



eMUDHRA LIMITED

ANNUAL REPORT 2020-21



BOARD OF DIRECTORS

VENKATRAMAN SRINIVASAN	CHAIRMAN
MEHERDAAD B BATTLIWALA	INDEPENDENT DIRECTOR
MANOJ KUNKALIENKAR	INDEPENDENT DIRECTOR
VENUMADHAVA	WHOLE TIME DIRECTOR

REGD. OFFICE:

#56, 3rd Floor, Sai Arcade,
Outer Ring Road,
Devarabeesanahalli,
Bangalore - 560103

AUDITORS:

Manohar Chowdhry & Associates
Chartered Accountants,
#5, Shree Balaji Enclave, 13th A Cross, Jayanagar,
2nd Block, Bangalore - 560 011
Tel: 080-26576644

BANKERS

KOTAK MAHINDRA BANK (Principal Banker)
CENTRAL BANK LTD
HDFC BANK LIMITED
ICICI BANK LIMITED
IDBI BANK LIMITED
KARUR VYSYA BANK



ANNUAL GENERAL MEETING NOTICE

Notice is hereby given that the 13th Annual General Meeting of the members of eMudhra Limited, will be held on 22nd July, 2021 at 11:00 a.m. at the registered office of the Company to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2021 and the Balance Sheet as on that date, together with the Reports of the Directors' and Auditors' thereon.
2. To Declare Dividend on Preference Shares
3. To appoint a Director in place of Mr. V Srinivasan, who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors

Date: 21-05-2021
Place: Bangalore

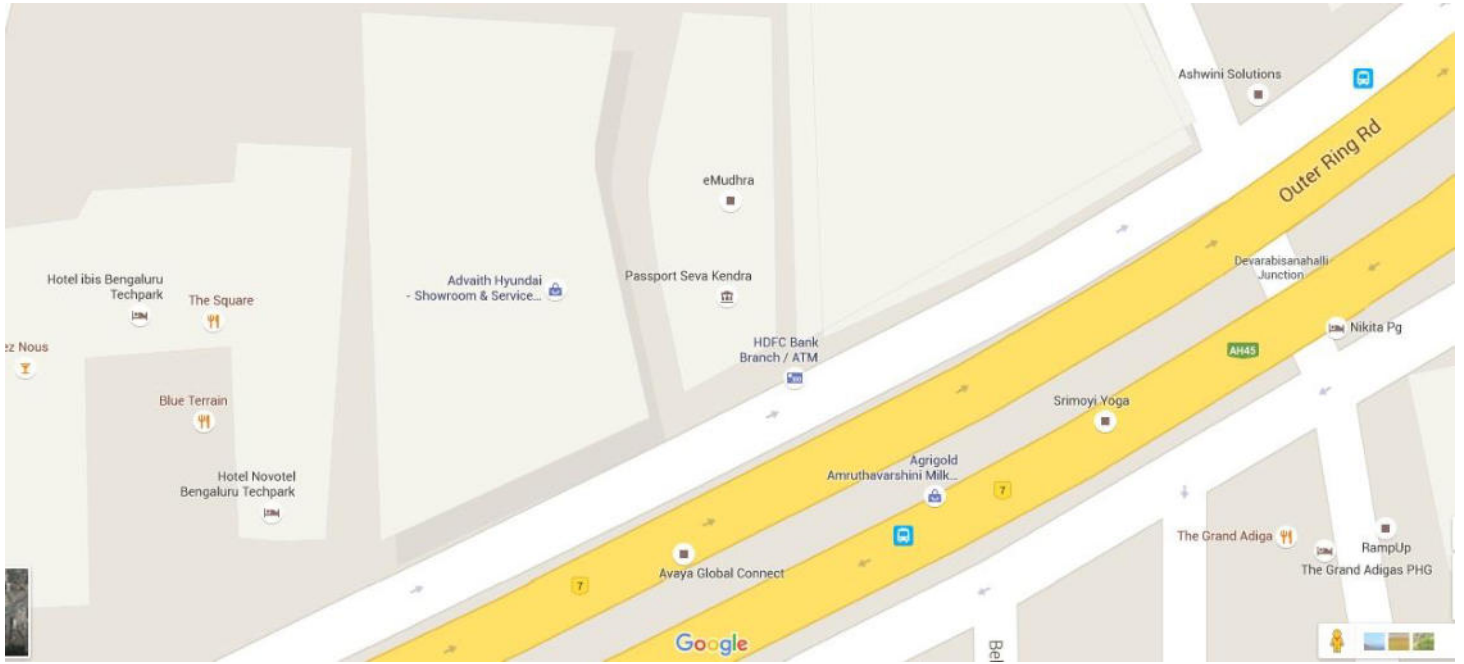
Sd/-
V Srinivasan
(Chairman)

NOTES

1. A member entitled to attend and vote, is entitled to appoint a proxy to attend and to vote on a poll instead of himself. Such proxy need not be a member of the company. Proxies in order to be effective, must be deposited with the company not less than 48 hours before the meeting.



ROUTE MAP



Director's Report

To,
The Members,
eMudhra Limited

Your directors take pleasure in presenting the 13th Annual Report on the business and operations of the company and the accounts for the financial year ended March 31, 2021.

1. Financial Summary:

a) Standalone financial summary

All amounts are in INR unless otherwise specified

Particulars	Standalone	
	For the year ended March 31,	
Financial Performance	2021	2020
Income	1,09,75,75,405	1,03,38,24,395
Profit before interest and depreciation	27,17,80,960	22,85,96,745
Profit before tax	20,39,22,005	15,69,60,286
Provision for taxes	5,47,03,000	3,91,90,208
Profit after tax	14,92,19,005	11,77,70,078
Dividend paid	65,64,375	60,08,008
Profit after tax and appropriation.	14,26,54,630	11,17,62,070
Earnings per share (par value of Rs.5 per share): Basic and diluted	2.13	1.68


b) Consolidated financial summary

Particulars	Consolidated	
	For the year ended March 31,	
Financial Performance	2021	2020
Income	1,31,63,03,065	116,75,87,219
Profit before interest and depreciation	39,80,25,497	344,884,310
Profit before tax	30,92,33,378	25,24,37,914
Provision for taxes	5,82,12,010	4,58,46,206
Profit after tax	25,10,21,368	20,65,91,707
Dividend paid	65,64,375	60,08,008
Profit after tax and appropriation.	24,44,56,993	20,05,83,699
Profit(loss) for the year- Minority interest	5,95,91,658	2,85,37,684
Profit(loss) for the year- attributable to eMudhra Limited	18,48,65,335	17,20,46,016
Earnings per share (par value of Rs.5 per share): Basic and diluted	3.58	2.94

2. Consolidated financial statements

The company has 7 subsidiaries as on March 31, 2021 out of which 2 are Indian subsidiaries and the rest are foreign subsidiaries.

The company has consolidated the 100% subsidiaries on line by line basis and others are consolidated based on the relevant accounting standards generally followed in India. There has been no change in the nature of business of these subsidiaries.



During the year, the company has acquired 51% stake in one foreign company, viz eMudhra B.V. and 29.5% stake in PT eMudhra Technologies Indonesia. Further during the year, one of the foreign subsidiary, eMudhra MU Ltd has announced capital reduction to the extent of Rs.3,68,00,000.

During the year, eMudhra Limited has redeemed the preference shares of 75,00,000 preference shares of Rs.10 each to the 3i Infotech Limited and has also paid the dividend for the holding period.

In terms of section 136 of the Companies Act, 2013 the company has not attached the financial statements of the subsidiary companies., the financial information about the Indian subsidiary companies have been duly audited by the respective qualified auditors. However, for foreign subsidiaries the unaudited financial information has been taken onto account for the purpose of consolidation. The consolidated financial statements presented by the company, which form part of this annual report are also based on the financial statements of its subsidiary companies.

3. Dividend

During the year, the Board has approved and paid an interim dividend of Rs.17,34,375[net of TDS amounting to Rs.140,265] to 3i Infotech Limited

During the year, your directors recommend a dividend of Rs. 25,80,000 on Class A preference shares for the period ended March 31, 2021.

4. Transfer of unclaimed dividend to investor education and protection fund

The company has paid all the dividends declared by the company to the beneficiaries within 30 days and there are no unpaid dividends as on the balance sheet date.

5. Review of Business operations including its subsidiaries

The consolidated financial statement of the company represents financials of eMudhra Limited with its 100% subsidiary, eMudhra MU Ltd, Mauritius and 51% subsidiaries viz. eMudhra technologies Limited, eMudhra DMCC, UAE, eMudhra PTE LTD, Singapore and eMudhra INC, USA, eMudhra B.V, The Netherlands and also 76% subsidiary eMudhra consumer services limited.

During the year under review there has been a considerable improvement in our operations and positioning.

Our Solutions:

As indicated in the last year report our emAS IAM solution was repositioned last year as an Analytics driven Identity and Access Management solution. This strategy has worked well and has provided necessary differentiation. In view of this our emAS IAM product continues to penetrate well in the market and we had several new sales of this product.


emSigner, our document signing and workflow solution has become our flagship product both in the domestic and international markets. During the year several large Banking customers in India and Middle East has chosen this solution against international competition. The solution has been ranked as a global solution on par with DocuSign and Adobe in Gartner's Market guide. Further during the year several new features have been introduced in the product to make it feature rich. The product was also implemented in Devops environment in one of the large banks in Middle East. The customer base of this product has crossed 1000 during the financial year. Due to Covid 19, there is an increased need for Digital transformation across the globe which also provides demand impetus for our emSigner product.

As members are already aware our Core CA solution emCA has been successfully implemented in large installations such as IDRBT in India and Baud Telecom Company in Saudi Arabia. This product has also been selected by large defence establishments in India and Middle East for their own PKI implementation. Using this product we have also started offering PKI in a cloud and we can see a good demand for PKI in a cloud model.

Apart from offering these solutions, during the year we have done several improvements in our eSign services and several large organisations in India have today signed up for our eSign services. Last year we started offering emSign (global signing and timestamping service) to global markets which has evoked good response from customers and potential partners. .

International Positioning:

The company's International positioning has improved considerably during the year. During the year about 19% of consolidated revenue was achieved from international operations. In several countries in the Middle East, Far East and South America the company has been able to get large system integrators as partners who bring significant leads. These partnerships with limited direct presence are likely to yield good results in the coming years. The orderbook and lead pipeline in Middle East and South



America has strengthened considerably during the year. Further a large system integrator in Europe has also selected our emCA product for taking to the European markets. This is expected to give some penetration in the European market in the coming year.

Global root accreditation:

We had earlier indicated that the company has completed the procedures for listing its roots (under brand name emSign) in the trust stores with leading browsers such as Microsoft, Adobe, Google etc. The Company has also got the Webtrust seal and its roots have been listed on Microsoft, Adobe and Mozilla Firefox. During the year listing with Google and Android has also been completed. Listing with Apple trust store is in advanced stage of discussion and is expected to be done in the next 2 to 3 months. With this, we will be the only Indian company having our root accredited by major global trust stores. This can open up a huge potential for our SSL business.

Membership of Global Fora:

The company has been a member of CA/Browser forum and Executive Committee member of European Cloud Signature Consortium. It is worth noting here that eMudhra is the only Indian company admitted in such global fora relating to PKI industry. Our chairman continues to be Chairman of Asia PKI Consortium consisting of 10 member countries in Asia. During the year he has been elected as a Board member of European Cloud Signature Consortium and he Chairs the Advocacy committee of the Consortium.

eMudhra Campuses:

1) Devanahalli Digital Signature Campus, Bangalore:

In the previous year report, we had indicated that in view of the Covid situation the completion of the project is expected to be delayed by one year. However, once the lockdown got lifted the company mobilised all the resources and speeded up the implementation. The Board is happy to report that the project got completed on March 31, 2021 without any major cost overrun and the company is in the process of complying with various procedures relating to obtaining Occupancy certificate from Government Authorities.

2) ELCOT SEZ Campus, Salem:

Though we got all the approvals and started the construction activity in 2019, due to Covid, the activities has got stopped. In the meanwhile, 3 year period stipulated by ELCOT for completion of construction got over during the last year. Hence the company has applied extension for another 3 years for completing the construction. The construction will be restarted upon getting the approval for extension.

Digital signature certificates and Crypto Token

The digital signature and token sales have grown to Rs.67,24,69,902 from Rs.56,35,35,526 in the last financial year, reflecting a 19.33% growth year on year.

Enterprise Solution business (emAS, emCA, emSigner etc.)


While the order book position of Enterprise business improved considerably during the year, on a standalone basis, revenue from our solutions business for the financial year 2020-21 was Rs. 42,11,99,933/- as against Rs. 46,68,40,268/- in the previous financial year. The marginal decline was due to our inability to implement certain projects due to logistics related issues arising out of Covid 19 and realise corresponding revenue. On a consolidated basis, the solution business has grown by 7% to Rs.64,25,04,457 from Rs.60,07,01,156. During this year, we have received our first highest purchase order from Indian Defence thorough one reputed system integrators amounting to Rs.17,46,34,000 in India region.

Other Services

Apart from the core business lines, the company has been providing online tax filling services for many years. This is a non-core area without much potential (as Government provides these services free). The revenue from these activities are continuously dropping and in the reporting period the revenue fell by 50.5% to Rs. 24,92,933 (included in enterprise solutions) from Rs.49,35,512 in the previous year. We propose to discontinue this activity from the coming year.

General:

The revenue from operation of the company on standalone basis for the year ended 31st March 2021 was Rs.1,09,36,69,835 showing an overall increase of 6.1%, as compared to previous year revenue of Rs.1,03,03,75,794. This has been achieved in spite of considerable loss of business during the first quarter due to the pandemic situation in the country.



The EBITDA has grown by 18.9% from Rs.22,85,96,745 to Rs.27,17,80,960 during the reporting period. EBITDA for the financial year is 24.8% of total revenue as compared to 22.1% in the last financial year.

The profit before tax and appropriations for the year under review is Rs.20,39,22,005 as compared to a profit of Rs.15,69,60,286 during the previous year showing an increase of 29.9% .

The Profit after tax and before appropriations in the financial Statement for the year is Rs.14,92,19,005 as compared to a profit of Rs. 11,77,70,078 during the previous financial year. Further company has made payment of dividend on preference shares of Rs. 65,64,375.

The basic and diluted earnings per share on a standalone basis increased from Rs.1.68 per equity share with a face value of Rs.5 per share to Rs.2.13 per share, showing an increase of 26.7%.

The consolidated income of the company for the reporting period was Rs.1,31,63,03,065 as compared to Rs. 1,16,75,87,219 in FY 2021 showing growth of 12.7% in consolidated income.

The consolidated EBITDA for the year under review is Rs.39,80,25,497 as compared to Rs. 34,48,84,310 during the previous year showing a growth of 15.4% as compared to previous year.

The Profit before tax and before appropriations in the consolidated financial Statement for the year is Rs.30,92,33,378 as compared to a profit of Rs. 25,24,37,914 during the previous financial year showing a growth of 22.5%.

The Profit after tax and before appropriations in the consolidated financial Statement for the year is Rs.25,10,21,368 compared to a profit of Rs. 20,65,91,707 during the previous financial year showing a growth of 22%.

The basic and diluted earnings per share on a consolidated basis increased to Rs.3.58 per equity share with a face value of Rs.5 per share from Rs.2.94 per share in the last financial year.

Covid 19 Pandemic

While Covid 19 Pandemic still continues, and there are lockdowns and other restrictions on and off, the company's business continuity plans and work from home plans are working well and are able to take care of most of the requirements. However, in the second wave of pandemic in India (i.e., April and May 2021) the operations are considerably affected as the customers and partners are facing huge challenges due to Covid 19. However, based on our last year experience we expect this to be a short-term phenomenon and operations to comeback in the next few months.

On the positive side, Covid 19 has also created a need for digital transformation to ensure business continuity and work from home for large organisations. This has resulted in a huge lead pipeline for company's products from domestic and international markets.

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

As indicated earlier During April and May 2021, the business has been significantly affected by Covid 19 Pandemic and consequential Lockdowns imposed by Government. Hence uncertainty arising out of Covid 19 is expected to continue for some more time. However as there is no cash burn in the company even at lower levels of operations, and as business is expected to come back to normal in a few months the directors believe that they will be able to come out successfully out of the Covid 19 situation.

7. Conservation of energy, technology absorption, foreign exchange earnings and outgo

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

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

Foreign Exchange	2020-2021	2019-2020
Earnings	3,59,21,683	3,92,66,329

Outgo	98,54,102	1,22,34,096
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8. Corporate Social Responsibility (CSR) initiatives

The vision of CSR is to be socially and environmentally responsive organisation committed to improve quality of life within and outside. We at eMudhra focus on imparting education for employment by enhancing the vocation skills especially in the information technology area and arranging socio-economic development programs through training and student empowerment programs. The Annual Report on our CSR activities is appended as Annexure A to the Board's report.

9. Particulars of loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the audited financial statements and the same is disclosed in note no. 15 and note no 16 of audited financial statements.

The company has an outstanding investment of Rs.19,14,50,155/-[2020:21,27,34,125] in equity shares of various subsidiary/associate companies and also has a loan outstanding of Rs.3,03,59,003/-[2020:3,06,84,003] to the eMudhra employees Stock Options Trust.

10. Board of Directors

10.1 Composition

The composition of the board of directors the company is furnished in Annexure B (1) to this report

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. V Srinivasan will retire by rotation at the ensuing AGM and being eligible, offer himself for re-election. The Board has recommended his re-election.

10.2 **Number of Board Meetings conducted during the year under review**

During the year the board has duly met Four (4) times and the time gap between any two board meetings did not exceed one hundred and twenty days. The board of directors regularly reviews compliance reports pertaining to all the laws applicable to the company. The details of the Board meetings are provided in section 2 of Annexure B (2)

11. Internal complaints committee

The Company has constituted an Internal Complaints Committee (IC) to consider and resolve all sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of women at workplace (Prevention Prohibition and Redressal) Act, 2013. There were no cases reported during the financial years 2020-21

12. Company's policy relating to director's appointment, payment of remuneration and discharge of their duties

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

13. Declaration by independent directors

All the independent directors of the company have submitted their disclosure to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of Companies Act, 2013 and the relevant rules and also have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

14. Evaluation by Board

The Board has made a formal annual evaluation of its own performance, Committees of the Board, Independent Directors and Individual Directors of the Company.

The performance of the Independent Directors as well as Individual Directors including the Chairman of the Board were evaluated based on Competence, Ethics and Values, Leadership, Knowledge, Diligence and Participation.

The Board of Directors were satisfied with the evaluation process which ensured that the performance of the Board, its Committees, Independent Directors and Individual Directors are adequate.

15. Annual Return

In accordance with the Companies Act, 2013, an extract of the annual return in prescribed format is appended as Annexure C to the Board's Report and available at the Company's website www.emudhra.com.

16. Secretarial Standards

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

17. Directors' responsibility statement

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis
- e) 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.

18. Subsidiaries, joint ventures and associate companies

During this year, the company has invested in 51,000 equity shares, being 51%, of eMudhra B.V, The Netherlands, a subsidiary company, at a face value of Euro 1 per share amounting to Rs.46,11,650[2020: NIL]. Further invested in 147,500 equity shares, being 29.5%, of PT eMudhra Technologies Indonesia, an associate company, at a face value of USD 1 per share amounting to Rs.1,09,04,380[2020:NIL].

The company during the year had also divested its investment in its 100% subsidiary company, eMudhra MU Ltd since the latter has effected capital reduction during quarter 4 of the FY 2020-21 amounting to Rs.3,68,00,000[2020:NIL] along with redemption premium of Rs.25,76,865[2020:NIL].

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

SL.NO

SUBSIDIARY

COMPANY PROFILE

SL.NO	SUBSIDIARY	COMPANY PROFILE
1	eMudhra Technologies Limited	<ul style="list-style-type: none">The company is engaged in providing signing solutions and associated services and other services around PKI technologies.
2	eMudhra MU Limited	<ul style="list-style-type: none">The company is a certifying authority in Mauritius and is engaged in providing digital signature and other allied services in and around PKI technologies.
3	eMudhra Consumer Services Limited	<ul style="list-style-type: none">The company is engaged in providing various software products, IT and IT enables products, etc. The company's product, emSigner, [paperless office solution] is attaining major traction across the globe.
4	eMudhra DMCC	<ul style="list-style-type: none">The company is a marketing company for eMudhra products and allied services in Middle East Africa [MEA] region. During the year it has also built its own product.
5	eMudhra INC	<ul style="list-style-type: none">The company is a marketing company for eMudhra products and allied services in Americas region.
6	eMudhra PTE Ltd	<ul style="list-style-type: none">The company is a marketing company for eMudhra products and allied services in Asia -Pacific [APAC] region.

- The company is a marketing company for eMudhra products and allied services in Europe region

19. Related Party Transactions

The Board of directors have approved related party transactions, all of them are under arm's length basis. The summary of related party transactions is also provided in Note no.34 of the audited financial statements.

Particulars of Contracts or arrangements with related parties referred to Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure E to the Board's Report.

20. Deposits

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

21. Auditors

1. Statutory Auditor

M/s Manohar Chowdhry and Associates were appointed by the shareholders at the Eleventh AGM (AGM 2019), as Statutory Auditors of the Company for the second term of five consecutive years to hold office until the conclusion of the Sixteenth AGM (AGM 2024). The requirement for the annual ratification of auditors' appointment has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07, 2018 and that they are free from any disqualification specified in Section 141 of the Companies Act, 2013 and the rules made thereunder.

Statutory Auditors report:

The statutory auditors report to the members for the year ended March 31, 2021 does not contain any qualification, reservation, adverse remark or disclaimer. Further auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.S P Nagarajan, Company Secretary in practice, to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit carried out for the year 2020-21 is annexed herewith as 'Annexure -B'. The secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer.

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

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

23. Disclosure relating to maintenance of cost records

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

24. Risk Management policy

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

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

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

25. Credit ratings

The company has engaged the credit rating agency ICRA limited based on the recommendations of our prime lender, Kotak Mahindra Bank Limited. As per ICRA , the company was awarded long-term rating of [ICRA]BBB (pronounced as ICRA triple B). The outlook on the long-term rating is ‘stable’. The ICRA also assigned short-term rating of [ICRA]A3+(pronounced as ICRA A three plus). These ratings are valid till July 31.2021.

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

- a) During the financial year, the Company has not employed any person with the aggregate remuneration for Rs. 1,02,00,000 / per annum if employed throughout the year or Rs. 8,50,000 per month if employed for part of the year.
- b) During the financial year, the company has employed Mr. Kaushik Srinivasan, who was in receipt of remuneration (Refer note 34(B.3) in the standalone audited financials) in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

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

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

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

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year. The Audit Committee duly met once on June 10, 2020, during the financial year under review and all the members were present in the said meeting.

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

28. Transfer to reserves

During the year, we have transferred Rs.7,50,00,000[2020: NIL] to the capital redemption reserve [refer note 4 to the standalone audited financials].

29. Shares

a. Buy back of shares

During the year, the company has redeemed 75,00,000 preference shares of 3i Infotech Limited at the rate of Rs.10[face value] per share amounting to Rs.7,50,00,000[2020: NIL].

b. Sweat equity


The company has not issued any sweat equity shares during the year under review.

c. Bonus shares

No bonus shares were issued during the year under review.

d. Employee stock option plan

During the year, the company has issued stock options relating to 6,55,000 equity shares at par value through the eMudhra employees' stock option trust and has cancelled 3,50,000 stock options relating to equity shares.



During the year, one ex-employee of the company has exercised the vested stock options for 75,000 equity shares pursuant to the employee stock option scheme against a payment of Rs.3,75,000/- to the said trust. These shares have been transferred to her on October 20,2020 from eMudhra Employee Stock Option Trust.

The unissued closing balance at the year end is 11,77,801 stock options of equity shares out of the 60,57,801 stock options on equity shares at the year end.

Acknowledgements

The board places on record its appreciation for the continued co-operation and support extended to the company by its customers which enables the Company to make every effort in understanding their unique needs and deliver maximum customer Satisfaction. We place on record our appreciation of the contribution made by the employees at all levels, whose hard work, co-operation and support helped us face all challenges and deliver results.

We acknowledge the support of our vendors, the regulators, the esteemed league of bankers, financial institutions, rating agencies, government agencies, auditors, legal and secretarial advisors, consultants, business associates and other stakeholders.

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

V Srinivasan
Director
DIN: 00640646

Venumadhava
Director
DIN: 06748204

Date: May 21, 2021
Place: Bangalore

ANNEXURE "A" TO DIRECTOR'S REPORT

1. Brief outline on CSR Policy of the Company.

The vision of CSR is to be socially and environmentally responsive organisation committed to improve quality of life within and outside. We at eMudhra focus on imparting education for employment by enhancing the vocation skills especially in the information technology area and arranging socio-economic development programs through training and student empowerment programs.

In line with the above vision, we have engaged two of our employees to handle this entire function by interacting with colleges/universities for sending students for such courses which is being conducted at our Bellandur, Bangalore office. During the year we have conducted two workshops, one on February 13, 2021 with respect to "Digital Security" with 45 students with Surana College, Bangalore. Our second workshop was conducted on March 19, 2021 with respect to Digital Security-Secure software development life cycle with another batch of 45 students of the same college. Further two of our employees who are assigned to this activity continuously interact with students on these subject to impart more knowledge to them.

In the current financial year, the company is planning to conduct more such workshops and will earmark appropriate amount required for such activity having regard to the 2% of average net profit for the last 3 years. .

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year
1	Venkatraman Srinivasan	Chairman	1
2	N L Sarda	Independent Director	1
3	Manoj Kunkalienkar	Independent Director	1
4	Venu Madhava	Whole-Time Director	1
5	Saji K Louiz	Chief	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.

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
3			
	Total		

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

₹9,84,86,984 [Refer note 40 to the audited financials for details]

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

₹19,69,740

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

₹0

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

₹0

(d) Total CSR obligation for the financial year (7a+7b-7c).

₹19,69,740

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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.
₹21,78,348	Nil		Nil	Nil	

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR



								registration number.
1.	Imparting education for employment by enhancing the vocation skills especially in the information technology area and arranging socio-economic development programs through training and student empowerment programs	Promoting Education	Yes	Bangalore, Karnataka	₹21,78,348	Yes	-	-
2.								
3.								
	Total							

(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) : ₹21,78,348

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	₹19,69,740
(ii)	Total amount spent for the Financial Year	₹21,78,348
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹2,08,608
(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)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							
	Total						



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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

V Srinivasan
Director & Chairman of CSR Committee
DIN: 00640646

Venu Madhava
Whole-Time Director
DIN:06748204

Date: May 21, 2021
Place: Bangalore

Annexure-B

1. Composition of the Board of Directors of the company was as follows

Sr. No.	Name of the Director		Category	Status
1	V.Srinivasan	Promoter	Chairman	Active
2	Dr. Nandlal L. Sarda	Non-Promoter	Independent Director	Active
3	Manoj Kunkalienkar		Independent Director	Active
4	Venu Madhava	Non- Promoter	Whole- time Director	Active

2. Attendance of each director at the meeting of board of directors and the annual General Meeting

Sr. No	Name of the Director	June 10, 2020	October 05, 2020	January 18, 2021	March 22, 2021	EGM October 22, 2020	EGM January 22, 2021	AGM Meeting July 22, 2020
1	V.Srinivasan	√	√	√	√	√	√	√
2	Dr. Nandlal L. Sarda	√	√	√	√	-	-	-
3	Manoj Kunkalienkar	√	√	√	√	-	-	-
4	Venu Madhava	√	√	√	√	√	√	√

ANNEXURE C**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2021****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U72900KA2008PLC060368
2.	Registration Date	16/06/2008
3.	Name of the Company	eMudhra Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	#56, 3rd Floor, Sai Arcade, Outer Ring Road, Devarabeesanahalli, Bangalore - 560103
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Digital Signature Certificates & Crypto Tokens	62099	61.5%
2	Enterprise Security Solutions	62099	38.5%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name	Address of the Company	CIN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	eMudhra (MU) Ltd	10 Frere Felix De Valois Street, Port Louis, 1116-07	-	Subsidiary	100%	Section 2(87)

2	eMudhra Technologies Limited	#56, 3rd Floor, Sai Arcade, Outer Ring Road, Devarabeesanahalli, Bangalore - 560103	U72200KA2012PLC065153	Subsidiary	51%	Section 2(87)
3	eMudhra Consumer Services Limited	#56, 3rd Floor, Sai Arcade, Outer Ring Road, Devarabeesanahalli, Bangalore - 560103	U72900KA2018PLC115186	Subsidiary	76%	Section 2(87)
4	eMudhra DMCC	3006 One Lake Plaza, Cluster T, JLT, Dubai, UAE P.O 32620	-	Subsidiary	51%	Section 2(87)
5	eMudhra Inc	97 Cedar Grove Lane, Suite 202 Somerset, NJ 08873	-	Subsidiary	51%	Section 2(87)
6	eMudhra BV	Wilhelmina Van Pruisenwg 000104 2595AN S-Gravenhague	-	Subsidiary	51%	Section 2(87)
7	eMudhra Pte Ltd	1 Phillip Street, #03-01Royal One Phillip, Singapore (048692)	-	Subsidiary	51%	Section 2(87)
8	PT eMudhra Technologies Indonesia	Griha Mampang, Lantai 3, Suit 305, Jalan Mampang Prpt Raya, KAV 100, Jakarta Selatan, DKI Jakarta 12760 Indonesia	-	Associate	29.5%	Section 2(87)

III. VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	45687768	0	45687768	65.10	45687768	0	45687768	65.10	-
b) Others	6132801	0	6132801	8.74	6057801	0	6132801	8.63	-
(2) Foreign									
a) Bodies Corp.	18359	0	18359123	26.1	1835	0	18359123	26.16	-



Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	70179692	0	70179692	100	70179692	0	70179692	100	-

B) Shareholding of Promoter-

S N	Shareholder 's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledge d / encumbered to total shares	
1	V Srinivasan	27973964	39.86	-	27973964	39.86	-	-
2	Mythili Srinivasan	2437836	3.47	-	2437836	3.47	-	-
3	Kaushik Srinivasan	1436518	2.05	-	1436518	2.05	-	-
4	Arvind Srinivasan	6636515	9.46	-	6636515	9.46	-	-
5	Lakshmi Kaushik	6201466	8.84	-	6201466	8.84	-	-
6	Aishwarya Arvind	1001469	1.43	-	1001469	1.43	-	-
7	eMudhra Employees Stock Option Trust	6132801	8.74	-	6057801	8.63	-	-
8	Taarav Pte Ltd	18359123	26.16	-	18359123	26.16	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change) – No Change

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					
	At the beginning of the year	-	-	-	-
	Allotment by virtue of amalgamation	-	-	-	-
	At the end of the year	-	-	-	-
		-	-	-	-
2.		-	-	-	-
	At the beginning of the year	-	-	-	-
	Allotment by virtue of amalgamation	-	-	-	-
	At the end of the year	-	-	-	-
		-	-	-	-

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	V Srinivasan, Chairman				
	At the beginning of the year	27973964	39.86	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	27973964	39.86	-	-
2.	Venumadhava, Whole-Time Director				
	At the beginning of the year	-	-	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	-	-	-	-
3.	N L Sarda, Independent Director				
	At the beginning of the year	-	-	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	-	-	-	-
4.	Manoj Kunkalienkar, Independent Director				
	At the beginning of the year	-	-	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	-	-	-	-
5.	Saji K Louiz				

	At the beginning of the year	-	-	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	-	-	-	-
6.	Johnson Xavier	-	-	-	-
	At the beginning of the year	-	-	-	-
	Allotment / transfer / bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	-	-	-	-

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,38,03,575	2,16,00,000		31,54,03,575
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	29,38,03,575	2,16,00,000		31,54,03,575
Change in Indebtedness during the financial year				
* Addition	7,74,34,417	-		7,74,34,417
* Reduction	5,60,37,487	2,16,00,000		7,76,37,487
Net Change	-	2,16,00,000	-	2,03,070
Indebtedness at the end of the financial year				
i) Principal Amount	31,52,00,505	-		31,52,00,505
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	31,52,00,505	-		31,52,00,505

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Venu Madhava		----	---
1	Gross salary	43,63,729			43,63,729

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	43,63,729	-	-	-	43,63,729
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors –

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors		Manoj Kunkalienkar	NL Sarda	
	Fee for attending board committee meetings	-	2,25,000	2,25,000	4,50,000
	Commission	-	7,69,884	7,69,884	15,39,768
	Others, please specify	-	-	-	-
	Total (1)	-	9,94,884	9,94,884	19,89,768
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	9,94,884	9,94,884	19,89,768
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NA	14,86,281	39,47,377	54,33,658
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2)	-	-	-	-

	Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
	- as % of profit	-	-	-	
	others, specify...	-	-	-	
5	Others, please specify	-	-	-	
	Total	-	14,86,281	39,47,377	54,33,658

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

V Srinivasan
Director
DIN: 00640646

Venumadhava
Director
DIN: 06748204

Date:21-05-2021

Place: Bangalore

ANNEXURE D

Form AOC-1


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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details						
1.	Name of the subsidiary	eMudhra Technologies Limited	eMudhra (MU) Ltd	eMudhra Consumer Services Limited	eMudhra DMCC	eMudhra Inc	eMudhra PTE Ltd	eMudhra B V
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	08.01.2021 to 31.03.2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR [Indian Rupee]	MUR [Mauritian Rupee]	INR [Indian Rupee]	AED [Arab Emirates Dirhams]	USD [United States Dollar]	SGD [Singapore Dollar]	EURO [Euro]
4.	Share capital	2,95,05,520	5,15,84,770	5,00,00,000	1,00,000	2,05,000	2,50,000	1,00,000
5.	Reserves & surplus	(84,72,422)	66,16,493	2,83,21,772	62,69,316	(3,94,218)	91,315	(10,765)
6.	Total assets	2,59,31,229	5,81,90,209	8,66,67,327	1,16,64,817	4,987	4,59,171	2,292
7.	Total Liabilities	2,59,31,229	5,81,90,209	8,66,67,327	1,16,64,817	4,987	4,59,171	2,292
8.	Investments	-	-	-	64,04,856	-	-	-
9.	Turnover	1,38,58,944	(3,22,350)	7,92,23,726	1,27,78,563	2,00,233	6,904	7,500
10.	Profit before taxation	(97,47,408)	2,47,09,179	1,08,09,517	56,75,693	(1,49,028)	(42,661)	1,553
11.	Provision for taxation	7,98,000	-	27,11,010	-	-	-	-
12.	Profit after taxation	(1,05,45,408)	2,47,09,179	80,98,507	56,75,693	(1,49,028)	(42,661)	1,553
13.	Proposed Dividend	-	-	-	-	-	-	-
14.	% of shareholding	51%	100%	76%	51%	51%	51%	51%



Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

V Srinivasan
Director
DIN: 00640646

Venumadhava
Director
DIN: 06748204

Date : 21-05-2021
Place: Bangalore

ANNEXURE-E**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:


Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	NA	NA	NA	NA	NA	NA	NA	NA

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	eMudhra Consumer Services Limited	Sale of product/Services	One time	Rs. 2,50,00,000	10 th June 2020	-
		Sale of software licensing fees	One time	Rs. 5,94,300		
		Purchase of software licensing fees	One time	Rs. 3,65,95,471		



2.	eMudhra Technologies Limited	Sale of software licensing fees	One time	Rs. 29,48,403	10 th June 2020	-
		Purchase of software licensing fees	One time	Rs. 1,14,10,000		
3.	Bluesky Infotech	Sale of products/Services	One time	Rs. 10,96,04,262	10 th June 2020	
		Purchase of Products/Services	One time	Rs. 7,83,19,748		
		Commission paid	One time	Rs. 1,94,62,661		
4.	eMudhra DMCC	Sale of product/services	One time	Rs. 74,14,742	10 th June 2020	
		Sale of software licensing fees	One time	Rs. 48,37,362		



5.	eMudhra BV	Investment in Equity Shares	One time	Rs. 46,11,650	10 th June 2020	
6.	PT eMudhra Technologies Indonesia	Investment in Equity Shares	One time	Rs.1,09,04,380	10 th June 2020	

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

V Srinivasan
Director
DIN: 00640646

Venumadhava
Director
DIN: 06748204

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 Personnel Rules, 2014)]*

To,
The Members,
EMUDHRA LIMITED
No.56, 3rd Floor, Sai Arcade,
Outer Ring Road, Devarabeesanahalli
Bangalore-560103

CIN: U72900KA2008PLC060368
Authorised Capital: Rs. 86,50,00,000/-

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

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2021 (‘year under review’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021. The Company has complied with the provisions of the following laws, rules and regulations, wherever applicable:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Overseas Direct Investment;
 - iii. The Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018. As the Ministry of Corporate Affairs (MCA) has notified that with effect from 2nd October, 2018, issue of further shares and transfer of all shares by unlisted public companies shall be in dematerialised form only, the Company has initiated necessary steps and in process to enable compliance with the said regulations.

- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder with regard to dematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company. The Company has initiated necessary measures to enable compliance with clause Regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
- v. The other laws, as informed and certified by the management of the Company which are to the extent applicable to the Company based on its sector/ industry, are:
 - a. The Registration Act, 1908
 - b. The Indian Stamp Act, 1899
 - c. The Limitation Act, 1963
 - d. Indian Contract Act, 1872
 - e. Negotiable Instrument Act, 1881
 - f. Sale of Goods Act, 1930
 - g. The Information Technology Act. 2000
 - h. The Aadhaar Act, 2016
 - i. Right to Information Act, 2005
 - j. The Trade Marks Act, 1999
 - k. The Patents Act, 1970
 - l. Indian Copyright Act, 1957
 - m. Income Tax Act, 1961
 - n. The Central Goods and Service Tax Act, 2017
 - o. The Insurance Act, 1938
 - p. Labour Laws including The Employees' Provident Funds And Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Employees' State Insurance (Central) Rules, 1950, ESI Act, Payment of Bonus Act, Payment of Gratuity Act, Contract Labour Act, Employees Compensation Act, Apprentices Act, Equal Remuneration Act, 1976, Maternity Benefit Act, 1961
 - q. The State Acts, rules, guidelines and regulations to the extent applicable to the Company.

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

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

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

- b) The Listing Agreements entered into by the Company with Stock Exchanges
Not applicable as the Company is an unlisted public company.

3. The following regulations/Acts/guidelines are NOT APPLICABLE to the Company during the audit period as the Company is an unlisted public company:
- i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder with regard to maintenance of minimum public shareholding and compliance under clause 35 of the Listing Agreement.
 - ii. 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 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015
4. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company: -

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

- a) maintenance of various statutory registers and documents and making necessary entries therein wherever applicable; -

- b) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) notice of Board meetings and Committee meetings of Directors;
- e) the meetings of Directors and Committees of Directors;
- f) the Twelfth Annual General Meeting held on 22nd July 2020;
- g) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) approvals of the Members, the Board of Directors, the Committees of Directors, Government authorities, wherever required;
- i) constitution of the Board of Directors /Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Executive Directors, Whole-time Director and Key Managerial Personnel (Chief Financial Officer and Company Secretary) to the extent applicable;
- j) payment of remuneration to Executive Directors/Key Managerial Personnel;
- k) appointment and remuneration of Auditors;
- l) investment of the Company's funds including inter-corporate loans and investments and loans to others wherever applicable;
- m) filing of e-forms for creation and modification of charges during the year under review;
- n) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- o) Directors' report;
- p) contracts, common seal, registered office and publication of name of the Company; and
- q) generally, all other applicable provisions of the Act and the Rules made under.

5. I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance in accordance with Section 173(3) of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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.

6. 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.

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

8. I further report that:

- (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment and independence;
- (c) the Company has obtained all necessary approvals under the various provisions of the aforesaid Acts and rules made thereunder, to the extent applicable; and
- (d) there was no prosecution initiated by any statutory authorities and no fines or penalties were imposed during the year under review under the Act and rules framed thereunder against / on the Company, its Directors and Officers.
- (e) the shareholders at Extra-ordinary General Meeting dated 20th January 2021 approved the extension for redemption date of fully paid preference shares of 75,00,000 held by 3i Infotech Limited till 31st January 2021 and fully paid preference shares 86,00,000 held by Mr. V Srinivasan, Ms. Mythili, Mr. Kaushik Srinivasan and Mr. Arvind Srinivasan till 15th December 2022 with continuation of cumulative dividend at the rate of 3%.
- (f) the 75,00,000 fully paid preference shares of Rs. 10 each carrying cumulative dividend at the rate of 3% amounting to Rs. 7,50,00,000 held by 3i Infotech Limited were redeemed out of profits of the Company during the year under review.

Place: Bangalore	Signature : SUBRAMANIAM PARASURAMA N NAGARAJAN <small>Digitally signed by SUBRAMANIAM PARASURAMAN NAGARAJAN Date: 2021.05.21 18:29:32 +05'30'</small>
	Name of the Company Secretary : S.P.NAGARAJAN
Date: 21/05/2021	ACS Number : 10028 CP Number : 4738 UDIN : A010028C000355661
Peer reviewed Unit - bearing Unique Identification Number: I2002KR300400	

Note: In view of the second wave of the COVID19 pandemic and as per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, the Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration Personnel Rules, 2014 was conducted by using appropriate Information Technology tools by virtual data sharing by Electronic mails to access and examine relevant documents for completion of the audit.

Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

UDIN :21239986AAAAAN4966

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the Members of eMudhra Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of eMudhra Limited ("the Company") which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss, and the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2021, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.



Page 1 of 13

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures thereto, but does not include the financial statements and our auditor's report thereon.

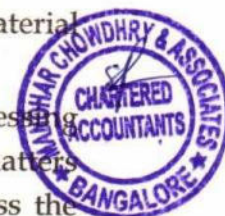
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with financial statements or our knowledge obtained during the course of our audit.

Responsibility of Management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the



Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate,



to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

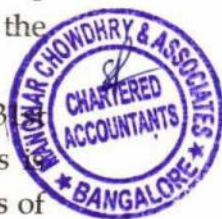
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of Companies Act, 2013 of India (the Act), we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
- 2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note no.22 to the financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bangalore

Date: 21-05-2021

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm Registration No: 001997S



Sumith Rathi

Partner

Membership No: 239986



ANNEXURE "A" "TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph under the heading "Report on other legal and Regulatory requirement of our report of even date to the financial statements of the company for the year ended 31st March, 2021.

- i.
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The company has a program of verification to cover all the items of the fixed assets in a phased manner which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. According to the information and explanations provided by the management no physical verification of fixed assets is done during the year.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the deeds provided us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are in the name of the Company as at the Balance sheet date. In respect of the immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreement are in the name of the company.
- ii. According to the information and explanations provided by the management has done physical verification of inventory during the year.
- iii. As informed to us the company has not granted any loans, secured or unsecured to the companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.

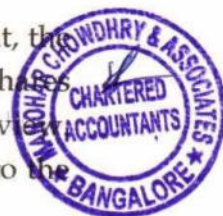


- iv. According to the information and explanation given to us, the company has complied with provisions of Sec.185 and 186 of the Act, with respect to the investment made.
- v. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the act and companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the act, for any of the services rendered by the company.
- vii.
 - a. According to the information and explanation given to us and on the basis of our examination of books of accounts, and records, the company has been generally regular in depositing undisputed statutory dues including as provident fund, Employee's state insurance, Income tax, Goods and Service tax, cess Income tax and any other statutory dues with appropriate authorities.
 - b. As per the information and explanation provided to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2021 for a period of more than six months from the date on when they become payable.
 - c. According to the information received and explanation provided, there are no dues of tax, goods and service tax outstanding on account of any dispute, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Appeal	3,22,90,170	Assessment year 2012-113	High court



- viii. According to the records of the company examined by us and the information/explanation provided to us, the company has not defaulted in repayment of any dues to any financial institution or to the bank as at the balance sheet.
- ix. As per the explanation provided to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. As per the information provided by the management, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of the audit.
- xi. According to the explanation and information given by the management, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the companies Act, 2013.
- xii. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) of the order are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations provided by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiii) of the order are not applicable to the company and hence not commented upon.



- xv. As informed by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the order are not applicable to the company and hence not commented upon.
- xvi. In our opinion the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the order are not applicable to the company and hence not commented upon.

Place: Bangalore

Date: 21-05-2021

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm Registration No: 001997S



Sumith Rathi

Partner

Membership No: 239986



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial controls over Financial statements under clause (i) of sub section (3) of section 143 of the Act.**

We have audited the internal financial controls over financial reporting of the **eMudhra Limited** ("the Company ") as of March 31, 2021, in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management 's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- i. Pertain to the maintenance of records that, in reasonable details, 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 over Financial reporting

Because of the inherent limitations of the internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over



financial reporting may become inadequate because of changes in conditions ,or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion , the Company has , in all material respects , an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ".

Place: Bangalore

Date: 21-05-2021

For Manohar Chowdhry & Associates

Chartered Accountants

Firm Registration No: 001997S



Sumith Rathi

Partner

Membership No: 239986



eMudhra Limited
Cash Flow Statement

Amount in INR

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities	203,922,005	156,960,286
Profit before tax		
Adjustments for :	61,833,807	65,151,511
Depreciation	(2,699,965)	(2,983,412)
Capital Gain	(1,028,955)	(465,189)
Interest income	6,025,148	6,484,948
Interest expenses	268,052,040	225,148,144
Operating profit before working capital changes		
Changes in working capital:	3,370,437	(3,569,655)
(Increase)/ decrease in inventories	40,689,102	(53,558,881)
(Increase)/ decrease in trade receivables	(12,789,406)	(47,893,576)
(Increase)/ decrease in loans and advances	48,291,836	27,921,182
Increase/ (decrease) in current liabilities	347,614,009	148,047,214
Cash generated from operations	(50,770,000)	(37,368,208)
Direct taxes paid (net of refunds)	296,844,009	110,679,006
Net cash from operating activities		
Cash flow from investing activities	(180,579,229)	(224,662,447)
Purchase of tangible/intangible assets	(15,516,030)	(15,947,960)
Investment in units of Subsidiaries	37,676,900	24,491,457
Sales of Investments	-	41,490,078
Sale of tangible/intangible assets	2,699,965	2,983,412
Capital gain on sale of Investment	1,028,955	465,189
Interest received	(154,689,441)	(171,180,271)
Net cash from / (used in) investing activities		
Cash flow from financing activities	37,224,955	73,945,458
Receipt (payment) of long term borrowing	-	-
Shares issued during the year	-	-
Retained earnings brought on account of amalgamation	-	-
Securities premium brought on account of amalgamation	-	-
Redemption of preference share capital	(75,000,000)	-
Dividend Paid including dividend distribution tax	(6,564,375)	(6,008,008)
Proceeds (repayment) from short term borrowings	(37,428,042)	(7,047,932)
Interest paid	(6,025,148)	(6,484,948)
Net cash from / (used in) financing activities	(87,792,610)	54,404,570
Net increase/decrease in cash and cash equivalents	54,361,954	(6,096,696)
Cash and cash equivalents at the beginning of the period	10,020,201	16,116,897
Cash and cash equivalents at the end of the period	64,382,155	10,020,201
Cash and cash equivalents comprises of:		
Cash on hand	162,205	261,510
Balance with banks	9,514,950	9,758,691
In current accounts	54,705,000	-
Deposit accounts		
Total	64,382,155	10,020,201

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Manohar Chowdhry and Associates
Firm Registration Number: 0019975
Chartered Accountant


Sumith Rathi
Partner

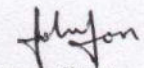
Membership No: 239986

For and on behalf of the Board of
Directors of eMudhra Limited

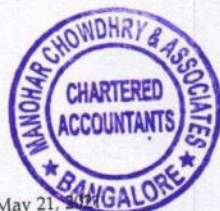

V Srinivasan
Chairman
DIN: 00640646

Venu Madhava
Director
DIN: 06748204


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary

Bangalore, May 21, 2021



Bangalore, May 21, 2021

eMudhra Limited
Balance Sheet

Particulars	Note no	Amount in INR	
		As at March 31,2021	As at March 31,2020
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	3	436,898,460	511,898,460
Reserves and surplus	4	525,165,576	382,510,946
Non-current liabilities			
Long-term borrowings	5	224,527,349	187,302,377
Other long-term liabilities	6	17,982,917	11,025,860
Deferred tax liabilities (net)	7	8,857,134	4,924,134
Long- term provisions	8	27,048,710	16,024,287
Current liabilities			
Short-term borrowings	9	90,673,156	128,101,198
Trade payables	10	29,404,204	35,344,519
Other current liabilities	11	152,069,431	117,517,019
Short-term provisions	12	5,264,321	3,566,063
Total		1,517,891,258	1,398,214,863
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	13	656,274,338	149,489,778
Intangible assets	14	245,913,686	288,158,064
Tangible assets under development		37,400,380	384,825,460
Intangible asset under development		7,576,086	5,945,745
Non-current investments	15	192,073,255	214,234,125
Long term loans and advances	16	67,427,549	67,658,287
Current Assets			
Inventories	17	3,004,165	6,374,602
Trade receivables	18	137,590,355	178,279,457
Cash and cash equivalents	19	64,382,155	10,020,201
Short-term loans and advances	20	104,705,371	92,330,169
Other current assets	21	1,543,918	898,976
Total		1,517,891,258	1,398,214,863
Other notes to accounts	1 & 39		
Summary of significant accounting policies	2		
Contingent liabilities	22		

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For Manohar Chowdhry & Associates
Firm Registration Number. 0019975
Chartered Accountants


Sumith Rath
Partner
Membership No: 239986



Bangalore, May 21, 2021

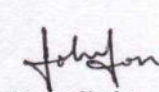
For and on behalf of the Board of Directors
of eMudhra Limited



V Srinivasan
Chairman
DIN: 00640646


Venu Madhava
Director
DIN: 06748204


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary
Bangalore, May 21, 2021



eMudhra Limited
Statement of Profit and Loss

Particulars	Note no	Amount in INR	
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
INCOME			
Revenue from operations (refer note 35)		1,093,669,835	1,030,375,794
Other income	23	3,905,570	3,448,601
Total revenue		1,097,575,405	1,033,824,395
EXPENSES			
Operating expenses	24	163,007,103	120,390,745
Purchases of stock-in-trade	25	180,519,354	236,814,536
Changes in inventories of stock-in-trade	26	3,370,437	(3,569,655)
Employee benefit expense	27	330,820,129	267,513,841
Financial costs	28	6,025,148	6,484,948
Depreciation and amortization expense	29	61,833,807	65,151,511
Other expenses	30	148,077,422	184,078,183
Total Expense		893,653,400	876,864,109
Profit(loss) before tax		203,922,005	156,960,286
Tax Expense:			
Current tax		50,770,000	37,368,208
Deferred tax		3,933,000	1,822,000
Profit/(loss) after tax		149,219,005	117,770,078
Dividend Paid on preference shares		6,564,375	6,008,008
Profit/(loss) for the year		142,654,630	111,762,070
Earnings per equity share(Nominal value of Rs.5 per share)			
Basic	31	2.13	1.68
Diluted		2.13	1.68
Other notes to accounts	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

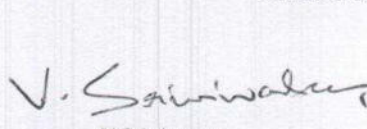
For Manohar Chowdhry & Associates
Firm Registration Number: 0019975
Chartered Accountant



Samith Rathi
Partner
Membership No: 239986



Bangalore, May 21, 2021

For and on behalf of the Board of Directors of
eMudhra Limited


V Srinivasan
Chairman
DIN: 00640646


Venu Madhava
Director
DIN: 06748204


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary

Bangalore, May 21, 2021



1. General Information

eMudhra Limited is a public limited company engaged in providing various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra is a licensed certifying authority under the Information Technology Act, 2000.

Founded in 2008 from the seed of digital signatures, eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers' financial and statutory needs. eMudhra's products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions, solutions for securing data at rest and data in transit, solutions for Internet of Things (IoT), etc.

2. Summary of significant accounting policies

I. Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, the existing Accounting Standards notified under the Companies Act, 2013 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2014, as amended] and other relevant provisions of the Companies Act, 2013.

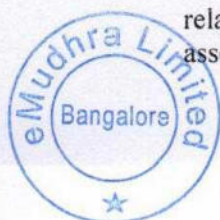
II. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The application of accounting policies that require critical accounting estimates, judgements and the use of assumptions in these financial statements and therefore actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The company has considered the possible effects that may arise from the pandemic relating to COVID-19 on the carrying amounts of receivables. 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.

III. Tangible Assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.



Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/upto the date of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule II to the Companies Act, 2013. However, the leasehold improvements are depreciated at lower of useful life mentioned in schedule II of the above said act or over the lease period.

IV. Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 10 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.

V. Investments

Long term investments are carried at cost and necessary provisions are made to recognize any decline, other than temporary, in the value of such investments.

Current investments are carried at the lower of cost and fair value and provision is made to recognize any decline in the carrying value.

VI. Inventories

Inventories are valued at the lower of cost, computed on a FIFO basis and estimated net realizable value.

VII. Revenue Recognition

The company use the following methods while recognizing revenue for any given period

1. Percentage-of-completion method in accounting for its fixed price assignments.
2. Digital signature related revenue is accounted based on billing.
3. Revenue from traded materials are accounted on the basis of delivery.
4. The prepaid revenues are amortised in the same financial year, if the value is less than or equal to Rs.1,000,000.

VIII. Other income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



IX. Leases

1. Operating lease
 - a) The operating lease rentals are expenses off with reference to lease terms and other considerations, if any
2. Finance lease
 - b) The lower of the fair value of the assets and present value of the minimum lease rentals are capitalized as fixed assets with corresponding amount shown as lease liabilities. The entire amount with respect to the lease rentals are adjusted against the lease liabilities.

X. Foreign Currency transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from April 1, 2011 onwards, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.



XI. Employee Benefits

(a) Defined Contribution Plan

Contribution towards provident fund and pension scheme for employees is made to the regulatory authorities which are recognised by the Income Tax Authorities and administered through appropriate authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(b) Defined Benefit Plan

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined by an independent actuary (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Other Employee Benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

XII. Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

XIII. Current and Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred



tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

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 assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XIV. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

XV. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.



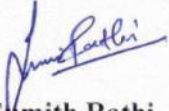
XVI. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

For Manohar Chowdhry & Associates

Chartered Accountant

Firm Registration Number: 001997S



Sumith Rathi

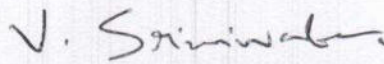
Partner

Membership No: 239986



Bangalore, May 21, 2021

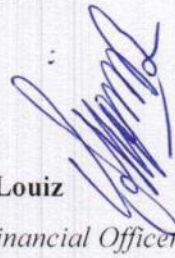
**For and on behalf of the Board of Directors
Of eMudhra Limited**



V Srinivasan

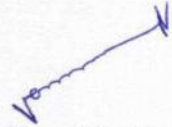
Chairman

DIN: 00640646



Saji K Louiz

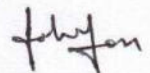
Chief Financial Officer



Venu Madhava

Director

DIN: 06748204



Johnson Xavier

Company Secretary

Bangalore, May 21, 2021



3 Share capital

Authorised

12,30,00,000 (2020:12,30,00,000) equity shares of Rs.5 each
2,50,00,000 (2020: 2,50,00,000) redeemable preference shares of Rs.10 each

Issued

7,01,79,692 (2020:7,01,79,692) equity shares of Rs.5 each
86,00,000 (2020: 1,61,00,000) Preference shares of Rs.10 each

Subscribed & Paid - up

7,01,79,692 (2020:7,01,79,692) equity shares of Rs.5 each
86,00,000 (2020: 1,61,00,000) Preference shares of Rs.10 each

	As at March 31,2021	As at March 31,2020
615,000,000	615,000,000	615,000,000
250,000,000	250,000,000	250,000,000
865,000,000	865,000,000	865,000,000
350,898,460	350,898,460	350,898,460
86,000,000	161,000,000	161,000,000
350,898,460	350,898,460	350,898,460
86,000,000	161,000,000	161,000,000
436,898,460	511,898,460	511,898,460

(a) Reconciliation of number of shares

Equity Shares:

Balance at the beginning of the year

Balance at the end of the year

Preference Shares:

Balance at the beginning of the year

Less: Redeemed during the year

Balance at the end of the year

As at March 31,2021		As at March 31,2020	
Number of shares	Amount	Number of shares	Amount
70,179,692	350,898,460	70,179,692	350,898,460
70,179,692	350,898,460	70,179,692	350,898,460

As at March 31,2021		As at March 31,2020	
Number of shares	Amount	Number of shares	Amount
16,100,000	161,000,000	16,100,000	161,000,000
7,500,000	75,000,000	-	-
8,600,000	86,000,000	16,100,000	161,000,000

(b) Rights, preferences and restrictions attached to shares

Equity shares

Equity shares: The company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

Preference shares

86,00,000 (2020:1,61,00,000) preference share of Rs.10 each. These shares are 3% cumulative non convertible preference shares of Rs.10 each. During the year, the company has redeemed 75,00,000 preference shares issued to M/s 3i Infotech Limited at the rate Rs 10 per share

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares:

V Srinivasan
Lakshmi Kaushik
Arvind Srinivasan
eMudhra Employees Stock Option Trust
Taarav Pte Ltd

	As at March 31,2021	%	As at March 31,2020	%
27,973,964	40%	27,973,964	41%	
6,201,466	9%	6,201,466	9%	
6,636,515	9%	6,636,515	9%	
6,057,801	9%	6,132,801	9%	
18,359,123	26%	18,359,123	26%	
-	0%	7,500,000	47%	
6,653,438	77%	5,355,731	33%	
-	0%	1,297,707	8%	
973,281	11%	-	0%	
973,281	11%	-	0%	
-	0%	973,281	6%	
-	0%	973,281	6%	

Preference Shares:

3i Infotech limited
V Srinivasan
Mythili Srinivasan
Lakshmi Kaushik
Aishwarya Arvind
Kaushik Srinivasan
Arvind Srinivasan



Note no	Particulars	As at March 31,2021	As at March 31,2020
4	Reserves and surplus		
	Capital redemption reserve		
	Opening balance	89,000,000	89,000,000
	Add: transferred during the year	75,000,000	-
	Balance as at the end of the year	164,000,000	89,000,000
	Surplus in the Statement of Profit and Loss		
	Balance at the beginning of the year	293,510,946	181,748,876
	Profit/ (Loss) for the year/period	142,654,630	111,762,070
	Transfer to capital redemption reserve	(75,000,000)	-
	Balance as at the end of the year	361,165,576	293,510,946
		525,165,576	382,510,946
5	Long-term borrowings		
	Secured term loans:		
	From Bank	224,527,349	187,302,377
		224,527,349	187,302,377
	Nature of security and terms of repayment for secured borrowings:		
	Nature of security	Terms of Repayment	
	During the year, our banker, Kotak Mahindra Bank Limited, has sanctioned additional loan under ECLGS scheme amounting to Rs.55,800,000/- towards construction of Digital Signature Campus building in KIADB IT Park, Devenahalli, Bangalore, out of which entire amount has been utilised till March 2021.	Term loan 1(Rs.150,000,000): The repayment started from June 2019 with a monthly instalment of Rs.26,07,387 for a period of 81 months. Company has made a repayment of Rs.259,95,117 till March 2021 towards the principal. The unutilised amount lapsed is Rs.11,672	
	1.Primary Security:First and exclusive charge on all existing and future current assets,movable assets,movable fixed assets,tangible and intangible assets of the borrower	Term loan 2(Rs.100,000,000): The repayment from June 2020 with a monthly instalment of Rs.24,63,424 for a period of 48 months. Company has made a repayment of Rs.70,32,583 till March 2021 towards the principal. The unutilised amount lapsed is Rs.913,346.	
	2. Collateral Security: Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bengaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bengaluru Urban Dist measuring land 3 acres standing in the name of the company.Property presently under construction.	Term loan 3(Rs.55,800,000): This facility currently under moratorium and shall start the repayment from December 2021. with a monthly instalment of Rs.17,06,743 for a period of 48 months[including moratorium period].	
	3. Collateral Security: Residential flat in "Cedar grove Oasis" apartment, property no.96,Katha no 1374/533/21,Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of M/s.Cedar Grove Real Estate Private Limited.	Interest Rate: repo rate + Spread of 4.95%	
	4. Collateral Security: Vacant land situated at, property no.95(old no.15),New Katha no 1368/527/15,old Katha no.527, Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village, Bangalore standing in the name of Mr.V.Srinivasan.		
6	Other long-term liabilities		
	Trade deposits	2,525,000	2,525,000
	Lease liabilities[refer note 37]	11,851,758	-
	Income received in advance	3,606,159	8,500,860
		17,982,917	11,025,860
7	Deferred tax liabilities (net)		
	Deferred tax on account of:		
	Depreciation	8,857,134	4,924,134
		8,857,134	4,924,134
8	Long- term provisions		
	Provision for employee benefits: (refer note 33)		
	Provision for gratuity	21,242,210	12,657,759
	Provision for compensated absences	5,806,500	3,366,528
		27,048,710	16,024,287



Note no	Particulars	Amount in INR	
		As at March 31,2021	As at March 31,2020
9	Short-term borrowings		
	Unsecured		
	From Associated enterprises	-	21,600,000
	Secured		
	From scheduled banks*		
	Working capital loan	43,353,224	79,229,064
	Current maturity of term loan(refer note 5)	47,319,932	27,272,135
		<u>90,673,156</u>	<u>128,101,198</u>

* The company has existing workign capital facility from Kotak Mahindra Bank Limited with a limit of Rs.80,000,000 and has availed additional facility from ICICI Bank Limited with a limit of Rs.38,000,000. These loans are repayable on demand.

Nature of Security[Kotak Mahindra Bank Limited]:

1. **Primary Security:** Secured against receivables and inventory of the company.

2. **Collateral Security:** (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bangaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bangaluru Urban Dist measuring land 3 acres standing in the name of the company.

(b) PResidential flat in "Cedar grove Oasis" apartment, property no.96,Katha no 1374/533/21,Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of M/s.Cedar Grove Real Estate Private Limited.

(c) Vacant land situated at, property no.95(old no.15),New Katha no 1368/527/15,old Katha no.527, Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of Mr.V.Srinivasan.

Nature of Security[ICICI Bank Limited]:

1. This facility is 100% secured on fixed deposit made with this bank amounting to Rs.4,000,0000.

10	Trade payables		
	Total outstanding dues of micro and small enterprises [refer note no 36]	19,286,201	-
	Total outstanding dues of creditors other than micro and small enterprises	10,118,003	35,344,519
		<u>29,404,204</u>	<u>35,344,519</u>
11	Other current liabilities		
	Advance from Customers	1,014,947	1,632,914
	Capital creditors	6,131,827	7,026,374
	Income received in advance	11,991,700	13,633,689
	Statutory dues (Including GST,provident fund and tax deducted at source)	22,413,258	28,904,155
	DSC Portal deposit	9,112,334	10,310,767
	Employee benefits payable	25,506,571	30,606,843
	Lease liabilities[refer note 37]	5,470,042	-
	Income tax provision (net of TDS)	36,125,085	-
	Other payables towards contractual obligations	34,303,667	25,402,277
		<u>152,069,431</u>	<u>117,517,019</u>
12	Short-term provisions		
	Provision for employee benefits:		
	(refer note 33)		
	Provision for gratuity	2,000,000	2,000,000
	Provision for compensated absences	3,264,321	1,566,063
		<u>5,264,321</u>	<u>3,566,063</u>



13 Tangible assets

	Gross Block				Depreciation Block				Net Block	
	April 1, 2020	Additions	(Disposals)	March 31, 2021	April 1, 2020	For the year	(Disposals)	March 31, 2021	March 31, 2021	March 31, 2020
Own Assets:										
Leasehold land*	89,252,215	-	-	89,252,215	2,877,671	852,214	-	3,729,885	85,522,330	86,374,545
Building	31,972,469	-	-	31,972,469	4,773,782	1,070,634	-	5,844,416	26,128,053	27,198,687
Building on leasehold land	1,927,716	510,738,224	-	512,665,940	1,565,998	177,802	-	1,743,800	510,922,140	361,718
Computer and hardware	62,111,731	9,319,614	-	71,431,345	43,679,754	6,700,108	-	50,379,862	21,051,483	18,431,977
Motor vehicles	6,205,721	-	-	6,205,721	3,736,032	551,289	-	4,287,321	1,918,400	2,469,689
Office equipment's	33,860,427	220,389	-	34,080,816	19,207,249	4,141,635	-	23,348,884	10,731,932	14,653,177
Total	225,330,278	520,278,227	-	745,608,506	75,840,486	13,493,682	-	89,334,168	656,274,338	149,489,793
March 31,2020	213,482,957	11,847,322	-	225,330,278	63,063,624	12,776,878	-	75,840,486	149,489,793	150,419,333

14 Intangible assets

	Gross Block				Amortisation Block				Net Block	
	April 1, 2020	Additions	(Disposals)	March 31, 2021	April 1, 2020	For the year	(Disposals)	March 31, 2021	March 31, 2021	March 31, 2020
Identity & Transaction Management Application	545,183,346	5,945,745	-	551,129,091	301,196,586	41,428,863	-	342,625,449	208,503,642	243,986,760
DSC Partner Portal	63,377,897	-	-	63,377,897	22,582,736	6,478,510	-	29,061,246	34,316,651	40,795,161
Computer Software for office use	10,592,502	150,000	-	10,742,502	7,216,357	432,752	-	7,649,109	3,093,393	3,376,145
Brand	608,750	-	-	608,750	608,750	-	-	608,750	-	-
Total	619,762,495	6,095,745	-	625,858,240	331,604,429	48,340,125	-	379,944,554	245,913,686	288,158,066
March 31,2020	642,040,561	33,721,934	56,000,000	619,762,495	293,739,720	52,374,633	14,509,922	331,604,429	288,158,066	348,300,841

*Note: Out of this land worth Rs.8,30,01,213 is the the lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no.21,22 &24- Part) of B K Palya Village, Jala Hobli, Bengaluru North Taluk, has been allotted to our company by Karnataka Industrial Areas Development Board as per the allotment letter no. KIADB/HO/Allot/AS/30017/8927/15-16 dated 23.09.2015. The company has later obtained possession certificate vide letter no. TADB/AE/30017/1158/2015-16 dated 29.03.2016. This has been allotted for a leasehold period of 99 years beginning from possession date. This land is mortgaged against term loan of Rs. 25,00,00,000 by Kotak Mahindra Bank. Another land worth Rs.62,51,000 is the lease hold land measuring 2.5 acres in the ELCOSEZ- jagirammalayam, Salem is also under 99 year lease.



Note no	Particulars	As at March 31,2021	As at March 31,2020
15	Non-current investments		
	Quoted instruments:-		
	Investment In Mutual Fund:		
	Investment In mutual fund (50,000 (2020: 15,00,000) units of Canara robeco protection oriented fund - regular growth plan at par value of Rs.10 each)	623,100	1,500,000
	Unquoted equity/preference instruments:-		
	Investments in subsidiary companies:		
	Investment in eMudhra Mu Limited (5,158,477 (2020:7,158,477) equity shares of face value of MUR10 each)	108,977,622	145,777,622
	Investment in eMudhra Technologies Ltd (15,04,782 (2020:15,04,782) equity shares of face value of Rs.10 each)	13,008,543	13,008,543
	Investment in eMudhra Consumer Services Ltd (38,00,000 (2020:38,000,000) equity shares of face value of Rs.10 each)	38,000,000	38,000,000
	Investment in eMudhra DMCC (51 (2020: 51) equity shares of face value of AED 1000 each)	1,011,582	1,011,582
	Investment in eMudhra PTE Ltd (1,27,500 (2020:127,500) equity shares of face value of SGD 1 each)	6,543,020	6,543,020
	Investment in eMudhra BV (51,000 (2020:NIL) equity shares of face value of EURO 1 each)	4,611,650	-
	Investment in PT Emudhra Technologies Indonesia (147,500 (2020:NIL) equity shares of face value of USD 1 each)	10,904,380	-
	Investment in eMudhra INC Ltd (1,05,000 (2020: 105,000) equity shares of face value of USD 1 each)	8,393,358	8,393,358
		<u>192,073,255</u>	<u>214,234,125</u>
16	Long term loans and advances		
	Unsecured, considered good		
	Capital advances	-	16,630
	Deposits:		
	Security deposits	20,634,737	16,773,598
	Tender deposits	967,000	1,375,276
		<u>21,601,737</u>	<u>18,165,504</u>
	Other loans and advances		
	Income tax Provision (net of TDS)	8,504,819	11,428,957
	Other advances	-	741,298
		<u>8,504,819</u>	<u>12,170,255</u>
	Other non current assets		
	Others		
	Advances to Emudhra employees stock option trust	30,359,003	30,684,003
	Long term deposits with bank with maturity period more than 12 months [Refer note below]	6,961,990	6,638,525
		<u>37,320,993</u>	<u>37,322,528</u>
	Note: Rs.6,961,990 held as lien by banks against bank guarantees.		
		<u>67,427,549</u>	<u>67,658,287</u>
17	Inventories		
	Details of stock- in- trade		
	Crypto token/Hardware security module	3,004,165	6,374,602
		<u>3,004,165</u>	<u>6,374,602</u>
18	Trade receivables		
	Unsecured, considered good		
	From related parties		
	Outstanding for a period exceeding six months from the date they are due for payment	-	-
	Others	8,491,782	-
	From Unrelated parties		
	Outstanding for a period exceeding six months from the date they are due for payment	21,614,014	33,059,022
	Others	107,484,559	145,220,433
		<u>137,590,355</u>	<u>178,279,455</u>



eMudhra Limited

Notes forming part of the Financial Statements

Note no	Particulars	Amount in INR	
		As at March 31,2021	As at March 31,2020
19	Cash and cash equivalents		
	Cash on hand	162,205	261,510
	Bank Balances :		
	In fixed deposits (refer below note)	54,705,000	-
	In current accounts	9,514,950	9,758,691
		<u>64,382,155</u>	<u>10,020,201</u>
	Note: Deposit of Rs.14,705,000 held as lien by banks against bank guarantees and another deposit of Rs.40,000,000 is held as lien by bank against overdraft facility		
20	Short-term loans and advances		
	Unsecured, considered good		
	Other advances	4,732,382	5,009,057
	Unbilled revenue	72,123,729	63,162,481
	Capital advances	11,551,211	-
	Balances with government authorities	1,568,698	547,984
	Prepaid expenses	14,729,351	23,610,647
		<u>104,705,371</u>	<u>92,330,169</u>
21	Other current assets		
	Interest accrued on fixed deposit	1,543,918	898,976
		<u>1,543,918</u>	<u>898,976</u>



Note no	Particulars	As at	
		March 31,2021	March 31,2020
22	Contingent liabilities		
	Bank guarantees (secured against fixed deposits of Rs.21,666,990)	25,763,773	10,735,308
	Income tax Appeal(refer note (a) below)	32,290,170	32,290,170
		58,053,943	43,025,478

Note:

(a) The company have filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Dy commissioner of Income Tax Circle 2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy income tax under section 143 r.w.s. 147 of Income tax act, 1961.

(b) The company have 3 legal cases against the company in various courts in the country. In all these cases, we do not foresee any financial implication.

(c) The company have filed one case against M/s Suvidhaa Infoserve Private Limited, which is for seeking compensation to recover the losses suffered by the company on account of breach of terms of the agreement by the defendant. The compensation sought in this case is Rs.50,00,00,000.

(d) The proposed dividend for the financial year 2021 is Rs.2,580,000 [2020:4,830,000]



Note no	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
23	Other income		
	Interest Income	1,028,955	465,189
	Other income	176,650	2,983,412
	Gain on redemption of shares/mutual funds	2,699,965	-
	Total	3,905,570	3,448,601
24	Operating expenses		
	Distributor commission	68,114,750	53,640,195
	Other direct operating expenses	46,828,720	41,220,596
	Licence fee expenses	36,595,472	17,681,750
	Payment gateway charges	4,302,073	3,512,466
	Postage and courier charges	6,170,357	4,018,168
	Foreign exchange Loss	995,731	317,571
	Total	163,007,103	120,390,745
25	Purchases of stock-in-trade		
	Purchase of hardware's/Software	180,519,354	236,814,536
	Total	180,519,354	236,814,536
26	Changes in inventories of stock-in-trade		
	Finished Goods:		
	Opening stock:		
	Crypto token/hardware security module	6,374,602	2,804,948
		6,374,602	2,804,948
	Closing stock:		
	Crypto token/hardware security module	3,004,165	6,374,602
	Closing stock	3,004,165	6,374,602
	Total	3,370,437	(3,569,655)
27	Employee benefit expense		
	Salary and allowances to employees	299,807,268	246,208,548
	Contribution towards employee funds	9,665,301	8,782,638
	Staff welfare expenses	21,347,560	12,522,655
	Total	330,820,129	267,513,841
28	Financial costs		
	Interest expense	6,025,148	6,484,948
	Total	6,025,148	6,484,948
29	Depreciation and amortization expense		
	Amortization on intangible assets	48,340,125	52,374,633
	Depreciation on tangible assets	13,493,682	12,776,878
	Total	61,833,807	65,151,511
30	Other expenses		
	Office maintenance expense	7,466,286	9,431,763
	Electricity expense	7,125,279	8,900,490
	Business promotion and advertisement	24,622,479	22,763,552
	Miscellaneous expense	1,731,188	1,784,266
	Communication expenses	9,095,096	9,484,932
	Insurance expenses	2,125,341	1,521,813
	Information technology expenses	6,017,298	3,413,266
	Legal, Professional and subcontracting expenses	29,861,741	60,727,130
	Auditors' remuneration:		
	- Statutory audit fee	700,000	700,000
	-Other services	210,000	189,201
	-Other consultancy services		150,000
	Membership charges	1,821,787	690,042
	Meeting and conference expenses	-	499,527
	Printing and stationary	1,279,596	4,173,813
	Fees rates and taxes	6,710,428	1,283,088
	Recruitment and training expenses	2,234,864	1,060,110
	Repair and maintenance	2,937,318	3,625,150
	Travelling, boarding and lodging expenses	2,301,551	20,684,875
	Local conveyance	532,960	2,173,401
	Rent	39,125,862	28,932,334
	Contribution for corporate social responsibility expenses (Refer Note No 40)	2,178,348	1,840,781
	Total	148,077,422	184,078,183



Note no	Particulars		For the Year ended March 31, 2021	For the Year ended March 31, 2020
31	Earnings per share			
	Basic:			
	Profit after tax	A	149,219,005	117,770,078
	Weighted average number of shares outstanding	B	70,179,692	70,179,692
	Basic EPS	A/B	2.13	1.68
	Diluted			
	Profit after tax	A	149,219,005	117,770,078
	Weighted average number of shares outstanding	B	70,179,692	70,179,692
	Diluted EPS	A/B	2.13	1.68
32	Foreign Exchange Earnings / Expenses			
	Foreign exchange earned			
	Royalty, know-how, professional and consultation fee		35,921,683	39,266,329
	Foreign exchange used			
	Royalty, know-how, professional and consultation fee		9,854,102	12,234,096



33 Disclosures under accounting standard 15**a) Post Retirement Benefit- Defined Contribution Plans**

The Company has recognised an amount of Rs.92,98,744 (2020: Rs. 80,72,561) as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund for the year ended March 31, 2021.

b) Post Retirement Benefit- Defined Benefit Plan

The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each balance sheet date.

The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the balance sheet date.

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Present Value of Defined Benefit Obligation - Gratuity		
Balance at the beginning of the year	21,658,648	19,424,034
Current service cost	4,389,821	5,269,543
Interest cost	1,223,083	1,382,094
Actuarial (gain)/loss	4,278,924	(4,121,092)
Benefits paid	(1,214,609)	(295,931)
Balance at the end of the period/ year	30,335,867	21,658,648
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	7,000,889	4,902,857
Expected return on plan assets	507,978	440,863
Contribution	868,141	2,246,553
Actuarial gain/(loss)	(68,742)	(293,453)
Benefits paid	(1,214,609)	(295,931)
Balance at the end of the year	7,093,657	7,000,889
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	30,335,867	21,658,648
Present value of plan assets	7,093,657	7,000,889
Amount recognised as assets/(liability)	(23,242,210)	(14,657,759)
Recognised under:		
Long term provision (Refer Note 8)	(21,242,210)	(12,657,759)
Short term provision (Refer Note 12)	(2,000,000)	(2,000,000)
Total	(23,242,210)	(14,657,759)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	4,389,821	5,269,543
Interest cost	1,223,083	1,382,094
Expected return plan assets	(507,978)	(440,863)
Actuarial (gain)/loss	4,347,665	(3,827,640)
Total expenses	9,452,591	2,383,134



(v) Major Category of Plan Assets as % of total Plan Assets

	As at March 31,2021	As at March 31,2020
Insurer managed funds	100%	100%
(vi) Actuarial assumptions		
Discount rate	5.26%	5.81%
Salary growth	10.00%	8.00%
Attrition rate	30.00%	25.00%
Expected rate of return on plan assets	6.91%	7.44%

(vii) Amounts recognised in current period and previous five years

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Present value of obligation	30,335,867	21,658,648	19,424,034	12,434,198	11,100,509
Present value of plan assets	7,093,657	7,000,889	4,902,857	3,353,617	1,647,940
Amount recognised in balance sheet (Liability)/asset	(23,242,210)	(14,657,759)	(14,521,177)	(9,080,581)	(9,452,569)

(viii) Expected contribution to the fund next year

	As at March 31, 2022	As at March 31, 2021
Gratuity	2,000,000	2,000,000

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
- 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
- 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

Other employee benefit plan: The liability for leave encashment and compensated balances as at year end is Rs.90,70,821 (2020: Rs. 49,32,591).



34 Related party disclosures

A. Disclosure related to subsidiary and associate companies

(A.1) Particulars of subsidiary and associate companies :

SI No	Name of the company	Address	Relationship	% of shares held
1	eMudhra (MU) Limited	10, Frere Felix de Valois Steet, Port Louis, Mauritius.	Subsidiary	100.0%
2	eMudhra Technologies Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary	51.0%
3	eMudhra Consumer Service Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Subsidiary	76.0%
4	eMudhra employees stock option trust	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Associate	NA
5	eMudhra B V	Wilhelmina Van Pruisenwg 000104 2595AN S-Gravenhague	Subsidiary	51.0%
6	PT eMudhra Technologies Indonesia	Ruko Pondasi, Jl. Raya Foundation No. 21 unit, H. Kayu Puith, Pulogadung, City of Adm. East Jakarta DKI Jakarta-13210	Associate	29.5%
7	eMudhra DMCC	No.3006, One Lake Plaza, Cluster T, JLT Po Box no - 32620, Dubai, UAE	Subsidiary	51.0%
8	eMudhra INC	. Street 202, Somerset , New Jersey - 088734413, USA	Subsidiary	51.0%
9	eMudhra PTE Ltd	1 Phillip Street,#03-01 Ssingapore-048692	Subsidiary	51.0%
10	Smart Craft Pvt Limited	#56, Sai Arcade, Deverabesenahalli, Bangalore, Karnataka.	Associate	NA
11	Bluesky Infotech	G-5, Arathi Apartments, No 150 Habibullah Road, T. Nagar Chennai 600017	Associate	NA

(A.2) Summary of transactions with subsidiary and associate companies

SI No	Summary of Transactions	Subsidiary Company		Associate Company	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Purchase of Fixed Assets	-	41,490,078	-	-
2	Expenses incurred on behalf and reimbursed	-	1,005,753	-	-
3	Sales of products/Services	32,414,742	11,204,028	109,604,262	167,315,267
4	Sales of software Licencing fees	8,380,065	-	-	-
5	Purchase of products/services	11,410,000	136,015,848	78,329,851	2,959,859
6	Purchase of software Licencing fees	36,595,471	17,681,750	-	-
7	Receipt of loan	-	-	325,000	21,600,000
8	Repayment of loan	-	47,900,000	-	-
9	Investment in equity shares	15,516,030	15,947,960	-	-
10	Divestment in equity shares	39,376,865	-	-	-
11	Commission paid	-	-	19,462,661	13,229,565
12	Receipt of deposits	-	-	-	100,000.00

(A.3) Detailed transaction / balances of subsidiary and associate companies

SI No	Particulars	Transactions		Balances	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Purchase of Fixed Assets				
	Emudhra Consumer Service Limited	-	41,490,078		
2	Expenses incurred on behalf and reimbursed				
	Emudhra Technologies Limited	-	396,644		-
	Emudhra Consumer Service Limited	-	609,109		-
3	Sales of products/Services				
	Bluesky Infotech	109,604,262	166,640,467	-	-
	eMudhra DMCC	7,414,742	6,204,028	732,500	-
	eMudhra Consumer Service Limited	25,000,000	-	-	-
	Smart Craft Private Limited	-	674,800	-	-
	eMudhra Technologies Limited	-	5,000,000	-	-



SI No	Particulars	Transactions		Balances	
		Mar-21	Mar-20	Mar-21	Mar-20
4	Sales of software Licencing fees				
	eMudhra DMCC	4,837,362	-	4,837,362.08	-
	eMudhra Consumer Service Limited	594,300	-	-	-
	eMudhra Technologies Limited	2,948,403	-	-	-
5	Purchase of products/services				
	eMudhra Technologies Limited	11,410,000	81,260,000		-
	Smart Craft Private Limited	10,103	216,080		-
	Bluesky Infotech	78,319,748	2,743,779	-	-
	eMudhra Consumer Service Limited	-	54,755,848		
6	Purchase of software Licencing fees				
	Emudhra Consumer Service Limited	36,595,471	17,681,750	-	-
7	Receipt of loan				
	Bluesky Infotech	-	21,600,000	-	21,600,000
	eMudhra employees stock option trust(net)	325,000		30,359,003	30,684,003
8	Repayment of loan				
	Emudhra Consumer Service Limited	-	47,900,000	-	-
9	Investment in equity shares				
	eMudhra DMCC	-	1,011,582	1,011,582	1,011,582
	eMudhra INC	-	8,393,358	8,393,358	8,393,358
	eMudhra PTE Limited	-	6,543,020	6,543,020	6,543,020
	eMudhra B V	4,611,650	-	4,611,650	-
	PT eMudhra Technologies Indonesia	10,904,380	-	10,904,380	-
10	Divestment in equity shares				
	eMudhra MU Ltd[on account of capital reduction] [Including premium of Rs.2,576,865]	39,376,865	-	-	-
11	Commission paid				
	Bluesky Infotech	19,462,661	13,229,565	-	-
12	Receipt of deposits				
	Bluesky Infotech	-	100,000	-	-

B. Disclosure related to director and key managerial personnel

(B.1) Particulars of director and key managerial personnel :

SI No	Key managerial personnel	Relationship
1	V. Srinivasan	Chairman and director
2	Venu Madhava	Wholetime director
3	Kaushik Srinivasan	Related to chairman and director
4	Mythili Srinivasan	Related to chairman and director
5	Arvind Srinivasan	Related to chairman and director
6	Johnson Xavier	Company secretary
7	Saji K Louiz	Chief financial officer

(B.2) Summary of transactions director and key managerial personnel

SI No	Summary Transactions	Mar-21	Mar-20
1	Sale of shares	-	24,491,457
2	Receipt of loan	-	15,508,543
3	Repayment of loan	-	15,508,543
4	Salary and allowances paid	15,807,664	13,536,690
5	Preference dividend paid	2,580,000	2,579,999



(B.3) Detailed transaction / balances of subsidiary and associate companies

SI No	Particulars	Transactions		Balances	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Sale of shares				
	V. Srinivasan :	-			
	- Emudhra Consumer Service Limited	-	12,000,000	-	-
	- Emudhra Technologies Limited	-	12,491,457	-	-
2	Receipt of loan				
	V. Srinivasan	-	15,508,543	-	-
3	Repayment of loan				
	V. Srinivasan	-	15,508,543		
4	Salary and allowances paid				
	Venu Madhava	4,363,729	3,949,758	-	-
	Kaushik Srinivasan	6,010,277	4,745,272	-	-
	Saji K Louiz	3,947,377	3,545,264	-	-
	Johnson Xavier	1,486,281	1,296,396	-	-
5	Preference dividend paid				
	V. Srinivasan	1,606,719	1,606,719		
	Mythili Srinivasan	389,312	389,312		
	Kaushik Srinivasan	291,984	291,984		
	Arvind Srinivasan	291,984	291,984		

Note:

1. The information disclosed above is based on the names of the parties as identified by the management, which has been relied upon by the auditors.
2. Provision for leave encashment and group gratuity which is based on actuarial valuation done on overall company basis is excluded while arriving at salary and allowances
3. The Salary and allowances paid to key managerial persons includes leave encashment and incentive but doesn't includes PF contribution and other indirect benefits
4. The names of the related parties with whom the transaction has been carried out only has been reported.
5. During the year, the KMP's have met various office expenses from credit cards and the same has been reimbursed directly to the credit card by the company. Such reimbursements to the the credit cards are not included in the table above, which is amounting to Rs.9,284,227 (2020:Rs.14,270,917).



(Amount in INR, unless otherwise stated)

35 Revenue from Operation:

Revenue from digital signature and accessories
Revenue from Software services and accessories (Including export sale)

For the Year ended March 31, 2021	For the Year ended March 31, 2020
672,469,902	563,535,526
421,199,933	466,840,268
1,093,669,835	1,030,375,794

36 Micro small and medium enterprises

The dues of micro, small and medium enterprises, to which the company owes dues, or with which the company had transactions during the period has been disclosed in note 10 based on the information available with the company, which has been relied upon by the auditors.

37 Leases

The companies lease assets consists only plant and machinery effective from December 15, 2020. The company follows AS 19 leases to all the leasing contracts. The company has various operating leases/right to use for offices, residential premises and computers that are renewable on a periodic basis and cancellable at its option except for one which is non-cancellable in nature. Rental expenses for operating lease/right to use recognised in the statement of profit and loss account amounting to Rs.39,125,862[2020:28,932,334]. The details of the non-cancellable contractual liabilities as at March 31, 2021 on an undiscounted basis are as below:

Particulars	As at March 31, 2021
Less than one year	5,470,042
One to five years	11,851,758
	17,321,800

38 Prepaid income and expenses

During the year, the company has changed its accounting policy with respect to recognition of prepaid expenses and revenue in the books of accounts. In line with this, the company has started booking expenses and revenue in the same financial year where the prepaid expenses/revenue is below Rs.1,000,000 irrespective of the effective period.

By adoption of the above policy change, the company has recognised additional revenue of Rs.11,319,853 during the reporting period. Similarly, an additional expenses of Rs.2,925,892 was also charged to the statement of profit and loss in the reporting period.

39 Previous period figures

The previous year figures have been reclassified to conform to this year classification.

40 Contribution for corporate social responsibility expenses

Financial Year	Net Profit Amount (Rs)
2017-18	82,810,032
2018-19	100,888,850
2019-20	111,762,070
Average Net profits	98,486,984
2% of Avg.Net profit	1,969,740
Total amount to be spent during financial year 2020-21	1,969,740
Actual Amount spent during financial year 2020-21	2,178,348
Unspent amount	-

The accompanying notes are an integral part of the financial statements.
As per our report of even date

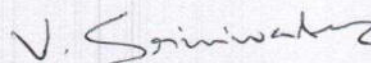
For Manohar Chowdhry & Associates
Firm Registration Number: 001997S
Chartered Accountant




Samith Rathi
Partner
Membership No: 239986



**For and on behalf of the Board of Directors
of eMudhra Limited**



V Srinivasan
Chairman
DIN: 00640646

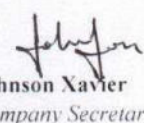


Venu Madhava
Director
DIN: 06748204





Saji K Louiz
Chief Financial Officer



Johnson Xavier
Company Secretary

Bangalore, May 21, 2021

Bangalore, May 21, 2021

UDIN :21239986AAAAAQ9342

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the Members of **eMudhra Limited**

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **eMudhra Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of profit and loss, and the consolidated statement of cash flow 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 "consolidated financial statements"). We have not audited the financial statements of four subsidiaries of the company (eMudhra MU Limited, eMudhra PTE Ltd, eMudhra INC, eMudhra DMCC and eMudhra BV, hereinafter referred to as foreign subsidiaries)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs (financial position) of the Company as at March 31, 2021, and its consolidated profit, and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under



Page 1 of 9

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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

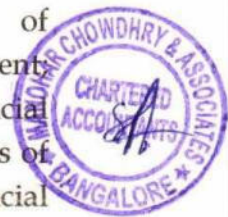
The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures thereto, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with financial statements or our knowledge obtained during the course of our audit.

Responsibility of Management and those charged with governance for the financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated financial performance and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial



statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors of the companies included in the Group 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of Financial Statements

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

We have not done audit of financial statements of eMudhra MU Limited (hereinafter referred as foreign subsidiary) whose financial statements reflect a total revenue of Rs.5.81 lakhs in the consolidated revenue. These financial statements are unaudited and have been furnished to us by management and have been certified by the management and our opinion, in so far as it relates to amounts included in respect of subsidiary solely on the management certified financial statements.

We have not audit of financial statements of eMudhra DMCC (hereinafter referred as foreign subsidiary) whose financial statements reflect a total revenue of Rs. 2,520.62 lakhs in the consolidated revenue. These financial statements are unaudited and have been furnished to us by management and have been certified by the management and our opinion, in so far as it relates to amounts included in respect of subsidiary solely on the management certified financial statements.

We have not audit of financial statements of eMudhra PTE Ltd (hereinafter referred as foreign subsidiary) whose financial statements reflect a total revenue of Rs. 3.74 lakhs in the consolidated revenue. These financial statements are unaudited and have been furnished to us by management and have been certified by the management and our



opinion, in so far as it relates to amounts included in respect of subsidiary solely on the management certified financial statements.

We have not audit of financial statements of eMudhra INC (hereinafter referred as foreign subsidiary) whose financial statements reflect a total revenue of Rs. 148 lakhs in the consolidated revenue. These financial statements are unaudited and have been furnished to us by management and have been certified by the management and our opinion, in so far as it relates to amounts included in respect of subsidiary solely on the management certified financial statements.

We have not audit of financial statements of eMudhra BV (hereinafter referred as foreign subsidiary) whose financial statements reflect a total revenue of Rs. 6.50 lakhs in the consolidated revenue. These financial statements are unaudited and have been furnished to us by management and have been certified by the management and our opinion, in so far as it relates to amounts included in respect of subsidiary solely on the management certified financial statements.

However, the financial statements of Indian subsidiaries have been audited by us for the year ended 31-03-2021.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on



the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law 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.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors of Holding company and reports of statutory auditors of subsidiary companies, none of the directors of the group is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
- The Consolidated financial statements disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note no.22 to the financial statements.
 - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bangalore

Date: 21-05-2021

For Manohar Chowdhry & Associates

Chartered Accountants

Firm Registration No: 001997S



Sumith Rathi

Partner

Membership No: 239986



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial controls over Financial statements under clause (i) of sub section (3) of section 143 of the Act.**

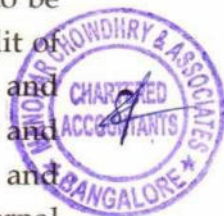
We have audited the internal financial controls over financial reporting of the **eMudhra Limited** (hereinafter referred as the "Holding Company ") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group") as of March 31, 2021 , in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management 's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the " Guidance Note ") and the Standards on Auditing , issued by ICAI and deemed to be prescribed under section of 143 (10) of the Act , to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and ,both issued by the Institute of Chartered Accountants of India . Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal



financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects .

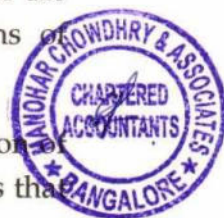
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness . Our audit of internal financial controls over financial reporting included obtaining an understanding of internal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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles . A company's internal financial control over financial reporting includes those policies and procedures that :

- i. Pertain to the maintenance of records that, in reasonable details, 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 over Financial reporting

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

Opinion

In our opinion , the Group has , in all material respects , an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India " .

Place: Bangalore

Date: 21-05-2021

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm Registration No: 001997S

**Sumith Rathi**

Partner

Membership No: 239986



eMudhra Limited
Consolidated Cash Flow Statement

	Amount in INR	
	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit before tax	309,233,378	252,437,914
Adjustments for :		
Depreciation	82,766,971	86,001,541
Interest income	(1,028,955)	(511,163)
Other income	-	(2,839,373)
Other Ince	(176,650)	-
Interest expenses	6,025,148	6,444,856
Operating profit before working capital changes	396,819,892	341,533,774
Changes in working capital:		
(Increase)/decrease in inventories	7,501,936	(11,832,652)
(Increase)/decrease in trade receivables	83,409,528	(23,126,985)
(Increase)/decrease in loans and advances	(35,594,664)	(98,919,171)
Increase/ (decrease) in current liabilities	30,128,830	43,923,297
Cash generated from operations	482,265,522	251,578,262
Direct taxes paid (net of refunds)	(52,152,000)	(41,368,327)
Net cash from operating activities	430,113,522	210,209,935
Cash flow from investing activities		
Purchase of tangible/intangible assets	(213,190,733)	(231,076,035)
Minority brought on account of consolidation	(2,450,123)	(5,903,234)
Retained earnings brought on account of consolidation	(30,093,068)	(53,018,240)
Goodwill on consolidation	10,868,427	(6,226,258)
Investment in equity/preference shares	(137,708,289)	-
Other income	-	2,839,373
Interest/other received	1,205,605	511,163
Net cash from / (used in) investing activities	(371,368,181)	(292,873,231)
Cash flow from financing activities		
Receipt (payment) of long term borrowing	37,224,973	101,217,592
Redemption of preference share capital	(75,000,000)	-
Dividend paid including dividend distribution tax	(6,564,375)	(6,008,008)
Foreign Exchange Movement on account of consolidation	11,724,589	1,405,923
Proceeds (repayment) from short term borrowings	(19,576,682)	60,556,591
Interest paid	(6,025,148)	(6,444,856)
Net cash from / (used in) financing activities	(58,216,643)	150,727,243
Net increase/decrease in cash and cash equivalents	528,698	68,063,947
Cash and cash equivalents at the beginning of the period	91,324,029	23,260,082
Cash and cash equivalents at the end of the period	91,852,727	91,324,029
Cash and cash equivalents comprises of:		
Cash on hand	172,787	274,838
Balance with banks		
In current accounts	36,974,941	91,049,191
Deposit accounts	54,705,000	-
Total	91,852,728	91,324,029

The accompanying notes are an integral part of the financial statements
As per our report of even date

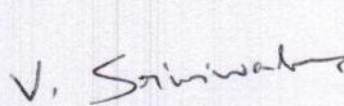
For Manohar Chowdhry and Associates
Firm Registration Number: 001997S
Chartered Accountant


Sumith Rathi

Partner
Membership No: 239986



**For and on behalf of the Board of Directors
of eMudhra Limited**



V Srinivasan
Chairman
DIN: 00640646



Venu Madhava
Director
DIN: 06748204


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary



Bangalore, May 21, 2021

Bangalore, May 21, 2021

eMudhra Limited
Consolidated balance sheet

	Note no	As at March 31,2021	Amount in INR As at March 31,2020
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	3	436,898,460	511,898,460
Reserves and surplus	4	602,500,052	436,003,198
Minority Interest		79,775,985	22,634,449
Non-current liabilities			
Long-term borrowings	5	224,527,349	187,302,377
Other long-term liabilities	6	23,391,490	11,025,860
Deferred tax liabilities (net)	7	13,640,023	7,580,013
Long- term provisions	8	24,916,753	16,024,287
Current liabilities			
Short-term borrowings	9	128,229,039	147,805,721
Trade payables	10	34,980,706	74,649,806
Other current liabilities	11	169,083,921	125,443,828
Short-term provisions	12	8,465,803	3,566,063
Total		1,746,409,581	1,543,934,062
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible assets	13	657,115,828	150,036,757
Intangible assets	14	402,193,680	419,131,274
Tangible assets under development		37,400,370	384,825,445
Intangible asset under development		7,576,122	19,868,765
Goodwill on consolidation		-	10,868,427
Non-current investments	15	139,208,289	1,500,000
Long term loans and advances	16	68,134,007	72,976,394
Current Assets			
Inventories	17	7,135,663	14,637,599
Trade receivables	18	149,183,503	232,593,031
Cash and cash equivalents	19	91,852,728	91,324,029
Short-term loans and advances	20	185,065,474	145,273,365
Other current assets	21	1,543,918	898,976
Total		1,746,409,581	1,543,934,062


Other notes to accounts 1 & 38
Summary of significant accounting policies 2
Contingent liabilities 22

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

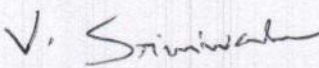
As per our report of even date

For Manohar Chowdhry & Associates
Firm Registration Number. 001997S
Chartered Accountants

**For and on behalf of the Board of Directors
of eMudhra Limited**


Sumith Rathi

Partner
Membership No: 239986


V. Srinivasan

Chairman
DIN: 00640646

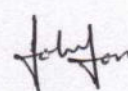

Venu Madhava

Director
DIN: 06748204



Bangalore, May 21, 2021


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary
Bangalore, May 21, 2021

eMudhra Limited

Consolidated statement of profit and loss

		Amount in INR	
	Note no	For the Year ended March 31, 2021	For the Year ended March 31, 2021
INCOME			
Revenue from operations		1,314,974,359	1,164,236,682
Other income	23	1,328,706	3,350,537
Total revenue		1,316,303,065	1,167,587,219
EXPENSES			
Operating expenses	24	120,617,858	124,855,055
Purchases of stock-in-trade	25	179,507,530	258,789,532
Changes in inventories of stock-in-trade	26	7,501,936	(11,832,652)
Employee benefit expense	27	420,753,531	285,862,760
Financial costs	28	6,025,148	6,444,856
Depreciation and amortization expense	29	82,766,971	86,001,541
Other expenses	30	189,896,713	165,028,213
Total Expense		1,007,069,687	915,149,305
Profit(loss) before tax		309,233,378	252,437,914
Tax Expense:			
Current tax		52,152,000	41,368,327
Deferred tax		6,060,010	4,477,879
Profit/(loss) after tax		251,021,368	206,591,707
Dividend paid on preference shares		6,564,375	6,008,008
Profit/(loss) for the year		244,456,993	200,583,699
Profit(loss) for the year- Minority interest		59,591,658	28,537,684
Profit(loss) for the year- attributable to eMudhra Limited		184,865,335	172,046,016
Earnings per equity share(Nominal value of Rs.5 per share)	31		
Basic		3.58	2.94
Diluted		3.58	2.94
Other notes to accounts	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Manohar Chowdhry & Associates
Firm Registration Number: 001997S
Chartered Accountant


Sumith Rathi
Partner
Membership No: 239986



**For and on behalf of the Board of Directors
of eMudhra Limited**


V Srinivasan
Chairman
DIN: 00640646


Venu Madhava
Director
DIN: 06748204


Saji K Louiz
Chief Financial Officer


Johnson Xavier
Company Secretary

Bangalore, May 21, 2021

Bangalore, May 21, 2021



eMudhra Limited
Notes forming part of the consolidated financial statements

1. General Information

eMudhra Limited is a public limited company engaged in providing various solutions and services like digital signatures, authentication solutions, paperless office solutions and other solutions around PKI technology. eMudhra is a licensed certifying authority under the Information Technology Act,2000.

Founded in 2008 from the seed of digital signatures, eMudhra has since grown to establish strong roots in solutions providing security to enterprises and end consumer for online transactions. eMudhra strives to stay relevant in the PKI and online security space by optimizing a market-based approach to drive solutions that address our customers' financial and statutory needs. eMudhra' s products include digital signature certificates, authentication solutions, paperless office solutions, Certifying Authority solutions , solutions for securing data at rest and data in transit, solutions for Internet of Things(IoT), etc.

The consolidated financial statement of eMudhra Limited represent the financials of eMudhra Ltd with its foreign subsidiaries, eMudhra (MU) Ltd, eMudhra PTE.Ltd, eMudhra INC, eMudhra DMCC, eMudhra B.V and Indian subsidiaries, eMudhra Technologies Limited and eMudhra Consumer Services Limited.

All the foreign subsidiaries have been established to provide eMudhra's products and services in respective territories apart from providing their own products/ services or any other third party products. eMudhra Consumer services Limited owns and develops IP related to paperless office solution (emSigner) and eMudhra Technologies Limited has set up emSign PKI for issuance of various types of digital certificates including SSL globally.

2. Summary of significant accounting policies

I. Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, the existing Accounting Standards notified under the Companies Act, 2013 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2014, as amended] and other relevant provisions of the Companies Act, 2013.

II. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The application of accounting policies that require critical accounting estimates, judgements and the use of assumptions in these financial statements and therefore actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

The company has considered the possible effects that may from the pandemic relating to COVID-19 on the carrying amounts of receivables. 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.

III. Tangible Assets



eMudhra Limited

Notes forming part of the consolidated financial statements

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/upto the date of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule II to the Act. However, the leasehold improvements are depreciated at lower of useful life mentioned in schedule II of the above said act or over the lease period.

IV. Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 10 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The cost which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the assets for the intended use.

V. Investments

Long term investments are carried at cost and necessary provisions are made to recognize any decline, other than temporary, in the value of such investments.

Current investments are carried at the lower of cost and fair value and provision is made to recognize any decline in the carrying value.

VI. Inventories

Inventories are valued at the lower of cost, computed on a FIFO basis and estimated net realizable value.

VII. Revenue Recognition

The company use the following methods while recognizing revenue for any given period

1. Percentage-of-completion method in accounting for its fixed price assignments.
2. Digital signature related revenue is accounted based on billing.
3. Revenue from traded materials are accounted on the basis of delivery.
4. The prepaid revenues are amortised in the same financial year, if the value is less than or equal to Rs.1,000,000

VIII. Other income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

IX. Foreign Currency transactions



eMudhra Limited
Notes forming part of the consolidated financial statements

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from April 1, 2011 onwards, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long-term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

In respect of foreign subsidiary

All the assets and liabilities, both monetary and non-monetary items, are translated into the reporting currency at the exchange rate in effect at March 31, 2019 and income and expense items are translated at the average rate applicable for the year ended March 31, 2019.

X. Employee Benefits

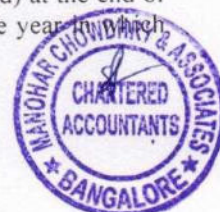
(a) Defined Contribution Plan

Contribution towards provident fund and pension scheme for employees is made to the regulatory authorities which are recognised by the Income Tax Authorities and administered through appropriate authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(b) Defined Benefit Plan

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum

payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined by an independent actuary (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.



(c) Other Employee Benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation

towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

XI. Borrowing Cost

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

XII. Current and Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

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 assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XIII. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that



arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

XIV. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

XV. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

XVI. Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

For Manohar Chowdhry & Associates

Chartered Accountant

Firm Registration Number: 001997S



Sumith Rathi

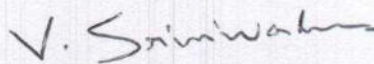
Partner

Membership No: 239986



For and on behalf of the Board of Directors

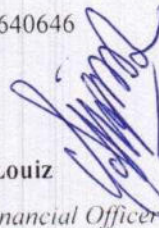
Of eMudhra Limited



V Srinivasan

Chairman

DIN: 00640646



Saji K Louiz

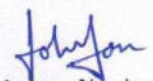
Chief Financial Officer



Venu Madhava

Director

DIN: 06748204



Johnson Xavier

Company Secretary

Bangalore, May 21, 2021

Bangalore, May 21, 2021



3 Share capital

(Amount in INR, unless otherwise stated)

	Note no	As at	
		March 31,2021	March 31,2020
Authorised			
12,30,00,000 (2020:12,30,00,000) equity shares of Rs.5 each		615,000,000	615,000,000
2,50,00,000 (2020: 2,50,00,000) redeemable preference shares of Rs.10 each		250,000,000	250,000,000
		865,000,000	865,000,000
Issued			
7,01,79,692 (2020:7,01,79,692) equity shares of Rs.5 each		350,898,460	350,898,460
86,00,000 (2020: 1,61,00,000) Preference shares of Rs.10 each		86,000,000	161,000,000
Subscribed & Paid - up			
7,01,79,692 (2020:7,01,79,692) equity shares of Rs.5 each		350,898,460	350,898,460
86,00,000 (2020: 1,61,00,000) Preference shares of Rs.10 each		86,000,000	161,000,000
		436,898,460	511,898,460

(a) Reconciliation of number of shares

Equity Shares:

Balance at the beginning of the year

Balance at the end of the year

Preference Shares:

Balance at the beginning of the year

Less: Redeemed during the year

Balance at the end of the year

Number of shares	As at		Number of shares	As at	
	March 31,2021			March 31,2020	
	Amount		Amount		
70,179,692	350,898,460		70,179,692	350,898,460	
70,179,692	350,898,460		70,179,692	350,898,460	

Number of shares	As at		Number of shares	As at	
	March 31,2021			March 31,2020	
	Amount		Amount		
16,100,000	161,000,000		16,100,000	161,000,000	
7,500,000	75,000,000		-	-	
8,600,000	86,000,000		16,100,000	161,000,000	

(b) Rights, preferences and restrictions attached to shares

Equity shares

Equity shares: The company has one class of equity shares having a par value of Rs.5 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

Preference shares

86,00,000 (2020:1,61,00,000) preference share of Rs.10 each. These shares are 3% cumulative non convertible preference shares of Rs.10 each. During the year, the company has redeemed 75,00,000 preference shares issued to M/s 3i Infotech Limited at the rate Rs.10 per share.

(d)Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares:

V Srinivasan
Taarav Pte Ltd
Lakshmi Kaushik
Arvind Srinivasan
eMudhra Employees Stock Option Trust

	As at		%	As at		%
	March 31,2021			March 31,2020		
V Srinivasan	27,973,964	40%	27,973,964	40%		
Taarav Pte Ltd	18,359,123	26%	18,359,123	26%		
Lakshmi Kaushik	6,201,466	9%	6,201,466	9%		
Arvind Srinivasan	6,636,515	9%	6,636,515	9%		
eMudhra Employees Stock Option Trust	6,057,801	9%	6,132,801	9%		
Preference Shares:						
3i Infotech Limited	-	0%	7,500,000	47%		
V Srinivasan	6,653,438	77%	5,355,751	33%		
Mythili Srinivasan	-	0%	1,297,707	8%		
Lakshmi Kaushik	973,281	11%	-	0%		
Aishwarya Arvind	973,281	11%	-	0%		
Kaushik Srinivasan	-	0%	973,281	6%		
Arvind Srinivasan	-	0%	973,281	6%		



Note no	Particulars	Amount in INR	
		As at March 31,2021	As at March 31,2020
4	Reserves and surplus		
	Capital Reserve		
	Balance at the beginning of the year	-	-
	Add: On account of consolidation	19,002,249	-
	Balance as at the end of the year	19,002,249	-
	Securities Premium		
	Balance at the beginning of the year	617,439	-
	Add: Transactions	-	617,439
	Balance as at the end of the year	617,439	617,439
	Capital redemption reserve		
	Opening balance	89,000,000	89,000,000
	Add: transferred during the year	75,000,000	-
	Balance as at the end of the year	164,000,000	89,000,000
	Surplus in the Statement of Profit and Loss		
	Balance at the beginning of the year	430,876,340	258,830,324
	Profit/ (Loss) for the year/period	184,865,335	172,046,016
	Deficit brought forward on account of amalgamation	-	-
	Transfer to capital redemption reserve	(75,000,000)	-
	Balance as at the end of the year	540,741,675	430,876,340
	Opening Balance	(84,490,581)	(32,260,825)
	Retained earnings on consolidation	(49,095,317)	(53,635,679)
	Forex adjustment	11,724,589	1,405,923
	Profit/ (Loss) for the year on account of consolidation	(121,861,311)	(84,490,581)
		602,500,052	436,003,198
5	Long-term borrowings		
	Secured term loans:		
	From Bank	224,527,349	187,302,377
		224,527,349	187,302,377

Nature of security and terms of repayment for secured borrowings:

Nature of security	Terms of Repayment
<p>During the year, our banker, Kotak Mahindra Bank Limited, has sanctioned additional loan under ECLGS scheme amounting to Rs.55,800,000/- towards construction of Digital Signature Compus building in KIADB IT Park, Devenahalli, Bangalore, out of which entire amount has been utilised till March 2021.</p> <p>1.Primary Security:First and exclusive charge on all existing and future current assets,movable assets,movable fixed assets,tangible and intangible assetsof the borrower</p> <p>2. Collateral Security: Memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bangaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bangaluru Urban Dist measuring land 3 acres standing in the name of the company.Property presently under construction.</p> <p>3. Collatral Security: Residential flat in "Cedar grove Oasis" apartment, property no.96,Katha no 1374/533/21,Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of M/s.Cedar Grove Real Estate Private Limited.</p> <p>4. Collatral Security: Vacant land situated at, property no.95(old no.15),New Katha no 1368/527/15,old Katha no.527, Sy.no.25/1,situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of Mr.V.Srinivasan.</p>	<p>Term loan 1(Rs.150,000,000): The repayemnt started from June 2019 with a monthly instalment of Rs.26,07,387 for a period of 81 months.Company has made a reayment of Rs.259,95,117 till March 2021 towards the principal.The unutilised amount lapsed is Rs.11,672</p> <p>Term loan 2(Rs.100,000,000): The repayemnt from June 2020 with a monthly instalment of Rs.24,63,424 for a period of 48 months. Company has made a reayment of Rs.70,32,583 till March 2021 towards the principalThe unutilised amount lapsed is Rs.913,346.</p> <p>Term loan 3(Rs.55,800,000): This facility currently under moratorium and shall start the repayment from December 2021. with a monthly instalment of Rs.17,06,743 for a period of 48 months[including morotorium period].</p> <p>Interest Rate: repo rate + Spread of 4.95%</p>



Note no	Particulars	As at	
		March 31,2021	March 31,2020
6	Other long-term liabilities		
	Trade deposits	2,525,000	2,525,000
	Lease liabilities[refer note 37]	11,851,758	-
	Income received in advance	9,014,732	8,500,860
		<u>23,391,490</u>	<u>11,025,860</u>
7	Deferred tax liabilities (net)		
	Deferred tax on account of:		
	Depreciation	13,640,023	7,580,013
		<u>13,640,023</u>	<u>7,580,013</u>
8	Long- term provisions		
	Provision for employee benefits:		
	(refer note 33 and 33.1)		
	Provision for gratuity	21,386,440	12,657,759
	Provision for compensated absences	3,530,313	3,366,528
		<u>24,916,753</u>	<u>16,024,287</u>
9	Short-term borrowings		
	Unsecured		
	From director	37,555,883	19,704,523
	From associated enterprise	-	21,600,000
	Secured		
	From scheduled banks*		
	Working capital loan	43,353,224	79,229,064
	Current maturity of term loan(refer note 5)	47,319,932	27,272,135
		<u>128,229,039</u>	<u>147,805,721</u>
	* The company has existing working capital facility from Kotak Mahindra Bank Limited with a limit of Rs.80,000,000 and has availed additional facility from ICICI Bank Limited with a limit of Rs.38,000,000. These loans are repayable on demand.		
	Nature of Security:		
	1. Primary Security: Secured against receivables and inventory of the company.		
	2. Collateral Security: (a) Proposed memorandum of deposit of title deeds of lease hold property (leased for 99 years) KIADB land located at plot no 12-P1-A & 12-P1-B of Bangaluru Industrial area in Sy No 95/P & 7 (Block no 21, 22 & 24) of B K Palya village, jala Hobli, Bangalore North taluk, Bangaluru Urban Dist measuring land 3 acres standing in the name of the company.		
	(b) PResidential flat in "Cedar grove Oasis" apartment, property no.96.Katha no 1374/533/21.Sy.no.25/1.situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of M/s.Cedar Grove Real Estate Private Limited.		
	(c)Vacant land situated at, property no.95(old no.15),New Katha no 1368/527/15,old Katha no.527. Sy.no.25/1.situated at Kaikondanahalli Village,Varthur Village,Bangalore standing in the name of Mr.V.Srinivasan.		
10	Trade payables		
	Total outstanding dues of micro and small enterprises (refer note 36)	19,286,201	
	Total outstanding dues of creiters other than micro and small enterprises	15,694,505	74,649,806
		<u>34,980,706</u>	<u>74,649,806</u>
11	Other current liabilities		
	Advance from Customers	1,558,670	1,632,914
	Capital creditors	6,131,827	7,026,374
	Income received in advance	11,991,700	13,633,689
	Statutory dues (Including provident fund and tax deducted at source)	25,747,825	33,790,660
	DSC Portal deposit	9,112,334	10,310,767
	Employee benefits payable	31,045,567	32,557,949
	Lease liabilities[refer note 37]	5,470,042	
	Due to associated enterprise(net)	6,374,549	889,473
	Income tax provision (net of TDS)	35,615,162	-
	Other payables towards contractual obligations	36,036,245	25,602,002
		<u>169,083,921</u>	<u>125,443,828</u>
12	Short-term provisions		
	Provision for employee benefits:		
	(refer note 33 and 33.1)		
	Provision for gratuity	2,524,643	2,000,000
	Provision for compensated absences	5,941,160	1,566,063
		<u>8,465,803</u>	<u>3,566,063</u>



13 Tangible assets

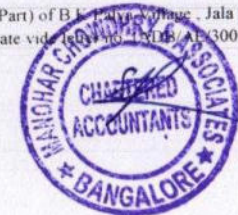
	Gross Block				Depreciation Block				Net Block		
	April 1, 2020	Additions	(Disposals)	March 31, 2021	April 1, 2020	Exchange Difference on Consolidation	For the year	(Disposals)	March 31, 2021	March 31, 2021	March 31, 2020
Own Assets:											
Leasehold land*	89,252,215	-	-	89,252,215	2,877,671	-	852,212	-	3,729,883	85,522,332	86,374,545
Building	37,343,526	-	-	37,343,526	10,137,013	(8,850)	1,070,605	-	11,198,768	26,144,758	27,206,513
Building on leasehold land	1,927,716	510,738,224	-	512,665,940	1,565,998	-	177,850	-	1,743,848	510,922,092	361,718
Computer and hardware	63,718,220	9,915,048	46,181	73,587,087	44,759,940	53,191	6,913,508	19,316	51,707,323	21,879,764	18,958,280
Motor vehicles	6,205,725	-	-	6,205,725	3,736,016	-	551,289	-	4,287,305	1,918,420	2,469,709
Office equipment's	33,965,028	214,989	-	34,180,017	19,299,045	-	4,152,510	-	23,451,555	10,728,462	14,665,983
Total	232,412,430	520,868,261	46,181	753,234,510	82,375,683	44,341	13,717,974	19,316	96,118,682	657,115,828	150,036,748
March 31,2020	220,092,571	12,319,859	-	232,412,430	69,277,108	14,282	13,084,292	-	82,375,683	150,036,748	150,815,463

(Amount in Rs.)

14 Intangible assets

	Gross Block				Amortisation Block				Net Block		
	April 1, 2020	Additions	(Disposals)	March 31, 2021	April 1, 2020	Exchange Difference on Consolidation	For the year	(Disposals)	March 31, 2021	March 31, 2021	March 31, 2020
Identity & Transaction Management Application	722,749,179	53,830,490	-	776,579,669	357,547,115	(1,869,088)	59,969,479	-	419,385,682	357,193,988	365,202,064
DSC online trading software	63,377,897	-	-	63,377,897	22,582,736	-	6,478,510	-	29,061,246	34,316,651	40,795,161
Semantic analytics	21,404,050	-	-	21,404,050	11,769,295	-	2,146,269	-	13,915,564	7,488,486	9,634,755
Computer Software	10,592,502	150,000	-	10,742,502	7,216,357	-	432,753	-	7,649,111	3,093,392	3,376,145
Brand	868,005	-	-	868,005	744,856	-	21,986	-	766,842	101,163	123,148
Total	818,991,633	53,980,490	-	872,972,123	399,860,359	(1,869,088)	69,048,997	-	470,778,445	402,193,680	419,131,274
March 31,2020	799,779,621	33,721,934	14,509,922	818,991,633	342,066,101	(613,069)	72,917,249	14,509,922	399,860,359	419,131,274	457,713,519

*Note: Out of this land worth Rs.8,30,01,213 is the the lease hold land measuring 12140.00 Sq. Mtrs located at plot no. 12- P1- A & 12 -P1-B(Corner) of Bengaluru IT Park Industrial Area in SY nos. 95/P & 7 (Block no 21.22 &24- Part) of B.K. Palye Village, Jala Hobli, Bengaluru North Taluk, has been allotted to our company by Karnataka Industrial Areas Development Board as per the allotment letter no. KIADB/HO/Allo/AS/30017/8927/15-16 dated 23.09.2015. The company has later obtained possession certificate vide No. KIADB/AS/30017/1158/2015-16 dated 29.03.2016. This has been allotted for a leasehold period of 99 years beginning from possession date. This land is mortgaged against term loan of Rs. 25,00,00,000 by Kotak Mahindra Bank. Another land worth Rs.62,51,000 is the lease hold land measuring 2.5 acres in the ELCOSEZ- jagirammalayam,Salem is also under 99 year lease



eMudhra Limited

Notes forming part of the consolidated financial statements

Note	Particulars	Amount in INR	
		As at March 31,2021	As at March 31,2020
15	Non-current investments		
	Quoted instruments:-		
	Investment In Mutual Fund:		
	Investment In mutual fund	623,100	1,500,000
	(1,50,000 (2019: 15,00,00) units of Canara robeco protection oriented fund - regular growth plan at par value of Rs.10 each)		
	Investment in associate companies by:		
	eMudhra Limited		
	(147,500[2020:NIL] equity shares of USD 1 each per share	10,904,380	-
	PT eMudhra Technologies Indonesia		
	eMudhra DMCC		
	(1,47,500[2020:NIL] equity shares of USD 1 each per share	11,164,721	-
	1,600,000[2020: NIL] preference shares of USD 1 each	116,516,088	-
		<u>139,208,289</u>	<u>1,500,000</u>
16	Long term loans and advances		
	Unsecured, considered good		
	Capital advances		-
	Deposits:		
	Security deposits	21,604,164	17,758,958
	Tender deposits	967,000	1,375,276
		<u>22,571,164</u>	<u>19,134,234</u>
	Other loans and advances		
	Income Tax (Net of provisions)	7,884,750	16,061,926
	MAT Credit Entitlement	357,100	
	Other advances	-	457,706
		<u>8,241,850</u>	<u>16,519,632</u>
	Other non current assets		
	Others		
	Advances to eMudhra employees stock option trust	30,359,003	30,684,003
	Long term deposits with bank with maturity period more than 12 months [Refer note below]	6,961,990	6,638,525
		<u>37,320,993</u>	<u>37,322,528</u>
		<u>68,134,007</u>	<u>72,976,394</u>
	Note: Rs.69,61,990 held as lien by banks against bank guarantees.		
17	Inventories		
	Details of stock- in- trade		
	Crypto token	3,004,165	6,374,602
	SSL Certificates	4,131,498	8,262,997
		<u>7,135,663</u>	<u>14,637,599</u>
18	Trade receivables		
	Unsecured, considered good		
	From Unrealtd parties		
	Outstanding for a period exceeding six months from the date they are due for payment	24,392,540	33,059,022
	Others	124,790,963	199,534,009
		<u>149,183,503</u>	<u>232,593,031</u>



eMudhra Limited**Notes forming part of the consolidated financial statements**

Note	Particulars	Amount in INR	
		As at March 31,2021	As at March 31,2020
19	Cash and cash equivalents		
	Cash on hand	172,787	274,838
	Bank Balances :		
	In fixed deposits (refer below note)	54,705,000	
	In current accounts	36,974,941	91,049,191
		<u>91,852,728</u>	<u>91,324,029</u>
	Note: Deposit of Rs.14,705,000 held as lien by banks against bank guarantees and another deposit of Rs.40,000,000 is held as lien by bank against overdraft facility		
20	Short-term loans and advances		
	Unsecured, considered good		
	Other advances	4,942,103	5,664,316
	Unbilled revenue	137,503,789	105,232,497
	Capital advances	11,551,211	16,630
	Balances with government authorities	5,826,049	6,400,893
	Prepaid expenses	25,242,322	27,959,029
		<u>185,065,474</u>	<u>145,273,365</u>
21	Other current assets		
	Interest accrued on fixed deposit	1,543,918	898,976
		<u>1,543,918</u>	<u>898,976</u>



Note No	Particulars	Amount in INR	
		As at March 31,2020	As at March 31,2019
22	Contingent liabilities		
	Bank guarantees (secured against fixed deposits of Rs.21,666,990)	25,763,773	10,134,493
	Income tax Appeal(refer note (a) below)	32,290,170	15,150,000
		<u>25,763,773</u>	<u>10,134,493</u>

Note:

(a) The company have filed writ petition (WP 52898/2019) which is pending with Honourable High Court of Karnataka against Dy commissioner of Income Tax Circle2(1)(2), Bangalore against their Assessment Order for the AY 2012-13 to levy income tax under section 143 r.w.s. 147 of Income tax act, 1961.

(b) The company have 4 legal cases against the company in various courts in the country. In all these cases, we do not foresee any financial implication.

(c) The company have filed one case against M/s Suvidhaa Infoserve Private Limited, which is for seeking compensation to recover the losses suffered by the company on account of breach of terms of the agreement by the defendant. The compensation sought in this case is Rs.500,000,000.

(d) The proposed dividend for the financial year 2021 is Rs.2,580,000 [2020:4,830,000].



eMudhra Limited

Notes forming part of the Consolidated Financial Statements

Note	Particulars	Amount in INR	
		For the Year ended March 31, 2021	For the Year ended March 31, 2021
23 Other income			
	Interest Income	1,028,955	511,163
	Other income	176,650	2,839,373
	Provisions no longer required written back	123,101	-
	Foreign exchange gain	-	-
	Total	1,328,706	3,350,537
24 Operating expenses			
	Distributor commission	71,658,637	53,640,195
	DSC collection and verification charges	-	9,267,164
	Other direct operating expenses	46,831,857	60,473,836
	Licence fee expenses	-	-
	Payment gateway charges	4,328,228	3,522,470
	Postage and courier charges	6,170,357	4,045,291
	Foreign exchange Loss	(8,371,221)	(6,093,902)
	Total	120,617,858	124,855,055
25 Purchases of stock-in-trade			
	Purchase of hardware's	179,507,530	221,113,957
	SSL Certificates	-	37,675,575
	Total	179,507,530	258,789,532
26 Changes in inventories of stock-in-trade			
Finished Goods:			
Opening stock:			
	Crypto token	6,374,602	2,804,948
	SSL Certificates	8,262,997	-
	Total	14,637,599	2,804,948
Closing stock:			
	Crypto token	3,004,165	6,374,602
	SSL Certificates	4,131,498	8,262,997
	Total	7,135,663	14,637,599
	Total	7,501,936	(11,832,652)
27 Employee benefit expense			
	Salary and allowances to employees	383,197,142	263,042,508
	Contribution towards employee funds	12,191,977	9,248,843
	Staff welfare expenses	25,364,412	13,571,409
	Total	420,753,531	285,862,760
28 Financial costs			
	Interest expense	6,025,148	6,444,856
	Total	6,025,148	6,444,856
29 Depreciation and amortization expense			
	Amortization on intangible assets	69,048,997	72,917,249
	Depreciation on tangible assets	13,717,974	13,084,292
	Total	82,766,971	86,001,541



eMudhra Limited

Notes forming part of the Consolidated Financial Statements

Note	Particulars	Amount in INR	
		For the Year ended March 31, 2021	For the Year ended March 31, 2021
30	Other expenses		
	Office maintenance expense	8,949,094	8,862,293
	Electricity expense	7,125,279	8,900,490
	Business promotion and advertisement	25,965,059	27,583,411
	Miscellaneous expense	2,713,811	1,919,433
	Communication expenses	10,552,802	9,746,896
	Insurance expenses	2,125,341	1,521,813
	Information technology expenses	6,266,657	3,416,969
	Legal and professional expenses	63,537,580	30,278,615
	Auditors' remuneration:		
	- Statutory audit fee	700,000	700,000
	-Other services	210,000	189,201
	-Other consultancy services	-	150,000
	Membership charges	1,821,787	870,337
	Bad Debts	-	-
	Meeting and conference expenses	-	499,527
	Printing and stationary	1,319,007	4,181,999
	Fees rates and taxes	8,164,029	2,407,736
	Recruitment and training expenses	2,234,864	1,060,110
	Repair and maintenance	2,937,318	3,655,045
	Travelling, boarding and lodging expenses	3,143,546	25,484,932
	Redemption Premium	-	-
	Local conveyance	532,960	2,689,385
	Rent	39,419,231	29,020,592
	Contribution for corporate social responsibility expenses (Refer Note No 40)	2,178,348	1,889,429
	Total	189,896,713	165,028,213



Note no	Particulars		For the Year ended March 31, 2021	For the Year ended March 31, 2020
31	Earnings per share			
	Basic:			
	Profit after tax	A	251,021,368	206,591,707
	Weighted average number of shares outstanding	B	70,179,692	70,179,692
	Basic EPS	A/B	3.58	2.94
	Diluted			
	Profit after tax	A	251,021,368	206,591,707
	Weighted average number of shares outstanding	B	70,179,692	70,179,692
	Diluted EPS	A/B	3.58	2.94
32	Foreign Exchange Earnings / Expenses*			
	Foreign exchange earned			
	Royalty, know-how, professional and consultation fee		23,669,579	39,266,329
	Foreign exchange used			
	Royalty, know-how, professional and consultation fee		18,002,345	12,234,096

* this amounts are related to only Indian companies and doesn't include foreign subsidiaries.



33 Disclosures under accounting standard 15**a) Post Retirement Benefit- Defined Contribution Plans**

The Company has recognised an amount of Rs.92,98,744 (2020: Rs. 80,72,561) as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund for the year ended March 31, 2021.

b) Post Retirement Benefit- Defined Benefit Plan

The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each balance sheet date.

The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the balance sheet date.

These disclosures are related to eMudhra Limited and only the summary of liability and assets are disclosed in the financials as per note 33.1

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Present Value of Defined Benefit Obligation - Gratuity		
Balance at the beginning of the year	21,658,648	19,424,034
Current service cost	4,389,821	5,269,543
Interest cost	1,223,083	1,382,094
Actuarial (gain)/loss	4,278,924	(4,121,092)
Benefits paid	(1,214,609)	(295,931)
Balance at the end of the period/ year	30,335,867	21,658,648
(ii) Fair value of Plan Assets		
Balance at the beginning of the year	7,000,889	4,902,857
Expected return on plan assets	507,978	440,863
Contribution	868,141	2,246,553
Actuarial gain/(loss)	(68,742)	(293,453)
Benefits paid	(1,214,609)	(295,931)
Balance at the end of the year	7,093,657	7,000,889
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	30,335,867	21,658,648
Present value of plan assets	7,093,657	7,000,889
Amount recognised as assets/(liability)	(23,242,210)	(14,657,759)
Recognised under:		
Long term provision (Refer Note 8)	(21,242,210)	(12,657,759)
Short term provision (Refer Note 12)	(2,000,000)	(2,000,000)
Total	(23,242,210)	(14,657,759)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	4,389,821	5,269,543
Interest cost	1,223,083	1,382,094
Expected return plan assets	(507,978)	(440,863)
Actuarial (gain)/loss	4,347,665	(3,827,640)
Total expenses	9,452,591	2,383,134



(v) Major Category of Plan Assets as % of total Plan Assets

	As at March 31,2021	As at March 31,2020
Insurer managed funds	100%	100%
(vi) Actuarial assumptions		
Discount rate	5.26%	5.81%
Salary growth	10.00%	8.00%
Attrition rate	30.00%	25.00%
Expected rate of return on plan assets	6.91%	7.44%

(vii) Amounts recognised in current period and previous five years

	As at March 31,2021	As at March 31,2020	As at March 31,2019	As at March 31,2018	As at March 31,2017
Present value of obligation	30,335,867	21658648	19,424,034	12,434,198	11,100,509
Present value of plan assets	7,093,657	7000889	4,902,857	3,353,617	1,647,940
Amount recognised in balance sheet (Liability)/asset	(23,242,210)	(14,657,759)	(14,521,177)	(9,080,581)	(9,452,569)

(viii) Expected contribution to the fund next year

	As at March 31,2022	As at March 31,2022
Gratuity	2,000,000	1,200,000

Notes:

- 1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.
 - 2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.
 - 3) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.
- Other employee benefit plan:** The liability for leave encashment and compensated balances as at year end is Rs. 9,070,821(2020: 4,932,591).

33.1 Summary of disclosures under accounting standard 15

The following figures are taken from the stand alone audited financials of the respective company

	As at March 31,2021	As at March 31,2020
1 Gratuity		
Long term provision (Refer Note 8)		
eMudhra Limited	21,242,210	12,657,759
eMudhra Consumer services Limited	144,230	-
eMudhra Technologies Limited	-	-
Total	21,386,440	12,657,759
Short term provision (Refer Note 12)		
eMudhra Limited	2,000,000	2,000,000
eMudhra Consumer services Limited	500,000	-
eMudhra Technologies Limited	24,643	-
Total	2,524,643	2,000,000
2 Compensated absences		
Long term provision (Refer Note 8)		
eMudhra Limited	3,264,321	1,566,063
eMudhra Consumer services Limited	203,476	-
eMudhra Technologies Limited	62,516	-
Total	3,530,313	1,566,063
Short term provision (Refer Note 12)		
eMudhra Limited	5,806,500	3,366,528
eMudhra Consumer services Limited	132,636	-
eMudhra Technologies Limited	2,024	-
Total	5,941,160	3,366,528



34 Related party disclosures

A. Disclosure related to subsidiary and associate companies

(A.1) Particulars of subsidiary and associate companies :

SI No	Name of the company	Address	Relationship	% of shares held
1	Smart Craft Pvt Limited	#56, Sai Arcade, Deverabesenhalli, Bangalore, Karnataka.	Associate	NA
2	Taarav PTE Ltd	1 Phillip Street, #03-01 Singapore-048692	Associate	NA
3	eMudhra employees stock option trust	#56, Sai Arcade, Deverabesenhalli, Bangalore, Karnataka.	Associate	NA
4	PT eMudhra Technologies Indonesia	Ruko Pondasi, Jl. Raya Foundation No. 21 unit, H, Kayu Puith, Pulogadung, City of Adm. East Jakarta DKI Jakarta- 13210	Associate	29.5%
5	Bluesky Infotech	G-5, Arathi Apartments, No 150 Habibullah Road, T. Nagar Chennai 600017	Associate	NA

(A.2) Summary of transactions with subsidiary and associate companies

SI No	Summary of Transactions	Subsidiary Company		Associate Company	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Sales of services/products	-	-	226,120,350	166,640,467
2	Purchase of products/services	-	-	78,329,851	2,529,159
3	Receipt of loan	-	-	2,481,751	21,600,000
4	Repayment of loan	-	-	22,016,357	-
5	Commission paid	-	-	19,462,661	13,229,565
6	Receipt of deposits	-	-	-	100,000
7	Investment in equity shares	-	-	138,585,189	-

(A.3) Detailed transaction / balances of subsidiary and associate companies

SI No	Particulars	Transactions		Balances	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Sales of products/Services				
	Bluesky Infotech	109,604,262	166,640,467	-	-
	PT eMudhra Technologies Indonesia	116,516,088	-	-	-
2	Purchase of products/services				
	Smart Craft Private Limited	10,103	216,080	-	-
	Bluesky Infotech	78,319,748	2,313,079	-	-
3	Receipt of loan				
	Bluesky Infotech	-	21,600,000	-	-
	Taarav PTE Ltd	2,156,751	-	6,374,548	4,634,154
	eMudhra employees stock option trust(net)	325,000	-	30,359,003	30,684,003
4	Repayment of loan				
	Taarav PTE Ltd	416,357	-	-	-
	Bluesky Infotech	21,600,000	-	-	-
5	Commission paid				
	Bluesky Infotech	19,462,661	13,229,565	-	-
6	Receipt of deposits				
	Bluesky Infotech	-	100,000	-	-
7	Investment in equity/preference shares				
	PT eMudhra Technologies Indonesia	10,904,380	-	10,904,380	-
	PT eMudhra Technologies Indonesia [by eMudhra DMCC]	127,680,809	-	127,680,809	-



B. Disclosure related to director and key managerial personnel**(B.1) Particulars of director and key managerial personnel :**

Sl No	Key managerial personnel	Relationship
1	V. Srinivasan	Chairman and director
2	Venu Madhava	Wholetime director
3	Kaushik Srinivasan	Related to chairman and director
4	Mythili Srinivasan	Related to chairman and director
5	Arvind Srinivasan	Related to chairman and director
6	Johnson Xavier	Company secretary
7	Saji K Louiz	Chief financial officer

(B.2) Summary of transactions director and key managerial personnel

Sl No	Summary Transactions	Mar-21	Mar-20
1	Sale of shares	-	24,491,457
2	Receipt of loan	23,535,000	15,508,543
3	Repayment of loan	7,600,000	15,508,543
4	Salary and allowances paid	23,903,304	20,874,610
5	Preference dividend paid	2,579,999	2,579,999

(B.3) Detailed transaction / balances of subsidiary and associate companies

Sl No	Particulars	Transactions		Balances	
		Mar-21	Mar-20	Mar-21	Mar-20
1	Sale of shares				
	V. Srinivasan :				
	- Emudhra Consumer Service Limited	-	12,000,000	-	-
	- Emudhra Technologies Limited	-	12,491,457	-	-
2	Receipt of loan:				
	V. Srinivasan	23,535,000	15,508,543	37,555,883	-
3	Repayment of loan:				
	V. Srinivasan	7,600,000	15,508,543		
4	Salary and allowances paid:				
	V Srinivasan	4,785,600	4,785,600	-	-
	Venu Madhava	4,363,729	3,949,758	-	-
	Kaushik Srinivasan	6,010,277	4,745,272	-	-
	Arvind Srinivasan	8,095,640	7,337,920	-	-
	Saji K Louiz	3,947,377	3,545,264	-	-
	Johnson Xavier	1,486,281	1,296,396	-	-
5	Preference dividend paid:				
	V. Srinivasan	1,606,719	1,606,719		
	Mythili Srinivasan	389,312	389,312		
	Kaushik Srinivasan	291,984	291,984		
	Arvind Srinivasan	291,984	291,984		

Note:

- The information disclosed above is based on the names of the parties as identified by the management, which has been relied upon by the auditors.
- Provision for leave encashment and group gratuity which is based on actuarial valuation done on overall company basis is excluded while arriving at salary and allowances
- The Salary and allowances paid to key managerial persons includes leave encashment and incentive but doesn't includes PF contribution and other indirect benefits
- The names of the related parties with whom the transaction has been carried out only has been reported.
- During the year, the KMP's have met various office expenses from credit cards and the same has been reimbursed directly to the credit card by the company. Such reimbursements to the the credit cards are not included in the table above, which is amounting to Rs. 14,122,803 (2019:Rs. 14,270,917).



35 Revenue from Operation:		
Revenue from digital signature and accessories	672,469,902	563,535,526
Revenue from Software services and accessories (Including export sale)	642,504,457	600,701,156
	<u>1,314,974,359</u>	<u>1,164,236,682</u>

36 Micro small and medium enterprises

The dues of micro, small and medium enterprises, to which the company owes dues, or with which the company had transactions during the period has been disclosed in note 10 based on the information available with the company, which has been relied upon by the auditors.

37 Leases

The companies lease assets consists only plant and machinery effective from December 15, 2020. The company follows AS 19 leases to all the leasing contracts. The company has various operating leases/right to use for offices, residential premises and computers that are renewable on a periodic basis and cancellable at its option except for one which is non-cancellable in nature. Rental expenses for operating lease/right to use recognised in the statement of profit and loss amounting to Rs.39,125,862[2020:28,932,334]. The details of the non-cancellable contractual liabilities as at March 31, 2021 on an undiscounted basis are as below:

	As at March 31, 2021
Particulars	5,470,042
Less than one year	11,851,758
One to five years	<u>17,321,800</u>

38 Prepaid income and expenses

During the year, the company has changed its accounting policy with respect to recognition of prepaid expenses and revenue in the books of accounts. In line with this, the company has started booking expenses and revenue in the same financial year where the prepaid expenses/revenue is below Rs.1,000,000 irrespective of the effective period.

By adoption of the above policy change, the company has recognised additional revenue of Rs.11,319,853 during the reporting period. Similarly, an additional expenses of Rs.2,925,892 was also charged to the statement of profit and loss in the reporting period.

39 Previous period figures

The previous year figures have been reclassified to conform to this year classification.

40 Contribution for corporate social responsibility expenses

Financial Year	Net Profit Amount (Rs)
2017-18*	82,810,032
2018-19*	100,888,850
2019-20*	111,762,070
Average Net profits	98,486,984
2% of Avg.Net profit	1,969,740
Total amount to be spent during financial year 2020-21	2,178,348
Unspent amount	-

* the above computation is based on standalone financials of eMudhra Limited

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Manohar Chowdhry & Associates

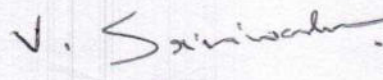
Firm Registration Number: 001997S
Chartered Accountant


Sumith Rathi

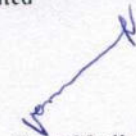
Partner
Membership No: 239986



**For and on behalf of the Board of Directors
of eMudhra Limited**



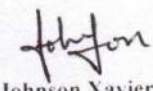
V Srinivasan
Chairman
DIN: 00640646



Venu Madhava
Director
DIN: 06748204



Saji K Louiz
Chief Financial Officer



Johnson Xavier
Company Secretary



Bangalore, May 21, 2021

Bangalore, May 21, 2021