075.93	24,840.39
(b) Sale of equipment and Licence	4,470.69	3,378.75
<b>Total (a+b)</b>	<b>26,546.62</b>	<b>28,219.14</b>
<b>Less: Unallocable expenses</b>		
Employee benefits expense	14,978.15	14,920.55
Finance costs	1,579.78	1,822.42
Depreciation and amortisation expenses	13,939.06	3,968.75
Other expenses	3,191.97	4,849.15
Add: Unallocable income	297.45	978.79
Add: Share of Profit of Associate	-	40.78
Add: Exceptional Items	-	-
<b>Total profit/ (loss) before tax</b>	<b>(6,844.89)</b>	<b>3,677.84</b>

Assets & liabilities used in the Company's business are not identified to any of the reportable segment, as these are used interchangeably between segments. The Management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

### NOTE 37

#### CORPORATE SOCIAL RESPONSIBILITY

The Company has spent ₹ 55.00 lakhs (Previous year: ₹ 54 lakhs) towards various schemes of Corporate Social Responsibility(CSR) as prescribed under,

- I. Gross amount required to be paid by the Company during the year: ₹ 50.68 lakhs (Previous year: ₹ 53.64 lakhs)
- II. Amount paid during the year

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	In cash / payable	Yet to be paid in cash	In cash /payable	Yet to be paid in cash
(i) Construction/Acquisition of any asset	-	-	-	-
(ii) For purposes other than (i) above	55.00	-	54.00	-

The Company does not carry any provisions for CSR expenses for current year and previous year.



## Notes to the consolidated financial statements

**NOTE 38 EARNINGS PER SHARE (EPS)**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic and Diluted EPS		
(a) Profit/ (Loss) from Continuing Operations attributable to Owners of Company	(9,961.72)	3,348.08
(b) Profit/ (Loss) from discontinuing Operations attributable to Owners of Company	(2,233.15)	(154.99)
(c) Weighted average number of Equity Shares (Basic and Diluted)	2,28,00,165	2,33,93,397
(d) Earnings per Share		
- Basic and Diluted Earnings per Share of ₹ 10 each (Continuing Operations)	(43.69)	14.68
- Basic and Diluted Earnings per Share of ₹ 10 each (Discontinuing Operations)	(9.79)	(0.68)
- Basic and Diluted Earnings per Share of ₹ 10 each (Continuing and discontinuing Operations)	(53.48)	14.00

**NOTE 39 LEASE****Details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an discounted basis:**

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	630.37	767.21
One to five years	402.57	703.01
More than five years	-	995.07
<b>Total</b>	<b>1,032.94</b>	<b>2,465.29</b>

**Details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:**

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	819.40	884.50
One to five years	364.26	1,879.96
More than five years	-	-
<b>Total</b>	<b>1,183.66</b>	<b>2,764.46</b>

- (i) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- (ii) Rental expense recorded for short-term leases was ₹ 130.83 lakhs (Previous year ₹ 264.15 lakhs) for the year ended 31 March 2021.
- (iii) Effective interest rate in the range of 5% to 12.50% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- (iv) Applied the exemption not to recognize right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and Leases for which the underlying asset is of low value.
- (v) The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116 - leases, by inserting a practical expedient with respect to "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has applied the practical expedient during the quarter ended June 30, 2020 by accounting the unconditional rent concessions of INR. 42.00 Lakhs netted off with "Other expenses".



## Notes to the consolidated financial statements

### NOTE 40 CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using gearing ratio, which is net debt divided by total capital.

	As at March 31, 2021	As at March 31, 2020
(i) Debt	11,405.28	13,008.41
Less : Cash and cash equivalents, Bank deposits	5,084.31	4,564.88
Net Debt (A)	6,320.97	8,443.53
(ii) Equity (B)	33,646.72	54,339.94
Capital Gearing Ratio ( A/B )	19%	16%

### NOTE 41 FINANCIAL INSTRUMENTS

#### (i) Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

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

The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.

The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

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

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The carrying values of the financial instruments by categories were as follows:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Carrying Amount	Level of input used in Level 1,2,3	Carrying Amount	Level of input used in Level 1,2,3
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
(i) Investments	3,591.97		4,169.18	
(ii) Trade receivables	10,305.44	-	13,338.17	-
(iii) Cash and Bank Balance	3,856.84	-	3,231.35	-
(iv) Other financial assets	7,565.66	-	8,847.73	-
<b>At FVTPL</b>	Nil		Nil	
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
(i) Borrowings	11,405.28	-	13,008.41	-
(ii) Lease Liability	1,032.94	-	2,465.29	-
(iii) Trade payables	5,412.74	-	7,782.50	-
(iv) Other financial liabilities	3,241.88	-	4,145.89	-
<b>At FVTPL</b>	Nil		Nil	



## Notes to the consolidated financial statements

### (ii) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk.

The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Company's financial liabilities comprise of borrowings, trade payable and other liabilities to manage its operation and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

- (i) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.
- (ii) Foreign currency risk : Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The carrying amounts of the Company's net foreign currency exposure denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

#### Foreign Currency Risk from financial instruments as of:

	As at March 31, 2021		As at March 31, 2020	
	USD	Other Currency	USD	Other Currency
(i) Trade receivables	267.81	1.65	453.45	3.77
(ii) Advance to vendors	256.39	6.03	23.69	5.81
(iii) Trade payables	(253.96)	-	(32.10)	(89.69)
(iv) Advance received from customers	(2.63)	-	(269.88)	-
(v) Borrowings	(3,882.43)	-	-	-
<b>Total</b>	<b>(3,614.82)</b>	<b>7.68</b>	<b>175.16</b>	<b>(80.11)</b>

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as mentioned below.

Impact of 2% increase in exchange rate	(72.30)	0.15	3.50	(1.60)
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If exchange rate is unfavorably affected with decrease by 2%, gain shall also accordingly be affected.

### Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### Exposure to Interest Rate Risk

Interest rate risk of the Company arises from borrowings. The Company endeavor to adopt a policy of ensuring that maximum of its interest rate risk exposure is at fixed rate. The Company's interest-bearing financial instruments are reported as below:

	As at March 31, 2021	As at March 31, 2020
<b>Fixed Rate Instruments</b>		
Financial Assets	5,140.48	4,597.27
Financial Liabilities	12,408.03	15,732.09
<b>Floating Rate Instruments</b>		
Financial Assets	-	-
Financial Liabilities	-	-

### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for floating-rate instruments: Since floating-rate instruments is Nil. Hence, impact for the reporting period is Nil.

## Notes to the consolidated financial statements

### Equity Price Risk

The Company is exposed to equity price risks arising from equity investments which is not material.

### Commodity Risk

The Company forecasts commodity prices and movements, accordingly The Company is advises the Procurement team on cover strategy. A robust planning and strategy ensure that Company's interests are protected despite 'volatility in commodity prices.

### Derivative financial instruments

The Company does not hold derivative financial instruments

The Company offsets financial asset and financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

### Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations

resulting in financial loss to the Company. To manage this, the Company periodically assesses the financial

reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

### Trade Receivables

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

### Other Financial Assets

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and/or domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by Government and Quasi Government organizations and certificates of deposit which are funds deposited at a bank for a specified time period.

### Liquidity Risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for:

Particulars	As at March 31, 2021	Less than 1 year	1-2 years	2-5 years
(i) Borrowings	11,405.28	6,429.50	1,973.56	3,002.22
(ii) Lease Liabilities	1,032.94	630.37	402.57	-
(iii) Trade Payables	5,412.74	5,412.74	-	-
(iv) Other Financial Liabilities	3,241.88	3,241.88	-	-

Particulars	As at March 31, 2020	Less than 1 year	1-2 years	2-5 years
(i) Borrowings	13,008.41	7,422.84	3,368.44	2,217.13
(ii) Lease Liabilities	2,465.29	767.21	703.01	995.07
(iii) Trade Payables	7,782.50	7,782.50	-	-
(iv) Other Financial Liabilities	4,145.89	4,145.89	-	-



## Notes to the consolidated financial statements

**NOTE 42  
EMPLOYEE BENEFITS****Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, ESIC and other funds which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

**Defined benefit plans**

The Company has a scheme for payment of gratuity to all its employees as per the provisions of the Payment of Gratuity Act, 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by independent actuary. The gratuity plan is a funded plan.

The following table sets out the status of the Gratuity Plan as required under Indian Accounting Standard ("Ind AS") 19 "Employee Benefits".

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
<b>(i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>		
Obligation at the beginning of the year	895.73	669.46
Interest Cost	53.46	48.55
Current Service Cost	138.32	119.38
Past Service Cost	-	-
Actuarial (gain) / loss recognised in other comprehensive income	-	-
- Change in Demographic Assumptions	(156.08)	(25.21)
- Change in financial assumptions	(46.10)	79.13
- Experience adjustments	(31.68)	24.63
Benefits Paid directly by the Employer	(33.19)	(7.55)
Benefits Paid	(12.42)	(12.66)
Liabilities Extinguished on Settlement	-	-
Obligation at the end of the year	808.04	895.73
<b>(ii) Change in plan assets</b>		
Plan assets at the beginning of the year, at fair value	146.53	130.87
Interest income	9.56	9.94
Expected return on plan assets	6.89	(5.91)
Actuarial gain / (loss) recognised in other comprehensive income	-	-
Contributions	(7.13)	24.28
Benefits paid from the fund	(12.41)	(12.66)
Assets distributed on settlement	-	-
Plan assets at the end of the year, at fair value	143.44	146.53
<b>(iii) Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Fair value of plan assets at the end of the year	143.44	146.53
Present value of the defined benefit obligation at the end of the year	808.04	895.73
Net Liability recognized in the Balance Sheet	664.61	749.21
<b>(iv) Expense Recognised in Profit or Loss</b>		
Current Service Cost	138.32	119.38
Past Service Cost	-	-
Net Interest Cost	43.91	38.61
<b>Total</b>	<b>182.23</b>	<b>158.00</b>
<b>(v) Amount Recognised in Other Comprehensive Income</b>		
Actuarial (gain) / loss recognised in other comprehensive income	(233.87)	78.54
Expected return on plan assets	7.13	5.91
<b>Total</b>	<b>(226.74)</b>	<b>84.45</b>

## Notes to the consolidated financial statements

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
<b>(vi) Assumptions</b>		
Interest rate	5.18 %	5.45%, 6.56%
Estimated return on plan assets	5.18 %	5.45%, 6.56%
Salary growth rate	9.25%	9.45%, 16%
Employee turnover rate	For service 4 year and below 33.75%, 19% thereafter	For service 4 year and below 33.75%, 25.55% and 19%, 7.52% thereafter

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

**(vii) Particulars of the amounts for the year and Previous years**

	Gratuity				
	As at March 31				
	2021	2020	2019	2018	2017
Present Value of benefit obligation	808.04	895.73	669.46	524.12	364.11
Fair value of plan assets	143.44	146.53	130.87	83.77	82.60
Excess of obligation over plan assets (plan assets over obligation)	664.61	749.21	538.59	440.36	281.51

**(viii) Sensitivity Analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2021	As at March 31, 2020
Discount rate (+ 1% movement)	(34.27)	(68.85)
Discount rate (- 1% movement)	37.90	81.45
Future salary growth (+ 1% movement)	31.24	46.00
Future salary growth (- 1% movement)	(29.59)	(45.72)
Employee turnover (+ 1% movement)	(8.43)	(27.65)
Employee turnover (- 1% movement)	9.11	31.38

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**(ix) Maturity analysis of defined benefit plan (fund)**

Project benefit payable in future from the date of reporting

	As at March 31, 2021	As at March 31, 2020
1 <sup>st</sup> following year	146.43	104.80
2 <sup>nd</sup> following year	108.39	78.99
3 <sup>rd</sup> following year	100.82	76.68
4 <sup>th</sup> following year	93.18	87.60
5 <sup>th</sup> following year	81.24	69.12
Sum of 6 to 10 years	281.55	285.47
Sum of years 11 and above	246.80	1,113.83

**(x) Expenses Recognized in the Statement of Profit or Loss for Next Year**

Current Service Cost	98.61
Net Interest Cost	34.42
(Expected Contributions by the Employees)	-
Expenses Recognized	133.04

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 effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.



## Notes to the consolidated financial statements

**NOTE 43****(A) Related Parties****(i) Key Managerial Person**

- 1 Paresh Zaveri (Chairman and Director)
- 2 Amit Sheth (Co-Chairman and Director)
- 3 Ninad Kelkar (Company Secretary)
- 4 Hemant Chopra (Chief Financial Officer) (upto June 12, 2020)
- 5 Vipul Parmar (Chief Financial Officer) (w.e.f. June 29, 2020)

**(ii) Other Related Parties Company**

- 1 Trejhara Solutions Limited
- 2 Auroscient Outsourcing Ltd
- 3 Trejhara SCM Pte. Ltd.
- 4 Groei Consultancy LLP

**(B) Transactions during the year with Related Parties**

Particulars	As at 31 March 2021	As at 31 March 2020
Revenue from Operations	760.69	3,536.10
Other Income	59.27	204.94
Operating Expenses	2,136.04	4,062.24
Other Expenses	75.00	75.00
Recovery of Expenses	413.24	417.49
Investment	3,582.00	3,500.00
Trade Receivable	13.50	1,682.29
Other Financial Assets		
(i) Unbilled Revenue	311.23	907.79
(ii) Other Receivables	379.02	748.56
Other Current Assets	6,040.90	5,244.99
Borrowings-Current	68.66	230.65
Trade Payables	9.72	923.25
Other Financial Liabilities		
(i) Provision for Expense	-	151.48
Other Current Liabilities		
(i) Advance Received from Customers	11.67	40.48
Dividend Paid	-	102.03
Managerial Remuneration	-	
(i) Salaries and Other Benefits	228.15	207.13
(ii) Contributions to Defined Contribution Plans	3.04	2.83

Some of the key management personnel of the Company are also covered under the Company's Gratuity Plan along with the other employees of the Company. Proportionate amounts of gratuity accrued under the Company's Gratuity Plan have not been separately included in the above disclosure.

**NOTE 44. ASSETS HELD FOR SALE AND DISCONTINUED BUSINESS**

The Company has divested the entire stake to Forecepoint LLC based on approval from the Audit Committee and the Board of Directors in their respective meetings held on 06th May, 2021. The approval pursuant to Regulation 24(5) of SEBI (LODR) Regulations, 2015 is in the process of being sought from the shareholders through postal ballot. Accordingly, the investment in Cyberinc Corporation Inc, USA and other entities (Disposal group) engaged in Cybersecurity business have been measured at fair value less cost to sale in the financial statements for the Company's share of INR 5,200.70 Lakhs in Assets held for Sale and the disposal group have also been considered as discontinued operations in accordance with Ind AS 105 – 'Non-Current Assets Held for Sale and Discontinued Operations'. The effect of fair valuation of INR 4,618.37 Lakhs has been included in the exceptional items.

**NOTE 45 PRIOR PERIODS COMPARATIVE**

The previous year figures have been regrouped / restated to the extent possible to confirm to current year presentation.

**NOTE 46 AUTHORISATION OF FINANCIAL STATEMENTS**

The financial statements were approved by the Board of Directors on May 28, 2021.

## Notes to the consolidated financial statements

## NOTE. 47 FINANCIAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT, 2013

Sr	Name of Entity	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (₹ in lakhs)	As % of Consolidated profit & loss	Amount (₹ in lakhs)	As % of other comprehensive income	Amount (₹ in lakhs)	As % of Total other comprehensive income	Amount (₹ in lakhs)
<b>A Parents</b>									
1	Aurionpro Solutions Limited	62.99%	21,390.80	12.78%	(2,453.22)	83%	226.74	12%	(2,226.48)
<b>B Indian Subsidiaries</b>									
2	Aurofidel Outsourcing Limited	0.57%	194.20	0.06%	(10.59)	0%	-	0%	(10.59)
3	Intellvisions Solutions private Limited	0.65%	219.88	0.13%	(24.36)	0%	-	0%	(24.36)
4	SC Soft Technologies Pvt Ltd	0.06%	20.91	-0.20%	38.89	0%	-	0%	38.89
5	Sena Systems Private Limited	3.72%	1,263.86	0.01%	(1.11)	0%	-	0%	(1.11)
<b>C Foreign Subsidiaries</b>									
6	Integro Technologies Pte Ltd.*	21.76%	7,390.34	-8.11%	1,557.24	10%	28.26	-8%	1,585.50
7	Aurionpro Solutions Pte Limited*	20.87%	7,085.46	28.29%	(5,431.83)	-3%	(9.47)	29%	(5,441.30)
8	Aurionpro Fintech Inc.*	-1.48%	(502.57)	57.45%	(11,030.60)	0%	(10.22)	58%	(11,040.82)
9	PT Aurionpro Solutions	2.57%	872.82	-0.31%	60.40	0%	(0.87)	0%	59.53
10	Aurionpro Holding Pte Ltd	-2.01%	(681.91)	-3.77%	724.23	-4%	(10.50)	-4%	713.73
11	Aurionpro Solutions (Africa) Ltd	0.60%	203.12	0.00%	7.83	1%	1.98	0%	9.81
<b>D Joint Venture/Associate</b>									
12	Intellvisions Software LLC	5.78%	1,964.04	7.58%	(1,358.15)	9%	25.12	7%	(1,333.04)
<b>Sub Total</b>		116.09%	39,420.95	93.34%	(17,921.26)	91.52%	251.04	93.36%	(17,670.23)
13	Less : CFS adjustments and eliminations	-16.09%	(5,462.41)	6.66%	(1,279.11)	8.48%	23.25	6.64%	(1,255.87)
<b>Total Share</b>		<b>100.00%</b>	<b>33,958.54</b>	<b>100.00%</b>	<b>(19,200.37)</b>	<b>100%</b>	<b>274.29</b>	<b>100%</b>	<b>(18,926.08)</b>
14	Minority Interest		311.82		(7,005.50)		-		(7,005.50)
15	<b>Attributable to Equity Owner's of the Company</b>		<b>33,646.72</b>	-	<b>(12,194.87)</b>		<b>274.29</b>	-	<b>(11,920.58)</b>

As per our attached report of even date  
**FOR CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
Firm Registration No. 101872W/W100045

For and on behalf of the Board of Directors of Aurionpro Solutions Limited  
CIN- L99999MH1997PLC111637

**Vineet Saxena**  
Partner  
Membership No 100770

**Paresh Zaveri**  
Chairman & Managing Director  
DIN : 01240552  
Place : Singapore

**Amit Sheth**  
Co- Chairman & Director  
DIN : 00122623  
Place : Navi Mumbai

Date : 28<sup>th</sup> May 2021  
Place : Navi Mumbai

**Ninad Kelkar**  
Company Secretary  
Place : Navi Mumbai

**Vipul Parmar**  
Chief Financial Officer  
Place : Navi Mumbai





**Form AOC-I (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**PART "A": SUBSIDIARIES**

(Currency: in lakhs of Indian Rupees)

Sr. No.	Name of the subsidiary company	Reporting currency	Exchange rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Continued/Discontinued operation Profit/(Loss) before Taxation	Provisions for Taxation (including deferred tax)	Profit/(Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Aurionpro Solutions Pte Limited*	USD	73.23	2,575.40	4,510.06	20,006.17	12,920.72	7,322.98	4,937.36	(6,430.52)	(998.70)	(5,431.83)	-	100.00
2	Aurofidel Outsourcing Limited	INR	1.00	50.00	144.20	3,845.99	3,651.78	3,582.00	-	(10.59)	-	(10.59)	-	100.00
3	Intellivisions Solutions private Limited	INR	1.00	1.00	218.88	894.98	675.10	-	-	(24.36)	-	(24.36)	-	100.00
4	SC Soft Technologies Pvt Ltd	INR	1.00	20.78	0.13	801.39	780.48	-	862.94	38.89	-	38.89	-	100.00
5	Sena Systems Private Limited	INR	1.00	1.00	1,262.86	1,269.28	5.42	-	-	(1.11)	-	(1.11)	-	100.00
6	Integro Technologies Pte Ltd.*	SGD	54.42	2,901.44	4,488.90	12,239.19	4,848.85	-	9,870.30	1,723.65	166.40	1,557.24	-	100.00
7	Aurionpro Fintech Inc.*	USD	73.23	-	(502.57)	553.96	1,056.54	10.98	2,812.03	(10,416.83)	613.77	(11,030.60)	-	100.00
8	PT Aurionpro Solutions	USD	73.23	128.15	744.66	942.91	70.09	-	568.85	60.40	-	60.40	-	80.00
9	Aurionpro Holding Pte Ltd	USD	73.23	0.07	(681.98)	8.57	690.48	7.32	-	724.23	-	724.23	-	100.00
10	Aurionpro Solutions (Africa) Ltd	KES	0.66	66.42	136.70	354.51	151.39	-	337.97	27.26	19.42	7.83	-	50.00

1. Names of subsidiaries which are yet to commence operations: Nil  
 \* Consolidated Financial Statement Numbers

**PART "B": ASSOCIATES AND JOINT VENTURES**

Sr. No.	Name of Joint Ventures	Intellivisions Software LLC, UAE
1	Latest audited Balance Sheet Date	31 March 2021
2	No of Shares of Associate/Joint Ventures held by the company on the year end	1,470
3	Amount of Investment in Associates/Joint Venture	21.55
4	Extend of Holding %	49.00%
5	Description of how there is significant influence	Joint Ventures
6	Reason why the associate/joint venture is not consolidated	NA
7	Networth attributable to Shareholding as per latest audited Balance Sheet	1,964.05
8	Profit / Loss for the year	(1,358.15)
9	Considered in Consolidation	Yes
10	Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations. Nil  
 2. Names of associates or joint ventures which have been liquidated or sold during the year. - Nil













**Aurionpro Solutions Limited.**

(CIN: L99999MH1997PLC111637)

📍 Registered Office:  
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