

Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of eMudhra Limited

Report on the Audit of the 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, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and its consolidated profit, and other comprehensive profit, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of Code of Ethics issued by the Institute of Chartered Accountants of India and relevant provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key Audit Matters ("KAM") are those matters that, in our professional judgement, were most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.



Key Audit Matter	How the matter was addressed in our audit
<p>Revenue Recognition:</p> <p>The Group's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders ("transaction price") are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed/implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.</p> <p>Revenue from fixed-price maintenance contracts is recognized by estimating the percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in the financial statements.</p> <p>Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. AMC revenue is recognized ratably on a straight-line basis over the period in</p>	<p>Our audit procedures included the following:</p> <p>Identification of distinct performance obligations, whether the fixed price maintenance revenue is recognized on a straight-line basis or using the percentage completion method.</p> <p>We tested the effectiveness of controls relating to the identification of distinct performance obligations, determination of whether fixed price maintenance revenue for certain contracts is recognized on straight line basis or using the percentage of completion method.</p> <p>We selected a sample of contracts with customers and performed the following procedures:</p> <p>Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the contract.</p> <p>Identified significant terms and deliverables in the contract to assess management's conclusion regarding the identification of distinct performance obligations and whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage completion method.</p> <p>Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by assessing the actual efforts and costs incurred. Also, tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign offs to evaluate whether there is any delay in achieving the milestones.</p>



<p>which the services are rendered except in those cases where contract/sales order value is less than INR 1 million.</p> <p>In trust services, the revenues are recognized as and when the performance obligations are transferred for negotiated price, transaction price and it is highly probable that the Group will be able to collect the transaction price due under the contract/sales orders or otherwise.</p> <p>As certain contracts with customers involved management's judgement in identifying the distinct performance obligations, whether fixed price maintenance revenue is recognized on straight line basis or using the percentage of completion method and these judgements were identified as a key audit matter.</p>	
<p>Related Party Transactions:</p> <p>Refer Note 37 to the financial statements</p> <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter.</p> <p>The significance of transactions with the related parties during the year ended March 31, 2022.</p> <p>Compliance with applicable laws and regulatory directives.</p> <p>The fact that the related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.</p>	<p>Our audit procedures included the following:</p> <p>Obtaining an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the Financial Statements.</p> <p>Obtaining an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.</p> <p>Designing and performing audit procedures in accordance with the guidelines laid down by ICAI in the Standard on Auditing (SA 550) to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for or disclose material related party transactions which includes obtaining necessary approvals at appropriate stages of such transactions as mandated by applicable laws and regulations.</p>



	<p>Assessing the management evaluation of compliance with the provisions under section 177 and section 188 of the Act and SEBI LODR (2015)</p> <p>Evaluating the disclosures through the reading of statutory information, books, records and other documents obtained during the course of our audit.</p>
<p>Intangibles and Impairment:</p> <p>Intangible assets are stated at the acquisition price including directly attributable costs for bringing the asset into use. The group capitalizes the direct expenditure if any incurred for the internally developed intangibles from which the future economic benefits are expected to flow over the period of time is treated as intangible asset.</p> <p>The intangibles are stated at acquisition cost less accumulated depreciation and impairment in the financial statements.</p>	<p>Our audit procedures included the following:</p> <p>Obtaining an understanding of the intangible whether it is self-generated or acquired.</p> <p>For the acquired intangible assets, we have performed audit procedures by reading the purchase orders, invoices and the contracts entered for the acquisition of the intangible assets and capitalisation thereof.</p> <p>The internally developed intangibles involve personnel costs which comprises of salaries and allowances. During the year the internally developed intangibles are classified under capital work in progress as the feasibility tests have yet to be confirmed.</p> <p>Evaluation of management's internal product performance reports of the products and the factors indicate that there is no impairment of intangible assets during the year.</p>

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



Responsibility of Management and Board of Directors for the Consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with relevant rules issued there under. The respective Management and Board of Directors of the Companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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.

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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that:



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors of Company and reports of statutory auditors of subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the 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:
 - i. The Consolidated Financial Statements disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 42 to the financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- 2) With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") to the extent applicable issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Manohar Chowdhry & Associates
Chartered Accountants
FRN: 001997S



Ashok Kumar Doddi
Partner
M N: 217909



Place: Bengaluru

Date: June 11, 2022

UDIN: 22217909AKTEZB4556

ANNEXURE – A to the Independent Auditor’s Report on the consolidated financial statements of eMudhra Limited for the year ended 31st March 2022

Report on the Internal Financial controls over financial statements under clause (i) of sub section (3) of section 143 of the Companies Act, 2013 (“the Act”).

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **eMudhra Limited** (hereinafter referred to as the “Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements. 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 Companies Act 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan & 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial



statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 internal financial control with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

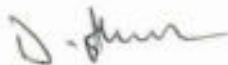
A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements 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 with reference to the Consolidated Financial Statements

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

For Manohar Chowdhry & Associates
Chartered Accountants
FRN: 001997S



Ashok Kumar Doddi
Partner
M.N: 217909



Place: Bengaluru

Date: June 11, 2022

UDIN: 22217909AKTEZB4556

eMudhra Limited
 Consolidated statement of profit and loss for the year
 (All amounts are in INR million, unless otherwise stated)

Particulars	Notes	For the year ended	
		March 31, 2022	March 31, 2021
Income			
Revenue from operations	27	1,826.37	1,315.93
Other income, net	28	10.98	8.61
Total revenue		1,837.35	1,324.54
Expenses			
Operating expenses	29	119.93	129.12
Purchase of stock-in-trade	30	311.32	179.56
Changes in stock of finished goods	31	(14.26)	7.50
Employee benefit expenses	32	468.15	417.11
Finance costs	33	52.72	8.41
Depreciation and amortisation expense	34	130.70	87.67
Other expenses	35	264.20	183.37
Total expenses		1,332.76	1,012.74
Profit/(Loss) before exceptional items and tax		504.59	311.80
Exceptional items		-	-
Profit/(Loss) before tax		504.59	311.80
Tax expense			
Current tax		88.94	52.15
Deferred tax		4.28	6.06
Total tax expenses		93.22	58.21
Profit/(Loss) for the year		411.37	253.59
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss)/gain on defined benefit plan		7.98	(3.31)
Other comprehensive income/(loss) for the year		7.98	(3.31)
Total comprehensive income for the year		419.35	250.28
Profit is attributable to			
Owners of eMudhra Limited		414.05	174.60
Non-controlling interests		(2.68)	78.99
Other comprehensive income attributable to			
Owners of eMudhra Limited		7.98	(3.35)
Non-controlling interests		-	0.04
Total comprehensive income attributable to			
Owners of eMudhra Limited		422.03	171.25
Non-controlling interests		(2.68)	79.03
Earnings per share (Nominal value of share INR 5/- each)	36		
Basic		5.86	3.61
Diluted		5.86	3.61
Summary of significant accounting policies	2		

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

Manohar Chowdhry & Associates
 Chartered Accountants
 Firm Registration Number: 0019975


 Ashok Kumar Doddi
 Partner
 Membership No: 217909
 UDIN:
 22217909AKTEZB4556



Place Bengaluru
 Date: June 11, 2022

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


 V Srinivasan
 Chairman and director
 DIN: 00040546


 Venu Madhava
 Whole time director
 DIN: 06748204


 Saji K Louis
 Chief financial officer


 Johnson Xavier
 Company secretary



eMudhra Limited
Consolidated statement of assets and liabilities as at March 31, 2022
 (All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at	
		March 31,2022	March 31,2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	658.50	657.12
Right-of-Use Assets	4	104.65	133.79
Capital work-in-progress	3,4	429.16	44.98
Intangible assets	5	382.25	402.28
Goodwill		29.28	52.91
Financial assets			
Investments	6	-	137.87
Other non-current assets	7	63.02	37.47
Total Non-current assets		1,666.86	1,466.42
Current assets			
Inventories	8	21.38	7.14
Financial assets			
Investments	9	-	0.62
Trade receivables	10	442.23	149.10
Cash and cash equivalents	11	132.55	77.13
Loan	12	30.63	30.61
Other current assets	13	307.75	188.12
Total current assets		934.54	452.72
Total assets		2,601.40	1,919.14
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	350.90	350.90
Other equity	15	1,171.92	722.68
Non-controlling interests		12.96	92.59
Total equity		1,535.78	1,166.17
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	197.69	220.91
Lease Liabilities	17	103.27	127.87
Deferred tax liabilities (Net)	18	17.92	13.64
Provision	19	27.49	32.65
Other non-current liabilities	20	15.51	14.68
Total Non-current liabilities		361.88	409.75
Current liabilities			
Financial liabilities			
Borrowings	21	255.88	87.15
Lease Liabilities	22	24.13	26.33
Trade payables	23		
Dues to Micro Enterprises and Small Enterprises		0.55	0.73
Dues to Creditors other than Micro Enterprises and Small Enterprises		88.04	34.25
Other financial liabilities	24	113.69	66.18
Provision	25	174.89	92.60
Other current liabilities	26	46.56	35.98
Total current liabilities		783.74	343.22
Total liabilities		1,065.62	752.97
Total equity and liabilities		2,601.40	1,919.14

Summary of significant accounting policies

2
 The accompanying notes are an integral part of the financial statements.
 As per our report of even date

Manohar Chowdhry & Associates
 Chartered Accountants
 Firm Registration Number: 0019975


 Ashok Kumar Doddi
 Partner
 Membership No: 211909
 UDIN: 22217909AKTE2B4556



Place Bengaluru
 Date: June 11, 2022

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


 V Srinivasan
 Chairman and director
 DIN: 00640648


 Venu Madhava
 Whole time director
 DIN: 06748204


 Saji K Louis
 Chief financial officer


 Johnson Xavier
 Company secretary



eMudhra Limited

Consolidated cash flow statement for the year
(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
A. Operating activities		
Profit before tax	504.59	311.80
Adjustments to reconcile profit/(loss) before tax to net cash flow:		
Depreciation and amortisation expense	130.70	87.67
Gain/premium on redemption of shares	-	(0.12)
Interest paid on lease liabilities	16.41	2.30
Interest income from bank deposits and others	(3.11)	(6.77)
Working capital adjustments:		
Decrease/(Increase) in inventories	(14.24)	7.50
Decrease/(Increase) in other non-current and current assets	(91.74)	(41.75)
Decrease/(Increase) in trade receivable	(293.13)	84.89
Decrease/(Increase) in loans	(0.03)	0.40
Increase/(Decrease) in current other financial liabilities	47.51	21.61
Increase/(Decrease) in non-current and current provision	33.47	18.76
Increase/(Decrease) in other current and non-current liabilities	11.41	(5.63)
Increase/(Decrease) in trade payables	53.62	(42.89)
Total cash from operations	395.46	437.77
Income taxes refund/(paid)	(45.27)	(28.33)
Net Cash flow from operating Activities (A)	350.19	409.44
B. Investing activities		
Purchase of property, plant and equipment	(236.59)	(181.08)
Purchase of intangible assets*	(230.51)	(27.98)
Proceeds from sale of intangible assets	-	3.02
Goodwill on consolidation	23.63	(1.05)
Movement in right to use assets	-	(138.62)
Gain/premium on redemption of shares	-	0.12
Investments in mutual funds/subsidiaries**	138.49	(136.99)
Movement in minority interest	(76.95)	4.23
Interest received	1.61	7.55
Net cash used in investing activities (B)	(380.32)	(470.80)
C. Financing Activities		
Proceeds from short term borrowing, net	168.68	(37.86)
Proceeds from long term borrowings, net	(23.21)	(41.44)
Proceeds/(payment) of public issue expenditures	(51.93)	-
Movement in Other comprehensive income	7.98	(3.35)
Proceeds of securities premium	(0.63)	-
Foreign exchange movement on consolidation	30.59	(16.07)
Payment of preference dividend	(2.72)	(6.56)
Payment towards principal portion of lease liability	(26.79)	154.21
Interest paid on lease liabilities	(16.41)	(2.30)
Net cash (used)/raised in financing activities(C)	85.56	46.63
Net increase in cash and cash equivalents(D=A+B+C)	55.43	(14.73)
Cash and cash equivalents at the beginning of the financial year E)	77.13	91.86
Cash and cash equivalents at the end of the year (D+E)	132.55	77.13
Components of cash and cash equivalents as at end of the year	March 31, 2022	March 31, 2021
Balance with banks:		
- On current account	82.29	36.97
- Deposit accounts (pledged with bank)	50.00	40.00
- Cash on hand	0.26	0.16
Total cash and cash equivalents as per Balance Sheet	132.55	77.13
Cash and cash equivalents as per Statement of Cash Flow	132.55	77.13

* This includes consolidation adjustment of INR 122.77 million

** This includes setting off subsidiary investment of INR 137.87 million

Summary of significant accounting policies

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

As per our report of even date.

Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration Number: 0019975

D. Ashok

Ashok Kumar Daddi
Partner
Membership No: 217909
UDIN: 22217909AKTEZB4556

Place Bengaluru
Date: June 11, 2022



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

V. Srinivasan

V Srinivasan
Chairman and director
DIN: 00540646

Venu Madhava
Whole time director
DIN: 06748204

Saji K Louis
Saji K Louis
Chief financial officer

Johnson Xavier
Johnson Xavier
Company secretary



1. General Information

eMudhra Limited ("the company" or eMudhra) and its subsidiaries (collectively referred to as "Group") provides 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.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Sai Arcade, No 56, 3rd Floor, Devarabeesanahalli, Bengaluru 560103, Karnataka India.

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, PT eMudhra Technologies Indonesia 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.

The financial statements are approved for issue by the Company's Board of Directors on June 11, 2022.

2. Summary of significant accounting policies

I Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India.

Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards (IND AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 ("the Act") as notified under the Companies (Indian Accounting Standards) Rules, 2015. The IND AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial information have been disclosed. Accounting estimates could change from period to period and also actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods, if material, their effects are disclosed in the notes to the financial statements.

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The company has considered the possible effects that may from the pandemic relating to COVID-19 in the preparation of these consolidated financial information including recoverability of the carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's consolidated financial information may differ from that estimates as at the date of these financial statements.

1 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. All the assets and liabilities have been classified as current/non-current as per the Company's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and noncurrent classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current only.

3. Significant Accounting Policies

A. Revenue recognition and expenses

The Company's contracts/sales orders with customers include promises to transfer multiple products/services ("performance obligations") to a customer. Revenues from customer contracts/sales orders ("transaction price") are considered for recognition and measurement when the contracts/sales orders have been accepted, expressed /implied, by the parties to the contract, the parties to contract/sales order are committed to perform their respective obligations under the contract/sales order, and the contract/sales order is legally enforceable.

Revenue from fixed-price maintenance contracts is recognized by estimating the percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. Revenues in excess of billing are classified as unbilled revenue in our financial statements.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

Arrangements to deliver software products generally have three elements viz. license fee, implementation/integration fee and Annual maintenance contracts ("AMC"). Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. AMC revenue is recognized ratably on a straight-line basis over the period in which the services are rendered except in those cases where contract/sales order value is less than INR 1 million. For cases, where it is less than INR 1 million, the same is recognised in the period in which it is billed.

In trust services and in SaaS based offering, the revenues are recognised as and when the performance obligations are transferred for negotiated price, called as transaction price, and it is highly probable that the company will be able to collect the transaction price due under the contract/sales orders or otherwise.



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Interest Income:

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

Dividend Income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Other Income:

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Expenses:

Expenses are accounted for on accrual basis and provisions are made for all known liabilities and losses. Those expenses spread across multiple financial years have been amortised on straight line basis over the period in which the services are received except in those cases where the contract/purchase order value is less than INR 1 million. For cases, where it is less than INR 1 million, the same is expensed off in the period in which it is billed.

B. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- as a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred tax is recognised on temporary timing differences between the expenses/income in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum alternate tax

Minimum Alternate Tax ("MAT") under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date

C. Property, Plant and equipment

Property, plant and equipment's (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost of acquisition includes directly attributable costs for bringing the assets to its present location and use.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use. Subsequent expenditures on the qualifying assets are capitalized only if it is probable that the future economic benefits will flow to the company.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2017, measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, Plant and equipment.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets derecognized.

The useful life of the assets and residual value are reviewed at every balance sheet date.

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of 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.

D. Intangible Assets

Intangibles are stated at the acquisition price including directly attributable costs for bringing the asset into use, less accumulated amortization and impairment. Direct expenditure, if any, incurred for internally developed intangibles from which future economic benefits are expected to flow over a period of time is treated as intangible asset.

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. Depreciation / Amortization is charged on a pro-rata basis on assets purchased/ sold during the year, with reference to date of installation/ disposal.

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 costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

E. Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.



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Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

F. Financial Instruments

Initial measurement

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for the trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement [non-derivative financial instruments]

Financial assets carried at amortized cost

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

Financial assets at fair value through other comprehensive income [FVTOCI]

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

Financial assets at fair value through profit or loss [FVTPL]

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method except financial liabilities carried at fair value through profit and loss or an entity had opted to measure a liability at fair value through profit or loss.

Financial liability at fair value through profit or loss [FVTPL]

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

Investment in Subsidiaries and associates

Investment in subsidiaries and Associates are measured at cost less impairment.

Share Capital – Ordinary Shares

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

De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial



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

Fair value measurement of financial instruments

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

G. Impairment of assets

Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance

for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised

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recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

H. Leases

The company assess whether a contract contains lease at the inception of the contract. A contract is or contains lease if the contract conveys the right to control the use of the identifiable assets for a period of time in exchange of consideration. To assess, whether a contract contains the right of control of the identifiable assets, the company identifies the following matters

- i. the contract involves the use of identifiable assets
- ii. the company has substantially all the economic benefits from the use of assets through the period of lease.
- iii. the company has the right to direct the use of assets.

At the date of commencement of lease the company recognises right-of-use [ROU] asset and corresponding lease liability for all the such arrangements. However, in case of leases for a period of duration which is below of 12 months or less [short-term leases]and low value leases, the company recognises the lease payments as an expense on straight line basis over the lease period.

ROU assets are initially recognised at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of lease plus any additional direct costs less any lease incentives. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

I. Foreign Currency Transactions

All transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date when the relevant transactions take place.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in the form of Loans, Current Assets and Current Liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

The premium or discount arising at the inception of the forward exchange contracts related to underlying receivables and payables, if any, are amortized as an expense or income recognized over the period of the contracts. Gains or losses on renewal or cancellation of foreign exchange forward contracts are recognized as income or expense for the period.

Investments in overseas entity are recognized at the relevant exchange rates prevailing on the date of investments.

All transactions of the foreign branch during the year are included in the accounts at the rate of exchange prevailing at the end of the month in which the transactions took place. Net Gain / Loss in foreign currency transactions are



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recognized in the Statement of Profit and Loss. Monetary assets and liabilities are translated at the rates prevailing on the balance sheet date.

J. Employee Benefits

Short-term employee benefits – Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

Post-employment benefits (defined benefit plans) – The employees' gratuity scheme is a defined benefit plan. In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity for the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation using projected unit credit method. The discount rate is based on the prevailing market yields of Indian government securities. Gains and Losses through re-measurement of the net defined benefit liability / (asset) are recognized in Other Comprehensive Income.

Post-employment benefits (defined contribution plans) – Contributions to the provident fund is defined contribution plan and is recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due. Both the employee and the Company make monthly contributions to the provident fund scheme equal to the specified percentage of the covered employees' basic salary.

Long-term employee benefits – Long-term employee benefits comprise of compensated absences and other employee incentives, if any. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognized in the Statement of Profit and Loss.

K. Earnings per Share (EPS)

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

L. Cash and Cash Equivalents

Cash and Cash equivalents comprises in hand, cash at bank & demand deposit with banks and corporations. The Company considers all short term highly liquid investment, which are readily convertible into cash and have original maturities of three months or less from the date of purchase which are subject to insignificant risk in change of value to be cash equivalent.

M. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

N. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



O. Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end.

Contingent liabilities are not provided for and are disclosed by way of notes to accounts, where there is an obligation that may, but probably will not, require outflow of resources.

Where there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

P. Inventories

Inventories are valued at the lower of first in first out [FIFO] cost basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Q. Segment reporting

The Group is engaged in the business of providing trust services and enterprises solutions to end users in India and abroad. The Group distinguishes revenues and direct costs associated with those revenues between segments in its internal reporting and reports all other overhead costs which cannot be bifurcated as a whole. The chief operating decision makers (CODM) reviews the results on this basis when making decisions about allocating resources and assessing performance of the segments and hence, the group has two reportable segments.

Recent Accounting Pronouncement

The Ministry of Corporate Affairs (MCA) has notified new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

IND AS 16, Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from directly attributable costs considered as part of cost of an item of Property, Plant and Equipment. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

IND AS 37, Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Company has evaluated the amendment and there is no significant impact in the financial statements.



Events occurring after Balance Sheet date

The company have completed its public issue of shares during May 2022 and has been listed in BSE and NSE on June 01,2022. The company has raised INR 1610.00 million through IPO and has also made a preferential allotment of INR 390.00 million through pre-IPO in the same month. The promoter and the promoter group including their family members of the company has also made offer for sale in the IPO worth INR2517.86 million and has diluted the stake from 91.37% to 69.44%. This transaction has increased the paid up equity share capital of the company from INR 350.90 million to INR 390.36 million and will increase the securities premium by INR 1861.98 million We have also made application to our, monitoring agency, Kotak Mahindra Bank Limited, to close our term loans and overdraft facilities amounting to INR 350 million. This will considerably strengthen the company's financial position and make it into zero debt company. Other than this there are no significant event after the balance sheet date which is likely to affect financial position/result of the company.



eMudhra Limited

Notes forming part of the consolidated financial statements

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

3 Property, Plant and Equipment and capital work-in-progress

Particulars	Leasehold land*	Building	Building on leasehold land	Computer and hardware	Motor vehicles	Office equipment's	Total	Capital work-in-progress
Period ended March 31, 2022								
Gross Carrying Amount								
As at April 01, 2020	89.25	31.97	7.24	63.83	6.21	33.86	232.36	384.83
Additions	-	-	510.74	9.81	-	0.21	520.76	712.74
Disposals/capitalisation	-	-	-	-	-	-	-	(1,052.59)
Exchange fluctuation	-	-	-	(0.14)	-	-	(0.14)	-
As at March 31, 2021	89.25	31.97	517.98	73.50	6.21	34.07	752.98	44.98
Additions	-	2.58	-	12.79	-	9.26	24.63	238.97
Disposals/capitalisation	-	-	-	-	-	-	-	(27.02)
Exchange fluctuation	-	-	-	0.28	-	-	0.28	-
As at March 31, 2022	89.25	34.55	517.98	86.57	6.21	43.33	777.89	256.93
Depreciation								
As at April 01, 2020	3.38	4.29	1.54	50.11	3.74	19.21	82.27	-
Charge for the year	0.85	1.07	0.18	6.93	0.55	4.14	13.72	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	(0.14)	-	-	(0.14)	-
As at March 31, 2021	4.23	5.36	1.72	56.90	4.29	23.35	95.85	-
Charge for the year	0.85	1.14	8.24	7.86	0.40	4.75	23.25	-
Disposals	-	-	-	-	-	-	-	-
Exchange fluctuation	-	-	-	0.29	-	-	0.29	-
As at March 31, 2022	5.08	6.50	9.96	65.05	4.69	28.10	119.39	-
Net Block								
As at March 31, 2021	85.02	26.61	516.26	16.60	1.92	10.72	657.13	44.98
As at March 31, 2022	84.17	28.05	508.02	21.52	1.52	15.23	658.50	256.93

Notes:

*Note: Out of this land worth Rs 8,30,01,213 is 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/Allo/AS/30017/8927/15-16 dated 23.09.2015. The company has later obtained possession certificate vide letter no. IADB/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- jagirampalayam,Salem is also under 99 year lease.



eMudhra Limited
 Notes forming part of the consolidated financial statements
 (All amounts are in INR million, unless otherwise stated)

34. Details of Property, plant and equipment

1. For the year ended March 31, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross Value as at March 31, 2021	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Lease hold land	Lease hold land from KJA/20, Dewasahali	82.99	eMudhra Limited	NA	March 25, 2018	NA
Lease hold land	Lease hold land from KJA/22, Dewas	6.28	eMudhra Limited	NA	August 13, 2018	NA
Office building	Hathrasn Sakas, Mathura	21.97	eMudhra Limited	NA	August 01, 2014	NA
Office building	6-Dewas data centre, Dewasahali	2.98	eMudhra Limited	NA	July 21, 2021	NA
Building on leasehold land	NA	7.24	eMudhra Limited	NA	Various dates	NA
Building on leasehold land	Building on Lease hold land from KJA/20, Dewasahali	520.74	eMudhra Limited	NA	March 31, 2021	NA
Computer and hardware	NA	86.04	eMudhra Limited	NA	Various dates	NA
Motor vehicles	NA	6.21	eMudhra Limited	NA	Various dates	NA
Other equipment's	NA	43.91	eMudhra Limited	NA	Various dates	NA
	Total	792.56				

2. For the year ended March 31, 2020

Relevant line item in the Balance sheet	Description of item of property	Gross value as at March 31, 2020	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Lease hold land	Lease hold land from KJA/20, Dewasahali	61.99	eMudhra Limited	NA	March 25, 2018	NA
Lease hold land	Lease hold land from KJA/22, Dewas	6.28	eMudhra Limited	NA	August 13, 2018	NA
Office building	Hathrasn Sakas, Mathura	21.97	eMudhra Limited	NA	August 01, 2014	NA
Building on leasehold land	NA	7.24	eMudhra Limited	NA	Various dates	NA
Building on leasehold land	Building on Lease hold land from KJA/20, Dewasahali	520.74	eMudhra Limited	NA	March 31, 2021	NA
Computer and hardware	NA	75.92	eMudhra Limited	NA	Various dates	NA
Motor vehicles	NA	6.21	eMudhra Limited	NA	Various dates	NA
Other equipment's	NA	34.97	eMudhra Limited	NA	Various dates	NA
	Total	792.56				



4 Right-of-Use Assets

Particulars	Leasehold assets
Year ended March 31, 2022	
Gross Carrying Amount	
As at April 01, 2020	-
Additions	138.62
Disposals/capitalisation	-
As at March 31, 2021	138.62
Additions	-
Disposals/capitalisation	-
As at March 31, 2022	138.62
Depreciation	
As at April 01, 2020	-
Charge for the year	4.83
Disposals	-
As at March 31, 2021	4.83
Charge for the year	29.14
Disposals	-
As at March 31, 2022	33.97
Net Block	
As at March 31, 2021	133.79
As at March 31, 2022	104.65

Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss.

Particulars	March 31,2022	March 31,2021
Opening Lease Liability	136.56	-
Add: Additions on lease during the year	-	138.62
Add: Accretion of Interest	16.41	2.30
Less: Lease Payments	(20.71)	(4.36)
Lease Liability*	132.26	136.56
Current	23.28	20.85
Non-Current	108.98	115.71
Total	132.26	136.56

*Refer note 17 to the financial information

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis:

Particulars	March 31,2022	March 31,2021
Less than one year	29.60	40.94
One to two years	65.88	58.38
More than two years	31.92	101.00
Total	127.40	200.32

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



5 Intangible assets and capital work in progress

Particulars	Computer Software	Capital work-in-progress
Period ended March 31, 2022		
Gross carrying amount		
As at April 01, 2020	839.61	19.85
Additions	57.24	33.94
Disposals/capitalisation	(20.48)	(53.91)
Effect of exchange fluctuation	(9.28)	0.12
As at March 31, 2021	867.09	-
Additions*	40.13	172.23
Disposals/capitalisation	-	-
Effect of exchange fluctuation	(0.21)	-
As at March 31, 2022	907.01	172.23
Accumulated Amortisation		
As at April 01, 2020	416.71	-
Charges for the year	69.12	-
Disposals	(17.46)	-
Effect of exchange fluctuation	(3.56)	-
As at March 31, 2021	464.81	-
Charges for the year	78.32	-
Disposals	-	-
Effect of exchange fluctuation	(18.36)	-
As at March 31, 2022	524.76	-
Net block		
As at March 31, 2021	402.28	-
As at March 31, 2022	382.25	172.23

Note:

* out of intangible addition of INR 172.23 million, INR 122.77 million relates to work in progress in PT eMudhra Technologies, Indonesia as on March 31, 2021. Upon PT eMudhra Technologies, Indonesia, becoming a subsidiary during FY 2021-22, this amount is also shown under additions.



eMudhra Limited

Notes forming part of the consolidated financial statements

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

Note no 3.1 and 5.1 to Annexure 3 and 5

1 For the period ended March 31,2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	297.30	122.77	9.09	-	429.16
Projects temporarily suspended	-	-	-	-	-
Tangible/Intangible assets under development:					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Remote Signing	10.53	-	-	-	10.53
emSigner	19.92	-	-	-	19.92
emAS IAM	8.55	-	-	-	8.55
emCA	10.46	-	-	-	10.46
Salem ELCOT , office building	-	-	9.09	-	9.09
EMCA-APAC	-	122.77	-	-	122.77
Digital Signature campus,Devenahalli campus	247.84	-	-	-	247.84
Total	297.30	122.77	9.09	-	429.16

2 For the year ended March 31,2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in Progress	36.41	6.60	1.97	-	44.98
Projects temporarily suspended	-	-	-	-	-
Intangible assets under development:					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
empower	7.58	-	-	-	7.58
Other assets	9.35	-	-	-	9.35
Salem ELCOT , office building	-	6.60	1.97	-	8.57
Digital Signature campus,Devenahalli campus	19.48	-	-	-	19.48
Total	36.41	6.60	1.97	-	44.98



Notes forming part of the consolidated financial statements
(All amounts are in INR million, unless otherwise stated)

Note	Particulars	March 31,2022	March 31,2021
6	Financial assets		
	Investment carried at cost:		
	a) Non-current investment		
	Investment in units of mutual funds	-	-
	[Units of canara robeco mutual fund units @ Rs.10 per unit] (NIL (2021:51,000) equity shares of face value of EURO 1 each)		
	Investment in PT eMudhra Technologies Indonesia (NIL (2021:147,500) equity shares of face value of USD 1 each)	-	22.01
	Investment in PT eMudhra Technologies Indonesia NIL(2021:16,00,000) preference shares of face value of USD 1 each)	-	115.86
	Total	-	137.87
	Aggregate amount invested in quoted mutual funds at cost	-	-
	Aggregate amount invested in unquoted shares at cost	-	137.87
7	Other non-current assets		
	Balance with government authorities	2.30	1.10
	Balances with bank held as margin money deposits as against bank guarantees	5.23	21.67
	Other receivables	52.19	0.16
	Prepaid expenses	3.30	14.54
	Total	63.02	37.47
8	Inventories		
	Crypto token/hardware security module/SSL	21.38	7.14
	Total	21.38	7.14
9	Investments		
	Investment in units of mutual funds	-	0.62
	Total	-	0.62
10	Trade receivables		
	Unsecured trade receivables	446.97	149.10
	Less: Allowance for doubtful debts	4.74	-
	Total	442.23	149.10
	Undisputed Trade Receivables - Considered good		
	Less than 6 months	310.42	128.77
	6 months - 1 year	120.47	12.96
	1-2 years	11.33	4.12
	2-3 years	1.88	1.84
	More than 3 years	2.86	1.41
	Total	446.96	149.10
11	Cash and cash equivalents		
	Balance with banks:		
	- On current account	82.29	36.97
	-Deposit accounts [pledged with bank]	50.00	40.00
	Cash on hand	0.26	0.16
	Total	132.55	77.13
12	Loan		
	Loans considered good - Unsecured		
	Loans to employees	0.46	0.25
	Loan to eMudhra employees stock options trust	30.17	30.36
	Total	30.63	30.61
13	Other financial assets		
	Other financial assets at amortised cost		
	Advance to capital creditors	17.64	11.55
	Advance to suppliers	4.89	3.45
	Balance with government authorities	-	1.02
	Interest accrued on fixed deposits	3.05	1.54
	Other short term deposits	1.20	1.03
	Prepaid expenses (short term)	17.78	9.72
	Rent deposit	11.65	8.44
	Security deposits	21.31	13.14
	Staff advance	0.06	0.01
	Tender deposit	1.33	0.97
	Unbilled revenue	228.64	137.25
	Total	307.75	188.12



eMudhra Limited

14 Notes forming part of the consolidated financial statements
(All amounts are in INR million, unless otherwise stated)

	As at	
	March 31, 2022	March 31, 2021
(i) Authorised		
123 Million (2021: 123 Million, 2020: 123 Million, 2019: 123 Million) equity shares of INR 5 each	615.00	615.00
(ii) Issued, Subscribed and Paid - Up		
70.18 Million (2021: 70.18 Million, 2020: 70.18 Million, 2019: 70.18 Million) equity shares of INR 5 each	350.90	350.90

The company has only one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of the equity share outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Share outstanding at the beginning of the year	7,01,79,692	350.90	7,01,79,692	350.90
Share issued during the year	-	-	-	-
Share outstanding at the end of the year	7,01,79,692	350.90	7,01,79,692	350.90

(iv) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
V Srinivasan	3,04,11,800	43.33%	2,79,71,264	39.86%
Taarav Pte Ltd	1,83,59,123	26.16%	1,83,59,123	26.16%
Lakshmi Kaushik	62,01,466	8.84%	62,01,466	8.84%
Arvind Srinivasan	66,36,515	9.46%	66,36,515	9.46%
eMudhra Employees Stock Option Trust	60,57,801	8.63%	60,57,801	8.63%



eMudhra Limited

Notes forming part of the consolidated financial statements

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

Note	Particulars	March 31,2022	March 31,2021
15	Other equity		
	Capital redemption reserve [refer note 15.1 below]	197.43	200.26
	Preference share capital	86.00	86.00
	Securities premium [refer note 15.2 below]	-	0.63
	Retained earnings [refer note 15.3 below]	860.02	447.29
	Foreign currency translation reserve[refer note 15.4 below]	19.83	(12.16)
	Other comprehensive income [refer note 15.5 below]	8.64	0.66
		<u>1,171.92</u>	<u>722.68</u>
15.1	Capital redemption reserve		
	Balance at the beginning of the year	200.26	89.00
	Add: Adjusted against securities premium	(2.83)	111.26
	Balance as at the end of the year	<u>197.43</u>	<u>200.26</u>
15.2	Securities premium		
	Balance at the beginning of the year	0.63	0.63
	Add: Transactions	-	-
	Less: Adjusted against buy-back of preference shares	0.63	-
	Balance as at the end of the year	<u>-</u>	<u>0.63</u>
15.3	Retained earnings		
	Balance at the beginning of the year	447.29	390.51
	Profit/ (Loss) for the year	414.05	174.60
	Less: Transfer to capital redemption reserve	-	111.26
	Less: Adjusted from opening balance	1.40	-
	Less: Dividend paid [including dividend distribution tax]	2.72	6.56
	Balance as at the end of the year	<u>860.02</u>	<u>447.29</u>
15.4	Foreign currency translation reserve		
	Balance at the beginning of the year	(12.16)	0.35
	Add: Exchange difference on translation of foreign operation	31.99	(12.51)
	Balance as at the end of the year	<u>19.83</u>	<u>(12.16)</u>
15.5	Other comprehensive income for the year		
	Balance at the beginning of the year	0.66	4.01
	Add: Other comprehensive income for the year	7.98	(3.35)
	Balance as at the end of the year	<u>8.64</u>	<u>0.66</u>



eMudhra Limited

Notes forming part of the consolidated financial statements

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

Note	Particulars	March 31,2022	March 31,2021
16	Borrowings		
	Secured		
	Term loan from bank (See note A below)	288.03	271.85
	Total borrowings	288.03	271.85
	Less: Current maturities of long term loans (clubbed under other financial liabilities)	90.34	50.94
	Total	197.69	220.91
17	Lease Liabilities		
	Lease Liability [refer note below]	127.40	154.20
	Less: Current Liability of Lease	24.13	26.33
	Total	103.27	127.87
	Out of the total lease liability, the rights of use of assets amounting to INR 11.85 million and INR 17.32 million for the year ended March 31,2022 and March 31,2021 respectively, is not fully handed over and hence the same is not disclosed in Note 4 to the financials.		
18	Deferred tax liabilities (Net)		
	Deferred tax asset/liability, net		
	On account of timing difference of depreciation and other expenses	17.92	13.64
	Total	17.92	13.64
19	Provisions		
	Provision for Leave Benefits [refer note 38 of annexure]	1.43	6.07
	Provision for gratuity [refer note 38 of annexure]	26.06	26.58
	Total	27.49	32.65
20	Other non-current liabilities		
	Prepaid Income	2.98	12.15
	Security deposit from customers	12.53	2.53
	Total	15.51	14.68
21	Borrowings		
	Secured		
	Working capital demand loan [See note B below]	125.24	43.35
	Unsecured		
	Short-term loan from associates/subsidiaries	11.13	6.36
	Short-term loan from director	119.51	37.44
	Total	255.88	87.15
22	Lease Liabilities		
	Current Liability of Lease	24.13	26.33
	Total	24.13	26.33
23	Trade payables		
	Dues to Micro Enterprises and Small Enterprises	0.55	0.73
	Dues to Creditors other than Micro Enterprises and Small Enterprises	88.04	34.25
	Total	88.59	34.98
	Less than 1 year		
	(i)MSME	0.55	19.29
	(ii)Others*	86.70	11.36
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		87.25	30.65
	1-2 years		
	(i)MSME	-	-
	(ii)Others	1.04	4.33
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		1.04	4.33
	2-3 years		
	(i)MSME	-	-
	(ii)Others	0.29	-
	(iii)Disputed dues - MSME	-	-
	(iv) Disputed dues - Others	-	-
		0.29	-



eMudhra Limited

Notes forming part of the consolidated financial statements

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

More than 3 years

(i)MSME

(ii)Others

(iii)Disputed dues - MSME

(iv) Disputed dues - Others

Grand total

88.58

34.97

*We have considered few MSME creditors amounting to INR 2.07 as at March 31, 2022 and INR 18.56 million as at March 31,2021 million under this heading where we have mutually agreed payment cycle.

24 Other financial liabilities

DSC Portal deposit

9.01

9.11

Current maturities of long term debts

90.34

50.94

Interest accrued but not due

1.20

-

Other advances from customers

0.30

-

Capital creditors

12.84

6.13

Total

113.69

66.18

25 Provision

Provision for tax,net

67.47

23.80

Other payables towards contractual obligations

56.63

33.34

Employee benefits payable

50.01

30.36

Provision for leave benefits [refer note 38 of annexure]

2.37

3.40

Provision for gratuity [refer note 38 of annexure]

(1.59)

1.70

Total

174.89

92.60

26 Other current liabilities

Prepaid Income

27.29

10.38

Statutory dues

19.27

25.60

Total

46.56

35.98

A The company has obtained term loan of INR 150 million(Term loan-1) for construction of digital signature campus at Devanahalli KIADB IT park, Bengaluru from M/s Canara bank and later this loan facility was taken over by M/s Kotak Mahindra bank Limited (referred as "lender") during May 2019 with an enhancement of INR 100 million (Term loan-2) loan towards the same purpose. During FY 2021, lender has sanctioned additional working capital term loan of INR 55.8 million (WCTL) under ECLGS scheme(Emergency Credit Line Guarantee Scheme).These loans are fully secured and the details of the same are as below:

1.)Primary Security: First and exclusive charge on all existing and future current assets, movable assets, movable fixed assets, tangible and intangible assets of the company.

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

Term loan 1(INR 150.00 million): The repayment of this loan began from June 2019 with a monthly instalment of INR 2.61 million for a period of 81 months. Company has made a repayment of INR 43.41 million till March 31, 2022 towards the principal.

Term loan 2(INR 100.00 million): The repayment began from June 2020 with a monthly instalment of INR 2.46 million for a period of 48 months. Company has made a repayment of INR 31.29 million till March 31, 2022 towards the principal.

Term loan 3(INR 55.80 million): The repayment began from January 2022 with a monthly instalment of INR 1.75 million for a period of 48 months[including moratorium period]. Company has made a repayment of INR 4.17 million till March 31, 2022 towards the principal.

Term loan 4(INR 70.00 million): The repayment began from November 2021 with a monthly instalment of INR 2.16 million for a period of 36 months. Company has made a repayment of INR 8.90 million till March 31, 2022 towards the principal.

Interest Rate: The applicable interest rates on these facilities are linked to 6 months repo rate along with a spread of 2.80%, which undergo change in every 6 months except for WCTL loan facility(Term loan 3), which is fixed at 8.00% per annum. The present applicable interest rate on the rest of the 2 term loans are 6.80% per annum.

B The company had working capital facility from M/s Canara Bank and which was taken over by M/s Kotak Mahindra Bank Limited with a limit of INR 80.00 million. Company has taken an adhoc unsecured loan of INR 20 million from M/s Kotak Mahindra Bank in August 2021 and has been fully repaid during September 2021. In additions to this, company has taken two working capital limits against deposits from M/s ICICI Bank Limited with an overall limit of INR 47.50 million during February 2021 and July 2021. 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 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.

Nature of Security[ICICI Bank Limited]:

This facility is 100% secured on fixed deposit made with this bank amounting to INR 50.00 million.



eMudhra Limited

Notes forming part of the consolidated financial statements

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

Note	Particulars	March 31,2022	March 31,2021
27	Revenue from operations		
	Sale of software solutions/services	1,536.08	1,153.33
	Sale of accessories	290.29	162.60
	Total	1,826.37	1,315.93
28	Other income, net		
	Foreign exchange gain/loss on consolidation	2.27	0.52
	Foreign exchange gain/loss on transactions	1.29	6.77
	Gain/premium on redemption of shares	-	0.12
	Interest income of fixed deposit	3.11	0.71
	Interest income on income tax refund	0.21	0.31
	Other miscellaneous income	0.03	0.18
	Provisions no longer required written back(see note 28.1 below)	4.07	-
	Total	10.98	8.61
28.1	This consist of erstwhile provisions created by the company to meet provident fund liabilities, which was later turned into non-payable since exemption forms had been collected from the beneficiaries. Since, the amount was fully, both employer and employee portions, contributed by the company, this is not payable and hence written back to other income.		
29	Operating expenses		
	Commission expenses	65.09	71.68
	Other direct operating expenses	43.91	46.91
	Payment gateway charges	4.60	4.33
	Postage and courier charges	6.33	6.20
	Total	119.93	129.12
30	Purchase of stock-in-trade		
	Purchase of crypto token/hardware's	302.89	169.83
	Purchase of SSL Certificates	8.43	9.73
	Total	311.32	179.56
31	Changes in stock of finished goods		
	Finished Goods:		
	Opening stock:		
	Crypto token/HSM/SSL	7.13	14.63
		7.13	14.63
	Closing stock:		
	Crypto token/HSM/SSL	21.38	7.13
	Closing stock	21.38	7.13
	Total	(14.25)	7.50
32	Employee benefit expenses		
	Contribution to provident and other funds	14.34	12.08
	Employee insurance expenses	7.55	5.13
	Gratuity	6.73	7.84
	Leave compensation	(0.87)	5.31
	Salaries, allowances and bonus	433.12	382.33
	Staff welfare expenses	7.28	4.42
	Total	468.15	417.11



eMudhra Limited

Notes forming part of the consolidated financial statements

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

Note	Particulars	March 31,2022	March 31,2021
33	Finance costs		
	Interest and finance charges on financial liabilities carried at amortised cost		
	Interest on term loans	21.79	17.24
	Interest on lease liabilities	16.41	2.30
	Interest on overdraft/cash credit facilities	7.40	6.03
	Less: interest amount capitalised	-	17.24
	Total interest on financial liabilities carried at amortised cost	45.60	8.33
	Interest on delayed payment of statutory dues	7.12	0.08
	Total	52.72	8.41
34	Depreciation and amortisation expense		
	Amortisation on intangible assets	78.44	69.12
	Depreciation on right to use assets	29.14	4.83
	Depreciation on plant, property and equipment	23.12	13.72
	Total	130.70	87.67
35	Other expenses		
	Auditors' remuneration [refer note 35.1 below]	3.79	2.59
	Business promotion and advertisements	67.12	25.97
	Communication expenses	15.02	9.89
	Contribution for corporate social responsibility expenses [refer note 35.2 below]	2.41	2.18
	Power and fuel expenses	9.39	7.13
	Fees rates and taxes	14.99	9.99
	Information technology expenses	15.43	6.21
	Insurance expenses	2.37	3.41
	Legal and professional expenses	47.92	58.81
	Local conveyance	0.87	0.82
	Meeting and conference expenses	0.13	-
	Membership charges	0.01	3.85
	Miscellaneous expense	0.36	0.35
	Office maintenance expense	12.04	10.05
	Printing and stationary	1.33	1.28
	Recruitment and training expenses	9.66	2.56
	Rent	43.46	33.48
	Repair and maintenance		
	- Plant and machinery	1.60	1.46
	- Buildings	-	0.17
	- Others	1.30	0.10
	Provision for doubtful debts	4.74	-
	Travelling, boarding and lodging expenses	10.26	3.07
	Total	264.20	183.37
35.1	Payment to statutory auditors included above		
	As Auditor towards:		
	Statutory audit	0.81	0.81
	Other matters	0.16	0.41
		0.97	1.22
35.2	Corporate social responsibility expense[CSR expense]		
	Amount required to be spent	2.41	1.97
	Amount spent during the year on		
	a.Promoting of education	2.41	2.18
	Total CSR expenses	2.41	2.18



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

Sl No	Particulars	For the year ended		
		March 31,2022	March 31, 2021	
1	Earnings per share*			
	Basic:			
	Profit after tax	A	411.37	253.59
	Weighted average number of shares outstanding	B	7,01,79,692	7,01,79,692
	Basic EPS	A/B	5.86	3.61
2	Diluted			
	Profit after tax	C	411.37	253.59
	Weighted average number of shares outstanding	D	7,01,79,692	7,01,79,692
	Diluted EPS	C/D	5.86	3.61
3	Ratios			
	(a) Current ratio [times]		1.33	1.32
	(b) Total Debt-Equity Ratio		18.75%	23.31%
	(c) Debt Service Coverage Ratio [times]		8.55	10.91
	(d) Return on Equity Ratio		30.45%	24.19%
	(e) Inventory turnover ratio[times]		20.83	17.18
	(f) Trade receivables turnover ratio		24.21%	11.33%
	(g) Trade payables turnover ratio		4.85%	2.66%
	(h) Net capital turnover ratio[times]		1.35	1.26
	(i) Net profit ratio		22.52%	19.27%
	(j) Return on Capital employed		34.10%	24.10%



A. Disclosure related to subsidiary, associate and group companies

1. Particulars of subsidiary, associate and group companies :

Sl No	Name of the company	Address	Relationship	March 31, 2022	March 31, 2021
1	eMudhra (ML) Limited	10, France Felix de Valois Street, Port Louis, Mauritius	Subsidiary company		
2	eMudhra Technologies Limited	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Subsidiary company	100%	100%
3	eMudhra consumer Services Limited	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Subsidiary company	100%	51%
4	eMudhra DMCC	3006, One Lake Plaza, Cluster T Jumeirah Lake Towers PO Box no 32620, Dubai UAE	Subsidiary company (September 30, 2021: directly 5.1% and through eMudhra (ML) Limited 94.9%(NIL for previous financial years))	100%	70%
5	eMudhra PTE Limited	#03-01, J Phillip Street Royal one Phillip Singapore 486592	Subsidiary company (September 30, 2021: directly 51% and through eMudhra (ML) Limited 49%(NIL for previous financial years))	100%	51%
6	eMudhra INC	97 Cedar Grove Lane Suite 202 Somerset, NJ 08873	Subsidiary company (September 30, 2021: directly 51% and through eMudhra (ML) Limited 49%(NIL for previous financial years))	100%	51%
7	eMudhra BV	Wilhelmina Van Praunsweg 0014, 2395AN- Sigwevhaag The Netherlands	Subsidiary company (September 30, 2021: directly 51% and through eMudhra (ML) Limited 49%(NIL for previous financial years))	100%	51%
8	PT eMudhra Technologies Indonesia	Ruko Pondok, Jl. Pondok Raya No. 21 Unit HLKaya Putih Pulogadang, Kota Adm. Jakarta Timur DKI Jakarta Indonesia	Subsidiary company (September 30, 2021: Directly 29.5%(March 31, 2021: 29.5%) and through eMudhra DMCC 29.5%(March 31, 2021: 15.05%)	59%	44.55%
9	Tasar PTE Limited	#03-01, J Phillip Street Royal one Phillip Singapore 486592	Group Company	NA	NA
10	Smart Craft Private Limited	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Group Company	NA	NA
11	Cedar Grove Real Estates Private Limited	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Group Company	NA	NA
12	Blusindy Infotech (Partnership firm)	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Group entity	NA	NA
13	eMudhra employee stock option trust (Separately managed by the outside trustees)	#56, Sai Arcade, Devarahesurahalli, Bangalore, Karnataka	Group entity	NA	NA

Note: Subsidiary company means, the company in which eMudhra Limited holds, directly/indirectly, 51% or more shares in their respective issued share capital.

Group company means, the companies which are managed by the same promoter/promoter group.

Group entity means, partnership firms or trusts which are managed by the same promoter/promoter group.



3 Particulars of key managerial person

Sl No	Entity Name	Name of the key managerial person		
		March 31, 2022	March 31, 2021	Relationship
1	eMudhra Limited	V. Srinivasan	V. Srinivasan	Promoter and director
		Kaushik Srinivasan	Kaushik Srinivasan	Promoter group
		Venu Madhava	Venu Madhava	Whole time director
		Saji K Lenz	Saji K Lenz	Chief financial officer
		Johnson Xavier	Johnson Xavier	Company secretary
		Biya Varghese	Biya Varghese	Sr. VP Enterprise Security
		AM Kiran	AM Kiran	Vice President - operations
		Vijay Kumar	Vijay Kumar	Sr. Vice President Product & Technology
		Adwin Jhanral	Adwin Jhanral	SVP - Sales & Business Strategy
		Janathan	Janathan	Sr. Vice President - Customer support
	Arvind Srinivasan	Arvind Srinivasan	Sr. Vice President & Head International Business	
2	eMudhra (M.) Limited	Arvind Srinivasan	Arvind Srinivasan	Director
		Ashish Dreywanand Bhaskhary	Ashish Dreywanand Bhaskhary	Director
3	eMudhra Technologies Limited	V. Srinivasan	V. Srinivasan	Director
		Vijay Kumar	Vijay Kumar	Director
		Venu Madhava	Venu Madhava	Director
4	eMudhra Consumer Services Limited	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Venu Madhava	Venu Madhava	Director
		NA	NA	Director
5	eMudhra DMCC	Arvind Srinivasan	Arvind Srinivasan	Director
		Mangy Kulkarni	NA	Director
6	eMudhra INC	V. Srinivasan	V. Srinivasan	Director
		Kaushik Srinivasan	Kaushik Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
7	eMudhra PTE Limited	V. Srinivasan	V. Srinivasan	Director
		Arvind Srinivasan	Arvind Srinivasan	Director
		Barkat Iba Abdul Fazi	Barkat Iba Abdul Fazi	Director
8	eMudhra BV	Arvind Srinivasan	Arvind Srinivasan	Director
10	PT eMudhra Technologies Indonesia	V. Srinivasan	NA	Director
		Gita Kao	NA	Director
		Andres Pangestu	NA	Director



Related party disclosures

Disclosures related to subsidiary, associate and group company transactions

S/No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31, 2022	March 31, 2021		
1	Purchase of Plant Assets	eMudhra (MS) Limited	eMudhra PTE Limited	Group/Associate Company		16.97		
		eMudhra DMCC	eMudhra (MS) Limited	Group Company		78.44		
2	Sale of Plant Asset	eMudhra (MS) Limited	eMudhra DMCC	Group/Associate Company	-	45.73		
		eMudhra PTE Limited	eMudhra (MS) Limited	Group/Associate Company	-	77.42		
3	Sale of products/services	eMudhra Limited	Standy Initech (Partnership firm)	Group entity	197.44	199.33		
			eMudhra DMCC	Subsidiary company	-	7.43		
			eMudhra consumer Services Limited	Subsidiary company	-	25.00		
		eMudhra consumer Services Limited	Standy Initech (Partnership firm)	Group entity	1.41	-		
		eMudhra Technologies Limited	eMudhra Limited	Holding Company	10.20	11.41		
		eMudhra DMCC	PT eMudhra Technologies Indonesia	Group/Associate Company	-	138.25		
		eMudhra BV	eMudhra DMCC	Group/Associate Company	1.75	-		
		4	Sale of software Licensing fees	eMudhra Limited	eMudhra consumer Services Limited	Subsidiary company	9.00	9.78
					eMudhra INC	Subsidiary company	1.40	2.95
					eMudhra BV	Subsidiary company	1.65	-
					eMudhra PTE Limited	Subsidiary company	2.18	-
					eMudhra DMCC	Subsidiary company	44.75	4.84
eMudhra consumer Services Limited	eMudhra PTE Limited			Group Company	0.47	0.12		
	eMudhra DMCC			Group Company	0.10	22.25		
	eMudhra Limited			Holding Company	27.91	36.80		
	eMudhra INC			Group Company	9.67	-		
eMudhra Technologies Limited	eMudhra INC			Group Company	0.90	0.78		
	eMudhra DMCC			Group Company	7.26	2.75		
	eMudhra PTE Limited			Group Company	0.02	-		
	eMudhra Limited	Holding Company	0.06	-				
	eMudhra (MS) Limited	eMudhra DMCC	Group/Associate Company	5.24	-			
	eMudhra DMCC	eMudhra (MS) Limited	Group/Associate Company	-	35.05			
5	Purchase of products/services	eMudhra Limited	eMudhra Technologies Limited	Subsidiary company	10.00	11.41		
			Standy Initech Private Limited	Group Company	-	0.00		
			Standy Initech (Partnership firm)	Group entity	18.04	78.21		
		eMudhra consumer Services Limited	eMudhra Limited	Holding Company	-	25.00		
		eMudhra DMCC	eMudhra Limited	Holding Company	-	7.83		
			eMudhra (MS) Limited	Group/Associate Company	4.92	-		
	eMudhra BV	Group/Associate Company	1.65	-				
6	Purchase of software Licensing fees	eMudhra Limited	eMudhra consumer Services Limited	Subsidiary company	27.91	36.80		
			eMudhra Technologies Limited	Group Company	0.06	-		
		eMudhra consumer Services Limited	eMudhra Limited	Holding Company	9.00	9.78		
		eMudhra (MS) Limited	eMudhra (MS) Limited	Group/Associate Company	-	33.05		
		eMudhra DMCC	eMudhra consumer Services Limited	Group Company	(2.47)	15.78		
			eMudhra Limited	Holding Company	64.16	4.91		
			eMudhra Technologies Limited	Group Company	7.26	2.75		
		eMudhra PTE Limited	eMudhra consumer Services Limited	Group Company	0.38	0.10		
			eMudhra Limited	Holding Company	2.17	-		
			eMudhra Technologies Limited	Group Company	0.02	-		
		eMudhra INC	eMudhra consumer Services Limited	Group Company	0.68	-		
			eMudhra Limited	Holding Company	1.40	2.97		
	eMudhra Technologies Limited	Group Company	0.92	0.78				
eMudhra BV	eMudhra Limited	Holding Company	1.86	-				



Related party disclosures

ii Disclosures related to subsidiary, associate and group company transactions

7	Receipt (payment) of loan, net					
	eMudhra Limited	Shreeji Infotech (Partnership firm)	Group entity		(21.80)	
		eMudhra (Software, risk system contracts)	Group entity	10.14	0.11	
	eMudhra (MUI) Limited	eMudhra DMCC	Group/Associate Company	(24.21)	-	
	eMudhra DMCC	eMudhra (MUI) Limited	Group Company	(74.40)	80.74	
		PT eMudhra Technologies Indonesia	Group Company	(1.24)	-	
		eMudhra BV	Group Company	4.41	-	
		eMudhra INC	Group Company	17.10	-	
	eMudhra PTE Limited	Tanzer PTE Limited	Group Company	4.83	(1.74)	
	eMudhra BV	eMudhra DMCC	Group Company	-	(0.11)	
	eMudhra Technologies Limited	eMudhra Limited	Group Company	4.40	-	
8	Loan Provided (received) Net					
	eMudhra DMCC	eMudhra PTE Limited	Group Company	2.21	-	
		eMudhra INC	Group Company	-	(1.64)	
		eMudhra BV	Group Company	-	(0.11)	
		eMudhra (MUI) Limited	Group/Associate Company	20.66	-	
		Tanzer PTE Limited	Group Company	2.24	-	
	eMudhra (MUI) Limited	eMudhra (DMCC)	Group/Associate Company	(24.71)	(74.37)	
	PT eMudhra Technologies Indonesia	eMudhra (DMCC)	Group Company	16.32	-	
	eMudhra Limited	eMudhra Technologies Limited	Group Company	4.40	-	
	eMudhra BV	eMudhra (DMCC)	Group Company	6.50	-	
	eMudhra INC	eMudhra (DMCC)	Group Company	17.12	(16.57)	
9	Commission paid	eMudhra Limited	Shreeji Infotech	Group entity	13.97	16.99

i Detailed transactions with key managerial persons

Sl No	Nature of transaction	Accounting entry	Related party	Nature of relationship	March 31, 2021	
1	Receipt (payment) of loan, net					
		eMudhra INC	V. Srivastava	Director	5.79	2.21
		eMudhra DMCC	V. Srivastava	Director	10.78	(14.82)
		eMudhra Limited	V. Srivastava	Chairman and Director	41.96	-
		eMudhra PTE Limited	V. Srivastava	Director	0.23	-
		eMudhra Technologies Limited	V. Srivastava	Director	(1.00)	(4.05)
2	Receipt of services					
		eMudhra (MUI) Limited	Arjun Srivastava (Shareholders)	Director	0.07	0.07
		eMudhra PTE Limited	Arjun (as share) hold	Director	0.14	0.10
3	Salary and allowances paid					
		eMudhra Limited	Vijay Mudhra	Whole time director	4.68	4.37
			Kaushik Srivastava	Former group	5.17	6.01
			Ravi K Jais	Chief financial officer	0.07	3.01
			Indraneel Kerkar	Company secretary	1.89	1.48
			Dipu Vaghmare	Mr. VP Enterprise Security	5.13	3.26
			AM Kulkarni	Vice President operations	3.66	3.30
			Vijay Kumar	Mr. Vice President Product & Technology	7.20	6.46
			Ashwin Suresh	EVF - Sales & Business Strategy	4.77	4.42
			Govindharan	Mr. Vice President - Content support	4.01	4.36
		eMudhra DMCC	Arvind Srivastava	Director	8.09	8.70
			V. Srivastava	Former group	4.47	3.20
4	Preference dividend paid					
		eMudhra Limited	V. Srivastava	Chairman and director	3.01	1.61
			Mythil Srivastava	Former group	-	0.79
			Kaushik Srivastava	Former group	-	0.22
			Lakshmi Kaushik	Former group	0.22	-
			Arvind Srivastava	Former group	-	0.22
			Anshuwaraj Arvind	Former group	0.22	-



Related party disclosures

III Disclosure related to subsidiary, associate, group company and KMP balances

Sl No	Particulars	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	Due to					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	17.01	5.54
			eMudhra consumer Services Limited	Group Company	0.04	33.06
			eMudhra Technologies Limited	Group Company	0.02	2.70
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			V. Srinivasan	Promoter Group	60.45	19.82
			eMudhra (MU) Limited	Group/Associate Company	5.01	72.26
			eMudhra BV	Group/Associate Company	8.13	-
			eMudhra Inc	Group/Associate Company	17.19	-
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	-	0.78
			V. Srinivasan	Director	18.00	13.78
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	40.23	-
			eMudhra Technologies Limited	Subsidiary company	11.63	-
			V. Srinivasan	Director	41.06	-
		eMudhra PTE Limited				
			eMudhra Limited	Holding Company	-	-
			eMudhra consumer Services Limited	Group Company	-	0.10
			V. Srinivasan	Director	-	0.24
			Taarav PTE Limited	Group Company	13.41	-
		eMudhra Technologies Limited				
			V. Srinivasan	Director	-	3.60
			eMudhra Limited	Holding Company	4.40	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	27.34	-
			eMudhra PTE Limited	Group Company	0.17	-
		eMudhra employees stock option trust				
			eMudhra Limited	Group entity	30.17	30.36
2	Due From					
		eMudhra Consumer services Limited				
			eMudhra Limited	Holding Company	40.23	-
			eMudhra DMCC	Group Company	-	33.25
			eMudhra PTE Limited	Group Company	-	0.10
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	17.04	5.55
			eMudhra employees stock option trust	Group entity	30.17	30.36
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	-	2.71
			eMudhra INC	Group Company	-	0.78
			eMudhra Limited	Holding Company	11.63	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	25.72	-
			Taarav PTE Limited	Group Company	2.28	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	0.19	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.01	61.91
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra BV				
			eMudhra DMCC	Group Company	8.19	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	-



IV The following are the details of disclosed Transactions:

Sl No	Nature of transaction	Accounting entity	Related party	Nature of relationship	March 31, 2022	March 31, 2021
1	Purchase of Fixed Assets	eMudhra (MC) Limited	eMudhra PTE Limited	Group/Associate Company	-	18.87
			eMudhra DMCC	Group/Associate Company	-	-
			eMudhra DMCC	Group/Associate Company	-	-
			eMudhra (MC) Limited	Group Company	-	76.44
2	Sale of Fixed Asset	eMudhra (MC) Limited	eMudhra DMCC	Group/Associate Company	-	81.12
			eMudhra PTE Limited	Group/Associate Company	-	17.42
3	Sale of products/services	eMudhra Limited	eMudhra DMCC	Subsidiary company	-	7.61
			eMudhra consumer Services Limited	Subsidiary company	-	21.08
		eMudhra Technologies Limited	Smart Card Private Limited	Group Company	-	-
			eMudhra Limited	Holding Company	10.98	11.41
		eMudhra DMCC	PT eMudhra Technologies Software	Group/Associate Company	-	118.23
		eMudhra BV	eMudhra DMCC	Group/Associate Company	1.71	-
4	Sale of software Licensing fee	eMudhra Limited	eMudhra consumer Services Limited	Subsidiary company	9.08	8.18
			eMudhra INC	Subsidiary company	1.48	2.01
			eMudhra BV	Subsidiary company	1.61	-
			eMudhra PTE Limited	Subsidiary company	2.14	-
			eMudhra DMCC	Subsidiary company	54.71	4.84
		eMudhra consumer Services Limited	eMudhra PTE Limited	Group Company	0.77	0.18
			eMudhra DMCC	Group Company	12.11	32.12
			eMudhra Limited	Holding Company	27.81	36.00
			eMudhra INC	Group Company	0.43	-
		eMudhra Technologies Limited	eMudhra INC	Group Company	0.71	0.78
			eMudhra DMCC	Group Company	1.26	2.71
			eMudhra PTE Limited	Group Company	0.52	-
			eMudhra Limited	Holding Company	0.56	-
		eMudhra (MC) Limited	eMudhra DMCC	Group/Associate Company	1.24	-
		eMudhra DMCC	eMudhra (MC) Limited	Group/Associate Company	-	51.01
5	Purchase of products/services	eMudhra Limited	eMudhra Technologies Limited	Subsidiary company	10.98	11.41
			eMudhra consumer Services Limited	Subsidiary company	-	-
			eMudhra (MC) Limited	Subsidiary company	-	-
		eMudhra consumer Services Limited	eMudhra Limited	Holding Company	-	21.08
		eMudhra DMCC	eMudhra Limited	Holding Company	-	7.42
			eMudhra (MC) Limited	Group/Associate Company	4.81	-
			eMudhra BV	Group/Associate Company	1.61	-
6	Purchase of software Licensing fee	eMudhra Limited	eMudhra consumer Services Limited	Subsidiary company	27.81	36.00
			eMudhra Technologies Limited	Group Company	0.06	-
		eMudhra consumer Services Limited	eMudhra Limited	Holding Company	9.58	8.18
		eMudhra (MC) Limited	eMudhra DMCC	Group/Associate Company	-	21.01
		eMudhra DMCC	eMudhra consumer Services Limited	Group Company	12.47	11.74
			eMudhra Limited	Holding Company	54.16	4.81
			eMudhra Technologies Limited	Group Company	7.36	2.76
		eMudhra PTE Limited	eMudhra consumer Services Limited	Group Company	0.18	0.11
			eMudhra Limited	Holding Company	2.17	-
			eMudhra Technologies Limited	Group Company	0.01	-



IV The following are the details of associated Transactions:

	eMudhra INC					
		eMudhra (Computer Services) Limited	Group Company	9.88	-	
		eMudhra Limited	Holding Company	1.86	2.97	
		eMudhra Technologies Limited	Group Company	0.43	8.78	
	eMudhra BV					
		eMudhra Limited	Holding Company	1.86	-	
7	Reserve (expenditure) of loss, net					
	eMudhra (SI) Limited					
		eMudhra (DMCC)	Group/Associate Company	(19.23)	-	
	eMudhra DMCC					
		eMudhra (SI) Limited	Group Company	(74.40)	(80.74)	
		PT eMudhra Technologies Indonesia	Group Company	11.94	-	
		eMudhra BV	Group Company	0.47	-	
		eMudhra INC	Group Company	17.09	-	
	eMudhra BV					
		eMudhra (DMCC)	Group Company	-	(0.13)	
	eMudhra Technologies Limited					
		eMudhra Limited	Holding Company	4.40	-	
8	Loan Provision/(reversal) Net					
	eMudhra DMCC					
		eMudhra PTE Limited	Group Company	3.21	-	
		eMudhra INC	Group Company	-	(1.94)	
		eMudhra BV	Group Company	-	(0.13)	
		eMudhra (SI) Limited	Group/Associate Company	20.46	-	
	eMudhra (SI) Limited					
		eMudhra (DMCC)	Group/Associate Company	(04.73)	(74.15)	
	PT eMudhra Technologies Indonesia					
		eMudhra (DMCC)	Group Company	(0.41)	-	
	eMudhra Limited					
		eMudhra Technologies Limited	Group Company	4.40	-	
	eMudhra BV					
		eMudhra (DMCC)	Group Company	6.30	-	
	eMudhra INC					
		eMudhra (DMCC)	Group Company	(1.11)	(1.07)	



V The following are the details of balances eliminated

Sl No	Particulars	Accounting entity	Related party	Nature of relationship	March 31,2022	March 31,2021
1	Due to					
		eMudhra DMCC				
			eMudhra Limited	Holding Company	17.01	5.54
			eMudhra consumer Services Limited	Group Company	0.04	33.25
			eMudhra Technologies Limited	Group Company	0.02	2.70
			PT eMudhra Technologies Indonesia	Group Company	11.04	-
			eMudhra (MU) Limited	Group/Associate Company	5.01	72.26
			eMudhra BV	Group/Associate Company	8.13	-
			eMudhra Inc	Group/Associate Company	17.19	-
		eMudhra INC				
			eMudhra Technologies Limited	Group Company	-	0.78
		eMudhra Limited				
			eMudhra consumer Services Limited	Subsidiary company	40.23	-
			eMudhra Technologies Limited	Subsidiary company	11.63	-
		eMudhra PTE Limited				
			eMudhra consumer Services Limited	Group Company	-	0.10
		eMudhra Technologies Limited				
			eMudhra Limited	Holding Company	4.40	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	27.34	-
			eMudhra PTE Limited	Group Company	0.17	-
2	Due From					
		eMudhra Consumer services Limited				
			eMudhra Limited	Holding Company	40.23	-
			eMudhra DMCC	Group Company	-	33.25
			eMudhra PTE Limited	Group Company	-	0.10
		eMudhra Limited				
			eMudhra DMCC	Subsidiary company	17.04	5.55
			eMudhra Technologies Limited	Group Company	4.40	-
		eMudhra Technologies Limited				
			eMudhra DMCC	Group Company	-	2.71
			eMudhra INC	Group Company	-	0.78
			eMudhra Limited	Holding Company	11.63	-
		eMudhra DMCC				
			eMudhra (MU) Limited	Group/Associate Company	25.72	-
		eMudhra PTE Limited				
			eMudhra (MU) Limited	Group/Associate Company	0.19	-
		eMudhra (MU) Limited				
			eMudhra DMCC	Group/Associate Company	5.01	61.91
		PT eMudhra Technologies Indonesia				
			eMudhra DMCC	Group Company	10.92	-
		eMudhra BV				
			eMudhra DMCC	Group Company	8.19	-
		eMudhra INC				
			eMudhra DMCC	Group Company	17.13	-



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

A) Employee benefits**a) Post Retirement Benefit- Defined Contribution Plans**

The company has recognised an amount of INR 12.96 million (March 31, 2021: INR 11.71 million) 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

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.

	March 31, 2022	March 31, 2021
(i) Present Value of Defined Benefit Obligation - Gratuity		
Balance at the beginning of the period/year	36.04	26.25
On account of consolidation	-	-
Current service cost	5.61	6.00
Interest cost	1.63	1.12
Actuarial (gain)/loss	(7.60)	4.84
Benefits paid	(1.73)	(2.17)
Balance at the end of the period/ year	33.95	36.04
(ii) Fair value of Plan Assets		
Balance at the beginning of the period/year	7.76	7.00
Expected return on plan assets	0.41	0.42
Contribution	2.36	1.53
Actuarial gain/(loss)	0.38	0.02
Benefits paid	(1.42)	(1.21)
Balance at the end of the period/ year	9.49	7.76
(iii) Assets and liabilities recognised in the Balance Sheet		
Present value of defined benefit obligation	33.95	36.04
Present value of plan assets	9.49	7.76
Amount recognised as assets/(liability)	(24.46)	(28.28)
Recognised under:		
Long term provision (Refer Note 19)	(26.06)	(26.58)
Short term provision (Refer Note 25)	1.59	(1.70)
Total	(24.47)	(28.28)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	5.61	5.99
Interest cost	1.63	1.28
Expected return plan assets	(0.41)	(0.42)
Total expenses	6.83	6.85
(V) Expenses recognised in the other comprehensive income		
Actuarial (gain)/loss	(7.60)	4.84
Return on Plan Assets	(0.38)	(0.02)
	(7.98)	4.82



eMudhra Limited

38 Notes forming part of the consolidated financial information
(All amounts are in INR million, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
(vi) Major Category of Plan Assets as % of total Plan Assets		
Insurer managed funds		
eMudhra Limited	100%	100%
eMudhra Technologies Limited	100%	100%
eMudhra Consumer Services Limited	100%	100%
eMudhra DMCC	0%	0%
(vii) Actuarial assumptions		
Discount rate		
eMudhra Limited	5.77%	5.26%
eMudhra Technologies Limited	5.54%	6.88%
eMudhra Consumer Services Limited	5.41%	5.04%
eMudhra DMCC	2.86%	2.36%
Salary growth		
eMudhra Limited	10.00%	10.00%
eMudhra Technologies Limited	5.00%	5.00%
eMudhra Consumer Services Limited	10.00%	10.00%
eMudhra DMCC	5.00%	5.00%
Attrition rate		
eMudhra Limited	30.00%	30.00%
eMudhra Technologies Limited	36.00%	1.00%
eMudhra Consumer Services Limited	41.00%	33.00%
eMudhra DMCC	10.00%	10.00%
(viii) Amounts recognised in current period and previous five years		
	As at	
	March 31, 2022	March 31, 2021
Present value of obligation	33.95	36.04
Present value of plan assets	9.49	7.76
Amount recognised in balance sheet (Liability)/asset	(24.46)	(28.28)

(ix) Expected contribution to the fund for the year March 31, 2023 is INR 7.03(March 31, 2022 is INR 7.97)

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
- 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

Other employee benefit plan: The liability for leave encashment and compensated balances as at the year end is INR 3.80 million (March 31,2021:INR 9.47 million))

B) Employee stock option plan

Pursuant to the resolution passed by the Shareholders at the Extraordinary General Meeting held on March 23, 2016, the Company had introduced ESOP scheme for eligible employees of the Company. Under the scheme, 6,132,801 equity shares were irrevocably allotted to eMudhra employees stock options trust. The vesting period of the options granted by the company is not earlier than one year and not later than 4th (fourth) year from the date of grants. The fair value of the shares as of each grant date has been taken at the average of net asset value and discounted cash flow method and fair value of options are estimated by the management at the grant date using Black and Scholes model, taking into account the terms and conditions upon which the share options were granted.

The company has provided for the stock options expenses of INR 5.21 million for the year ended March 31,2022,INR 5.45 million for the year ended March 31,2021 which has been included under salaries allowances and bonus of annexure 32 to the notes of restated consolidated financial information and this amount is made part of the provisions mentioned in annexure 25 to the restated consolidated financial information.



	For the year ended	
	March 31, 2022	March 31, 2021
Options granted 2016-17		
Total options outstanding as at the beginning of the period	34,25,000	34,25,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	-
Variation of terms of options	No	No
Money realized by exercise of options (INR in absolute figures)	-	3,75,000
Total number of options outstanding in force	34,25,000	34,25,000
Options vested (excluding the options that have been exercised)	-	-
Options exercised (since implementation of the ESOP Scheme)	-	75,000
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	75,000
Options granted - 2017-18		
Total options outstanding as at the beginning of the period	6,25,000	6,75,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	12,500	50,000
Variation of terms of options	No	No
Money realized by exercise of options (INR in absolute figures)	1,87,500	-
Total number of options outstanding in force	5,75,000	6,25,000
Options vested (excluding the options that have been exercised)	-	2,06,250
Options exercised (since implementation of the ESOP Scheme)	37,500	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	37,500	-
Options granted- 2018-19		
Total options outstanding as at the beginning of the period	56,250	75,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	75,000
Variation of terms of options	No	No
Money realized by exercise of options (INR in absolute figures)	-	-
Total number of options outstanding in force	-	-
Options vested (excluding the options that have been exercised)	56,250	56,250
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-
Options granted- 2019-20		
Total options outstanding as at the beginning of the period	5,00,000	7,25,000
Total options granted	-	-
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	-	2,25,000
Variation of terms of options	NIL	NIL
Money realized by exercise of options (INR in absolute figures)	-	-
Total number of options outstanding in force	5,00,000	5,00,000
Options vested (excluding the options that have been exercised)	1,87,500	1,87,500
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-



38 Notes forming part of the consolidated financial information
(All amounts are in INR million, unless otherwise stated)

Options granted- 2020-21	3,05,000	-
Total options outstanding as at the beginning of the period	-	-
Total options granted	-	3,05,000
Exercise price of options in INR per share (as on the date of grant options)	5	5
Options forfeited/lapsed/cancelled	50,000	-
Variation of terms of options	No	No
Money realized by exercise of options((INR in absolute figures)	-	-
Total number of options outstanding in force	2,55,000	3,05,000
Total options vested (excluding the options that have been exercised)	76,250	-
Options exercised (since implementation of the ESOP Scheme)	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-
Options granted-2021-22		
Total options outstanding as at the beginning of the period	-	NA
Total options granted	7,84,000	NA
Exercise price of options in INR per share (as on the date of grant options)	5	NA
Options forfeited/lapsed/cancelled	47,500	NA
Variation of terms of options	No	NA
Money realized by exercise of options((INR in absolute figures)	-	NA
Total number of options outstanding in force	7,36,500	NA
Options vested (excluding the options that have been exercised)	-	NA
Options exercised (since implementation of the ESOP Scheme)	-	NA
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	NA

The fair value of options granted have the following assumptions

Particulars	Grants issued during	
	2021-22	2020-21
Dividend yield (%)	Nil	Nil
Risk free interest rate (%)	5%	5%
Volatility (%)	20%	20%
Strike price (INR)	5.00	5.00
Fair value of the shares at the time of grant (INR)	23.32	23.32
Fair value of the options at the time of grant	INR 8.29 to INR 19.23 (From 2017-18* to 2021-22)	
Expected life of options	4 years	

* from the date on which company adopted IndAS



eMudhra Limited

Notes forming part of the consolidated financial statements

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

39 Previous period figures

Previous period/ year figures have been re-grouped / re-classified/restated, wherever necessary

40 Contribution for corporate social responsibility expenses

Financial Year	Net Profit Amount
2018-19*	100.89
2019-20*	111.76
2020-21*	149.22
Average Net profits	120.62
2% of Avg.Net profit	2.41
Total amount spent during financial year 2021-22	2.41
Unspent amount	-

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



41 Notes forming part of the consolidated financial information

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

Contingent Liabilities

Particulars	March 31,2022	March 31,2021
Bank guarantees (secured against fixed deposits of March 2022:INR 5.23 million, March 31,2021: 21.67 million)	12.06	25.76
Income tax Appeal(refer note (a))	32.29	32.29
	44.35	58.05

(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 2 legal cases (March 31,2022: 2 cases, March 31,2021: 3 cases) against the company in various courts in the country. In all these cases, we do not foresee any financial implications.



42 Notes forming part of the consolidated financial information

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

Segment Information

Business Segment *	March 31, 2022				March 31, 2021			
	Trust Services	Enterprise Solutions		Total	Trust Services	Enterprise Solutions		Total
	India	India	Outside India		India	India	Outside India	
Segment Revenue								
External Sales	845.60	631.86	348.91	1,826.37	672.50	388.62	254.81	1,315.93
Unidentified segments	-	-	-	-	-	-	-	-
Total Revenue	845.60	631.86	348.91	1,826.37	672.50	388.62	254.81	1,315.93
Result								
Segment Result	532.27	257.97	172.87	963.11	509.44	210.97	147.90	868.30
Unallocated Corporate expenses (less income)	-	-	-	405.82	-	-	-	548.10
Operating Profit	532.27	257.97	172.87	557.29	509.44	210.97	147.90	320.20
Add: Interest Income	-	-	-	-	-	-	-	-
Less: unallocated interest expenses	-	-	-	52.71	-	-	-	8.40
Profit/(loss) before taxation and exceptional items	532.27	257.97	172.87	504.58				311.80
Exceptional items	-	-	-	-	-	-	-	-
Profit/(loss) before taxation	532.27	257.97	172.87	504.58				311.80
Less: Income Taxes (Net)	-	-	-	93.21	-	-	-	58.21
Net Profit				411.37				253.59
Other Information								
Segment Assets	309.33	575.64	545.14	1,430.11	178.52	147.05	340.94	666.51
Add: Unallocated Corporate Assets	-	-	-	1,171.29	-	-	-	1,252.63
Total Assets	309.33	575.64	545.14	2,601.40	178.52	147.05	340.94	1,919.14
Segment Liabilities	17.34	30.56	102.14	150.05	-	14.07	6.80	20.87
Add: Unallocated Corporate Liabilities	-	-	-	915.57	-	-	-	732.10
Total Liabilities	17.34	30.56	102.14	1,065.62	-	14.07	6.80	752.97

*The CODM(Chief Operating Decision Maker) analyses the primary reportable business segments into two, trust services and enterprise solutions and the secondary segments are India and outside India. In line with this revenue from sale of digital signature certificates in India are classified as trust services and rest of the revenue from operations of all the subsidiary companies are classified as enterprise solutions and further classified into from India and outside India based on the location of the billing entity.

