

**26TH
Annual Report
2020-2021**

**Infrasoft Technologies
Limited**

CORPORATE INFORMATION

Board of Directors

Rahul Bhasin	–	Chairman
Rajesh Mirjankar	–	Managing Director & Chief Executive Officer
Rashmi Agarwal	-	Director
Milind Chalisgaonkar	-	Independent Director
Rangan Mohan	-	Independent Director
Debanshi Basu	-	Director
Mitali Chitre	-	Director

Kankesh Kamath - Chief Financial Officer

Meet Bhagat - Company Secretary

Registered Office - Unit No. 86 & 87, 1st Floor, SDF III, SEEPZ SEZ
Andheri (East), Mumbai – 400096
Tel No.: +91 22 6776 4000
Email: compliance@kiya.ai
URL: www.kiya.ai
CIN: U72900MH1995PLC135094

Corporate Office - Floor 7, Building 9, Gigaplex, Airoli West
Navi Mumbai – 400708
Tel: +91 22 6101 2200

Bankers - HSBC Bank
ICICI Bank

Auditors - M/s. BSR & Co. LLP
Chartered Accountants
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, W. E. Highway
Goregaon (East)
Mumbai - 400063

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DIRECTORS REPORT

To,
 The Members
 Infrasoft Technologies Limited

Your Directors have pleasure in presenting the 26th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

1. Summary of Financial Highlights / Performance of the Company

The Company grew steadily at over 8% on Y-o-Y revenues and improved the contribution of the Digital and Product business at 64% of the total revenue of Rs. 331.10 Cr.

Amount in ₹ Crores

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Income (Including other income)	251.97	246.43	334.52	313.39
Expenses (Including exceptional items)	207.07	186.68	278.70	257.63
Profit before Interest, Depreciation and Tax (PBIDTA)	44.90	59.75	55.82	55.76
Finance Charges	-	-	-	-
Depreciation & Amortization	3.29	3.87	3.39	3.97
Net Profit Before Tax	41.61	55.88	52.43	51.78
Provision for Tax including Deferred Tax	13.07	10.90	14.18	12.29
Net Profit after Tax	28.55	44.97	38.25	39.50
EPS				
Basic (₹ Per Share)	37.35	58.85	50.06	51.69
Diluted (₹ per Share)	37.29	58.76	49.97	51.60

On consolidated basis, for FY 2020-21 your Company's revenue was ₹ 334.52 Cr. and EBIDTA ₹ 55.82 Cr. as compared to ₹ 313.39 Cr. and EBIDTA ₹ 55.76 Cr. for FY 2019-20 respectively.

2. Trends in the Market

The key trends in Banks led by adoption of digital technology have been:

- Omnichannel Banking
- Open API Banking
- AI & Predictive Analytics

- Cyber-security & Digital Identity
- Deep Learning & Cognitive Analytics
- Robotic Process Automation
- Digital Marketing

3. Offerings

Your company's business has gradually become more product driven and there is significant growth in our Cloud based revenues and Annuity revenues. Kiya.ai sales has grown significantly over the last 4 years at a CAGR of over 80%. With the larger growth of the company in its products business we have seen the emergence of each of its products in Core Banking, Compliance & RegTech, Digital Origination and Payments building its distinct market positioning and leadership status.

➤ **Finairo - Core Banking Solutions**

- Core Banking for Co-Operative Sector
- Core Banking for Green field Banks on cloud
- Microfinance
- Islamic Banking
- Lending management
 - Loan Origination
 - Loan Management
 - Collateral Management
 - Collection & Delinquency Management
 - Comprehensive Reporting

➤ **Kiya.ai - Omnichannel & Open Banking Solution**

- Internet Banking Solution
 - Retail Banking
 - Corporate Banking
 - Customer Portal
- Mobile Banking
- UPI including Switch, App, Merchant Management & Reconciliation
- Contact Management Bot
- Mixed Reality Solution
- Tablet Banking
- Alexa & Google Assistant Banking
- Smart Watch Banking
- WhatsApp & Facebook Messenger integration for banking & payments
- eCO Client Onboarding Solution

- Kiosk Banking

➤ **Univius – RegTech Solution**

- Anti-Money Laundering Solution
- Anti-Fraud Solution
- FATCA / CRS
- Beneficial Ownership Reporting
- GDPR Solution
- CBCR Solution
- MDR Solution

➤ **Fintech Services**

- Open API Integration
- Robotic Process Automation
- Cognitive Analytics
- Big Data Analytics
- Testing
- Application Modernization

4. Marketing and Relationship Initiatives and Market Share Improvements

- **Customer Satisfaction:** InfrasoftTech has enhanced customer satisfaction by providing prompt releases on new regulatory updates for its products. The upgrade in infrastructure for the cloud-based offerings has ensured the client banks are able to service growth in volumes. New technologies such as RPA and elastic search were included for RegTech clients.
- **Partner Ecosystem:** Company has built a network of 36 partners in over 25 countries. This is in line with our strategy to build a global channel partner network to establish a stronger foothold in new markets. The stronger partner network has helped us achieve higher product sales for AML, AFS and Lending Management Solutions for which we also got recognition through global leadership positioning.
- **Consultants:** The Company increased connect with the consultants through briefings, inquiries and updates on our offerings and global sales wins. We were mentioned in the Chartis RiskTech reports, Celent RegTech reports and Gartner CBS and Islamic Banking reports and were also ranked amongst the Top 2 vendors in the IBS Intelligence Sales League for RegTech solutions and Number 1 in India for the Sales league for Digital Solutions.

- **Industry Events and Conferences:** Company had participation at global events specific to the Financial Services sector. Our endeavour is to promote our thought leadership in Digital and RegTech solutions. Some of the events where Company participated are as under:

#	Event Name	Organizer	Date	Location	Region
1	Unlock BFSI - Webinar Series	Business Standard	14-Aug-20	Virtual	India
2	ET Now Best Brands	Times Strategic Solutions	27-Sep-20	Virtual	India
3	Digital India Summit - Webinar on Digital Payments - Way forward	Bennett Coleman & Company	05-Dec-20	Virtual	India
4	FCBA & Technology Awards 2020	Banking Frontiers	22-Jan-21	Virtual	India
5	Mint Virtual workspace 2.0 - Digital Transformation Readiness	Mint	28-Jan-21	Virtual	India

5. Awards and Recognition

The Company received several industry awards for its innovative solutions and best practices. Some of the awards won during the year were:

- Regional Leader in IBSI Domestic SLT 2021 – India
 - Ranked #1 for Univius Anti Money Laundering Solution
 - Ranked #1 Kiya.ai Mobile Banking System
 - Ranked #1 for Finairo Core Banking System
- IBSI Global SLT 2021
 - Ranked #1 in Compliance Management
 - Ranked #2 in Regional Leaders for MEA
 - Ranked #3 Globally for Product Breadth
- Featured in the IBSI SLT 2021 Leader board for Lending, Digital Banking, and Risk & Compliance Categories
- InfrasoftTech featured in Chartis Risk Tech 100 – 2021
- InfrasoftTech has been included in the Soonicorn Club of India by Tracxn
- The Best Fintech Disruptor at the India Trade Review Awards 2021 y QNA
- InfrasoftTech’s Kiya.ai Digital Payments Solutions recognized under the “Best Digital Payments Solution” category at the FCBTA 2021 by Banking Frontier
- InfrasoftTech’s Univius AML solution recognized under the “Best AML Solution” category at the FCBTA 2021 by Banking Frontier

- InfrasoftTech recognized as ET Now Best Brands 2020 in Fintech Category by Economic Times group
- Rajesh Mirjankar, Managing Director & CEO, chosen among the ET Most Promising Business Leaders of Asia 2020 by ET Edge, a part of the Times of India Group

6. Human Resource Management and adoption and implementation of Policy against Sexual Harassment against Women at Workplace:

Your Company has a policy on Prohibition/ Prevention of Sexual Harassment of Women at workplace and matters connected therewith or incidental covering thereto all the aspects as contained in "The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act and Rules, 2013". Your company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year, the Company did not receive any complaints under the said Act. Your Company has not witnessed any incident of Sexual Harassment of Women during the financial year 2020-21. Your Company has appointed a woman representative on the Panel and the said representative is qualified, neutral and eligible to be appointed as a member of the panel in compliance with the provisions of Section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act and Rules, 2013.

7. Amount carried to Reserves

Pursuant to the provisions of clause (j) of sub-section (3) of Section 134 of the Companies Act, 2013, based on the financial results of the company during the financial year 2020-21, the Board of Directors have not proposed transfer of any amount to Reserves.

8. Dividend

The Board of Directors on May 26, 2021 declared interim dividend @ 200% (Two Hundred Percent) for F.Y. 2021-2022 and on October 14, 2021 recommended Final Dividend @ 100% (Hundred Percent) for F.Y. 2020-2021 on the paid-up share capital of the Company out of the surplus funds and projected revenue and profits at the end of the financial year. During the year, no amount has been transferred to the Reserves.

9. Board of Directors & Committees - Composition and Meetings

Mr. Munish Dayal resigned as the Director of the Company w.e.f. November 30, 2020. Mr. Rahul Bhasin and Ms. Debanshi Basu were appointed as Additional Directors vide Resolution by Circulation dated December 15, 2020 and regularised as Directors at the Annual General Meeting held on December 21, 2020. Ms. Mitali Chitre was appointed as Additional Director at the Board Meeting held on February 19, 2021. The matter pertaining to regularization of

Ms. Mitali Chitre is covered in the notice of AGM, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director of the Company liable to retire by rotation.

A. Board of Directors

I. Composition

Pursuant to provisions of Section 149 of Companies Act, 2013, the composition of the Board of Directors of the Company is as under:

Sr. No.	Name	DIN	Designation
1.	Mr. Rahul Bhasin	00236867	Non-Executive Director
2.	Ms. Rashmi Agarwal	00067241	Non-Executive Director
3.	Mr. Rajesh Mirjankar	03594206	Managing Director & CEO
4.	Mr. Milind Chalisgaonkar	00057579	Independent Director
5.	Mr. Rangan Mohan	01116821	Independent Director
6.	Ms. Debanshi Basu	07135074	Non-Executive Director
7.	Ms. Mitali Chitre	09040978	Non-Executive Director

Company has received declarations from the Independent Directors in terms with provisions of sub-section (6) of Section 149 of the Companies Act, 2013.

II. Details of Meetings

During the year under review, 4 (Four) meetings of Board of Directors were held, the details whereof are as under:

Sr. No.	Date	No. of Directors Present
1.	22.07.2020	5 (Five)
2.	30.09.2020	5 (Five)
3.	26.10.2020	5 (Five)
4.	19.02.2021	6 (Six)

B. Audit Committee

I. Composition

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the composition of the Audit Committee of the Company is as under:

Sr. No.	Name of Committee member	Designation
1	Mr. Rangan Mohan	Chairman
2	Ms. Rashmi Agarwal	Member
3	Mr. Milind Chalisgaonkar	Member

II. Details of Meetings

During the year under review, 3 (Three) Audit Committee meetings were held, the details whereof are as under:

Sr. No.	Date of Meeting	Members Present
1	22.07.2020	3 (Three)
2	26.10.2020	2 (Two)
3	19.02.2021	3 (Three)

C. Nomination and Remuneration Committee

I. Composition

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the composition of the Nomination and Remuneration Committee of the Company is as under:

Sr. No.	Name of Committee member	Designation
1	Mr. Rangan Mohan	Chairman
2	Ms. Rashmi Agarwal	Member
3	Mr. Milind Chalisgaonkar	Member

II. Details of Meetings

During the year under review, 2 (Two) Nomination and Remuneration Committee meeting was held, the details whereof is as under:

Sr. No.	Date of Meeting	Members Present
1	22.07.2020	3 (Three)
2	28.09.2020	3 (Three)

D. Corporate Social Responsibility Committee

I. Composition

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the composition of the Corporate Social Responsibility Committee of the Company is as under:

Sr. No.	Name of Committee member	Designation
1.	Mr. Rangan Mohan	Chairman
2.	Mr. Rajesh Mirjankar	Member
3.	Mr. Milind Chalisgaonkar	Member

During the year under review, 1 (One) Corporate Social Responsibility Committee meetings were held, the details whereof are as under:

Sr. No.	Date of Meeting	Members Present
1	19.02.2021	3 (Three)

10. Change in the nature of business, if any

There has been no change in the principal nature of business of the Company that will affect the financial position of the Company.

11. Material changes and commitments:

Pursuant to the provisions of clause (l) of sub-section (3) of Section 134, your directors hereby state that the Company has not made any Material Change(s) in the Company's Accounting or Business Policy(ies) affecting the financial position of the Company. However, none of the accounting treatments, or aspects undertaken have any effect nor the same is affecting the financial position of the company which have occurred between the end of the previous financial year of the company to which the financial statements relate and the date of the report. The shareholders are requested to take note of the relevant paragraphs of the Auditors Report for the period under review.

12. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

Your Directors confirm that Regulators or Courts or Tribunals have not passed any adverse statutory orders against the Company or its Directors for its conduct of management of the affairs of business, anywhere in India or abroad.

13. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. The systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure processes for formulating and reviewing annual and long-term business plans have been laid down.

In line with international practice, the conduct of internal audit is oriented towards the review of internal controls and risks in its operations such as software delivery, accounting and finance, procurement, employee engagement, travel, insurance, IT processes.

Company has an audit committee which reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

14. Details of Subsidiary and its financial positions:

The Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed Form AOC-1 relating to Subsidiary Companies are separately provided under Annexure 1 to this Report.

15. Deposits and Fixed Deposits

Pursuant to the provisions of Section 73 (Chapter V Acceptance of Deposits by Companies) of the Companies Act, 2013, during the financial year under review, your Directors hereby confirm that your Company has not accepted any Deposits as per the Act read with the Companies (Acceptance of Deposits) Rules, 1975. Also, your Directors hereby confirm that your Company has not accepted any such Deposits in the previous years as well and hence no amount of Principal or Interest thereon is outstanding at the end of the Financial Year 2020-21.

16. Statutory Auditors

Pursuant to the provisions of Section 139 (1) of the Companies Act, 2013, M/s. BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022) were appointed as Statutory Auditors in the 24th Annual General Meeting for conducting Statutory Audit of the Company from the Financial Year 2019-20 to 2023-24, for a period of 5 years.

17. Internal Audit

Pursuant to provisions of Section 138 of the Companies Act, 2013, M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai is appointed as Internal Auditors of the Company for the Financial Year 2021-22.

18. Auditors' Report

Your Directors hereby confirm that observations, remarks and notes have been enumerated in the Report of the Statutory Auditors and the same is annexed herewith as required and is Self-Explanatory.

Pursuant to the provisions of clause (f) of sub-section (3) of Section 134 of the Companies Act, 2013, the management of the Company is not required to provide any response as there are no adverse Remark/qualification made by the statutory auditors in their report.

19. Share Capital

Your Directors hereby confirm that the Company has not issued any fresh equity shares during the year as per the provisions of Companies (Share Capital and Debentures) Rules, 2014.

20. Stock Options

During the year under review your Company has not issued fresh ESOPs. The Status of the ESOPs issued by the Company as on March 31, 2021 are as follows:

Particulars	31 March 2021	31 March 2020
Outstanding at the beginning of the year	96,500	1,34,500
Granted	-	-
Exercised	-	-
Forfeited	-	-
Lapsed	-	38,000
Outstanding at the end of the year	96,500	96,500
Exercise at the end of the year	-	-

The Complete disclosure is provided under Notes to Accounts at Sr. No. 27 annexed to the Auditors' Report.

21. Extract of the Annual Return-MGT-9

The extract of Annual Return as on March 31, 2021 is separately attached to the Directors Report as an Annexure 2 – MGT-9.

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

In accordance with the provisions of sub-section (3)(m) of section 134 of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014 your Directors hereby confirm the details of the Conservation of energy, technology absorption and foreign exchange earnings and outgo as given below:

A) Conservation of energy:

- (i) the steps taken or impact on conservation of energy;
 Company continuously endeavours to optimally utilize the energy resources. The administration team keeps a check on utilization of power and other resources of the Company so to avoid unnecessary wastage.
- (ii) the steps taken by the company for utilising alternate sources of energy;
 As the Company utilizes conventional modes of energy at its offices there has not been any alternate source of energy being implemented. However, the company strives to attain optimum use of the resources for its business operations without unnecessary loss.
- (iii) the capital investment on energy conservation equipment;
 Company has not incurred any fresh capital investment on energy conservation equipment.

B) Technology absorption:

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- *Not Applicable*
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(₹ in Crores)

Particulars	2020-21	2019-20
Foreign Exchange Earnings	60.85	104.56
Foreign Exchange Expenditure	11.57	19.65
Net Foreign Exchange Earnings (NFE)	49.28	84.91
NFE/Earnings	80.98%	81.21%

23. Corporate Social Responsibility (CSR)

As per provisions of Section 134 (3) read with Section 135 (2) of Companies Act, 2013 and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 your Directors hereby confirm that the Company has devised a requisite CSR Policy and formed a Committee, the details whereof are separately attached to this Directors Report as Annexure 3, termed as CSR Report.

The members of CSR Committee through company executives held meetings and discussions with NGOs to actively support and channelize the activities / projects / programs to be undertaken by the Company in line with its CSR Policy.

During the year under review your Company contributed an amount of ₹ 90,20,000/- (Rupees Ninety Lakhs Twenty Thousand only) towards CSR activities in favour of two NGOs namely i.) *Armaan Trust* and ii.) *Concern India Foundation*.

24. Particulars of loans, guarantees or investments under section 186:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the Particulars of Loans, Guarantees and Investment made by the Company are separately provided in the Annual Accounts and forming part of the comprehensive report and hence not reproduced herein.

25. Particulars of contracts or arrangements with related parties:

The particulars of Related Party Transactions are mentioned with details and the same forms part of Notes to Accounts. The particulars of contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arm's length transactions under third proviso thereto in Form AOC 2 is attached to the Directors Report as an Annexure 4.

26. Whistle Blower Policy

Company have devised and implemented Whistle Blower policy. The Whistle Blower Policy reproduced on the website of the Company.

27. Risk management

Company have devised and implemented risk management mechanism for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

28. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 read with sub-section (5) of section 134, shall state that -

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

29. Acknowledgements

The Board wishes to express their heart felt gratitude towards Company's Clients, Vendors, Investors, Bankers and Auditors for their ongoing, continued and ardent faith, support and guidance during the year. The Board also placed on record its appreciation for the contribution made by the Employees, Team Leaders, employed and deployed at all levels in all locations across India and abroad. The Board affirms that the growth of Company was made possible by their continuous hard work, solidarity, co-operation and support.

The Board also thanks to the Government of India and its various departments especially including the Reserve Bank of India, Ministry of Communication and Information Technology, the Income Tax Department, Ministry of Finance, Ministry of Corporate Affairs, Software Technology Park – Mumbai, SEEPZ Authority - Mumbai, MIDC Authority – Mumbai, State Government Departments such as Department of Labor Welfare, and other Government Agencies for their unstinted support during the year under review and the Board looks forward to their continued support in the future as well.

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The Board also thanks the functional Government Departments and Embassies of USA, UK, Canada, Dubai, Singapore, Jersey, Bahrain, Malaysia, Bahamas and Guernsey where your Company has business and business relations, for their timely support and handholding support provided from time to time.

For INFRAISOFT TECHNOLOGIES LIMITED

Rahul Bhasin
Chairman
(DIN 00236867)

Place: Mumbai
Date: October 14, 2021

ANNEXURE NO. 1
TO DIRECTORS' REPORT
AOC 1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed Form AOC-1 relating to Subsidiary Companies:

₹ In Lakhs

Sr No	Name of the Subsidiary	Reporting period	Reporting currency	Exchange rate	Capital (at historical rates)	Reserves	Total Assets	Total Liabilities	Investment	Turnover	Profit before tax	Provision for tax	Profit after tax	Proposed dividend %	Share holding %
1	Infrasoft Technologies Limited UK	April-March	GBP (Closing) (Avg.)	100.6800 97.0316	112.58	533.87	1323.42	676.96	-	1201.13	7.16	2.15	5.01	-	100%
2	Infrasoft Technologies FZ LLC Dubai	April-March	AED (Closing) (Avg.)	19.9350 20.1270	15.20	2736.03	9253.13	6501.90	-	5769.01	292.32	27.87	264.45	-	100%
3	Infrasoft Technologies Inc USA	April-March	USD (Closing) (Avg.)	73.2361 73.9383	274.92	325.45	687.94	87.61	-	270.74	14.19	2.64	11.55	-	100%
4	Infrasoft Technologies Pte Limited Singapore	April-March	USD (Closing) (Avg.)	73.2361 73.9383	175.28	263.65	947.79	508.87	-	1256.47	96.01	9.73	86.28	-	100%
5	InfrasoftTech Canada Limited Canada	April-March	CAD (Closing) (Avg.)	58.0641 56.0230	0.05	676.50	852.99	176.44	-	1309.80	261.33	63.46	197.87	-	100%
6	Infrasoft Technologies Jersey Limited Jersey	April-March	GBP (Closing) (Avg.)	100.6800 97.0316	0.08	1388.85	1878.20	489.27	-	3503.74	311.15	-	311.15	-	100%
7	Infrasoft Technologies SDN BHD Malaysia	April-March	MYR (Closing) (Avg.)	17.6433 17.7228	10.05	96.33	131.00	24.62	-	29.50	1.01	4.93	(3.92)	-	100%

**ANNEXURE NO. 2
TO DIRECTORS' REPORT
Form No. MGT-9**

Extract of Annual Return - as on the financial year ended on March 31, 2021
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	Name of the Company	INFRASOFT TECHNOLOGIES LIMITED
(ii)	U72900MH1995PLC135094	U72900MH1995PLC135094
(iii)	Registration Date	July 6, 1995
(iv)	Category / Sub-Category of the Company	Public Limited Company
(v)	Address of the Registered office	Unit No. 86 & 87, 1st Floor, SDF III, SEEPZ SEZ, Andheri (East), Mumbai – 400096
(vi)	Whether listed company	NO
(vii)	Name, Address and Contact details of Registrar	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Next to Keys Hotel Marol Maroshi Road, Andheri – East Mumbai – 400059 Maharashtra, India Tel. No: 022 – 62638200 / 300
(viii)	Email	info@bigshareonline.com
(ix)	Website	www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sale of Customized Software Product	62011 & 62013	64%
2	Sale of Software Services	62011 & 62013	36%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Subsidiary	% of shares held	Applicable Section
1.	Infrasoft Technologies FZ LLC	Foreign Co.	Yes	100%	2 (76)
2.	Infrasoft Technologies Inc USA	Foreign Co.	Yes	100%	2 (76)
3.	Infrasoft Technologies Limited, UK	Foreign Co.	Yes	100%	2 (76)
4.	Infrasoft Technologies Pte Ltd Singapore	Foreign Co.	Yes	100%	2 (76)
5.	Infrasoft Technologies Sdn Bhd	Foreign Co.	Yes	100%	2 (76)
6.	Infrasoft Technologies Canada Limited	Foreign Co.	Yes	100%	2 (76)
7.	Infrasoft Technologies (Jersey) Limited	Foreign Co.	Yes	100%	2 (76)
8.	Infrasoft Technologies Guernsey Limited	Foreign Co.	Yes	100%	2 (76)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

Sr. No.	Shareholders Category	Group	Equity Shares	% Shares of Total
1	Indian – Promoter Group			
	Individuals	Promoter	19,76,657	25.87
	Group Companies	Promoter	10,56,250	13.82
2	Indian - Other than Promoters			
	Institutions	Others	0	0
	Non-Institutions -			
	-Individuals	Others	160,670	2.10
	-Overseas Body Corporate	Others	44,48,008	58.21
	Total		76,41,585	100

I. Category-wise Share Holding

Statement Showing Shareholding Pattern										
	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2020				No. of Shares held at the end of the year :31/03/2021				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group										
Indian										
(a)	INDIVIDUAL / HUF	30,32,907	0	30,32,907	39.69	30,32,907	0	30,32,907	39.69	0.00
(b)	Central / State government(s)	0	0	0	0	0	0	0	0	0
(c)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(i)	GROUP COMPANIES	0	0	0	0	0	0	0	0	0
(ii)	TRUSTS	0	0	0	0	0	0	0	0	0
(iii)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(1):	30,32,907	0	30,32,907	39.69	30,32,907	0	30,32,907	39.69	0.00
Foreign										
(a)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	INSTITUTIONS	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(2)	0	0	0	0	0	0	0	0	0
	(A)=(A)(1) + (A)(2)	30,32,907	0	30,32,907	39.69	30,32,907	0	30,32,907	39.69	0.00
(B) Public shareholding										
Institutions										
(a)	Central / State government(s)	0	0	0	0	0	0	0	0	0

Statement Showing Shareholding Pattern										
	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2020				No. of Shares held at the end of the year :31/03/2021				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0	0	0	0	0	0
(c)	MUTUAL FUNDS / UTI	0	0	0	0	0	0	0	0	0
(d)	VENTURE CAPITAL FUNDS	0	0	0	0	0	0	0	0	0
(e)	INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
(f)	FII'S	0	0	0	0	0	0	0	0	0
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0	0	0	0	0	0
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(i)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0	0	0	0	0	0
(k)	ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(1)	0	0	0	0	0	0	0	0	0
Non-Institutions										
(a)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO ₹ 2 Lakh)	49,190	28,110	77,300	1.01	81,480	5,000	86,480	1.13	0.12
(ii)	(CAPITAL GREATER THAN ₹ 2 Lakh)	50,000	0	50,000	0.65	50,000	0	50,000	0.65	0
(c)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(i)	TRUSTS	0	0	0	0	0	0	0	0	0
(ii)	CLEARING MEMBER	0	0	0	0	0	0	0	0	0
(iii)	NON RESIDENT INDIANS (NRI)	0	0	0	0	0	0	0	0	0
(iv)	NON RESIDENT INDIANS (REPAT)	5950	0	5950	0.08	5950	0	5950	0.08	0.00
(v)	NON RESIDENT INDIANS (NON REPAT)	9300	0	9300	0.12	18,240	0	18,240	0.24	0.12
(vi)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0

Statement Showing Shareholding Pattern										
	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2020				No. of Shares held at the end of the year :31/03/2021				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(vii)	EMPLOYEE	0	18120	18120	0.24	0	0	0	0	(0.24)
(viii)	OVERSEAS BODIES CORPORATES	4448008	0	4448008	58.21	4448008	0	4448008	58.21	0.00
(ix)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(2)	0	0	0	0	0	0	0	0	0
	(B)=(B)(1) + (B)(2)	4562448	46230	4608678	60.31	4603678	5000	4608678	60.31	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued										
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
	(C)=(C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A)+(B)+(C)	7595355	46230	7641585	100	7636585	5000	7641585	100.00	0.00

II. Shareholding of Promoters

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2020			Shareholding at the end of the year 31/03/2021			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Global Fintech Private Limited	3,50,000	4.5802	0.0000	3,50,000	4.5802	0.0000	0.00
2	Priya Agarwal	50,000	0.65	0.0000	50,000	0.65	0.0000	0.00
3	Shaina Rahul Agarwal	15,000	0.20	15,000	15,000	0.20	15,000	0
4	Rashmi Agarwal	4,65,000	6.0851	0.0000	4,65,000	6.0851	0.0000	0
5	Rohit Agarwal	1,50,000	1.9629	0.0000	1,50,000	1.9629	0.0000	0
6	Maninder Mahabir Singh	4,14,101	5.4910	0.0000	4,14,101	5.3251	0.0000	0.00
7	Batlivala And Karani Portfolio Advisory Services Pvt. Ltd.	7,06,250	9.2422	0.0000	7,06,250	9.2422	0.0000	0.00
8	Rajesh Mirjankar	4,17,893	5.47	0.0000	4,17,893	5.47	0.0000	0.00
9	Manoj Murarka	3,97,956	5.21	0.0000	3,97,956	5.21	0.0000	0.00
10	Jai Rahul Agarwal	66,707	0.87	0.0000	66,707	0.87	0.0000	0.00
		30,32,907	39.7614	0.0000	30,32,907	39.7614	0.0000	0.00

III. Change in Promoters' Shareholding

C. CHANGE IN PROMOTERS SHAREHOLDING				
	Shareholding at the beginning of the year 01/04/2020		Shareholding at the end of the year 31/03/2021	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	NIL	NIL	NIL	NIL
At the end of the year	NIL	NIL	NIL	NIL

IV. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	0.00	0.00	0.00
Change in Indebtedness during the financial year				
- Addition	0.00	0.00	0.00	0.00
- Reduction	0.00	0.00	0.00	0.00
Net Change	0.00	0.00	0.00	0.00
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	0.00	0.00	0.00

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

A. Remuneration to Managing Director, Whole-time Directors:

B.

Particulars of Remuneration	Rajesh Mirjankar	Total
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,61,93,539	1,61,93,539
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		

Particulars of Remuneration	Rajesh Mirjankar	Total
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
Stock Option	-	-
Sweat Equity	-	-
Commission		
- as % of profit	-	-
- others, specify	-	-
Others, please specify	-	-
- Contribution to Provident Fund		
Total	1,63,19,390	1,61,93,539

B. Remuneration to other Directors:

Particulars of Remuneration	Name of Independent Director		Total Amount
	Rangan Mohan	Milind Chalisgaonkar	
<u>Independent Directors</u>			
- Fee for attending board committee meetings			
- Commission			
- Others, please specify			
Professional Fees	12,00,000	18,00,000	30,00,000
Total Managerial Remuneration	12,00,000	18,00,000	30,00,000

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Particulars of Remuneration	Kankesh Kamath CFO	Meet Bhagat Company Secretary	Total
Gross salary	77,52,878.00	25,54,570	1,03,07,448
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
Stock Option (No. of shares)	-	-	-
Sweat Equity	-	-	-
Commission			
- as % of profit	-	-	-
- others, specify	-	-	-
Others, please specify	-	-	-
-Contribution to Provident Fund			
Total	77,52,878.00	25,54,570	1,03,07,448

VI. Penalties / punishment/ compounding of offences:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. Directors					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. Other Officers In Default					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For INFRAsoft TECHNOLOGIES LIMITED

Rahul Bhasin
Chairman
(DIN 00236867)

Place: Mumbai
Date: October 14, 2021

**ANNEXURE NO. 3
TO DIRECTORS' REPORT
CSR REPORT**

1. Brief outline of CSR Policy

Drive double bottom-line goals to be an increasingly profitable company whilst driving CSR initiatives to be a socially responsible enterprise.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation	Number of Meeting of CSR Committee held during year	Number of Meeting of Committee attended
1	Rangan Mohan	Chairman	1	1
2	Milind Chalisgaonkar	Member	1	1
3	Rajesh Mirjankar	Member	1	1

3. Weblink where composition of CSR committee, CSR Policy and CSR Project approved by the Board of Director are disclosed on website:

<https://www.infrasofttech.com/about-us/csr/>

4. Details of impact assessment of CSR Projects carried out in pursuant of sub rule (3) of rule 8 of the companies (Corporate Social Responsibility) Rules, 2014, if applicable (attach the report) - Not Applicable

5. Details of the amount available for set off in pursuance of sub rule (3) of Rule 7 of the companies (Corporate Social Responsibility) Rules, 2014 and amount required of set off for the financial year, if any:

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

6. Average net profit of the company as per Section 135(5) – Rs. 45,09,29,462

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.90,18,589

(b) Surplus arising out of the CSR Project or programmes or activities of the previous financial year – **Rs.1,411 excess contributed**

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

(d) Total CSR obligation for the financial year (7a+7b+7c) - **Rs.90,18,589**

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

Spent - **Rs.90,20,000**

Unspent – **NA**

(b) details of CSR amount spent against ongoing projects for the financial year

Total Amount Spent for financial year (in Rs.)	Amount Unspent	
	Total amount transferred to Unspent CSR account as per section 135(6)	Amount transferred to any fund specified fund Schedule VII as per proviso 135(5)
	NA	NA

(b) details of CSR amount spent against ongoing projects for the financial year

1	2	3	4	5	6	7	8	9	10	11
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Total amount transferred to Unspent CSR account as per section 135(6)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency
1	Armann	Home based Antenatal and	Yes	Mumbai	1 year	30,20,000	30,20,000	NA	Yes	No

		Infancy Care Program								
2	Concern India Foundation	Improving Health Services through strengthening PHC	Yes	Shahpur, Thane	1 year	33,48,100	33,48,100	NA	Yes	No
3	Concern India Foundation	Promotion of Holistic development among Orphan and Semi-Orphan girl children	Yes	Uttan, Bhyander, Thane	1 year	26,51,900	26,51,900	NA	Yes	No

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency. CSR Registration number.
				State	District.			
Not Applicable.								

(d) Amount spent in Administrative Overheads - **NIL**

(e) Amount spent on Impact Assessment, if applicable - **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs. 90,20,000**

Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	90,18,589
(ii)	Total amount spent for the Financial Year	90,20,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,411
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,411

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

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of project Completed / Ongoing
1	Armann	Home based Antenatal and Infancy	2019-20	1 year	37,24,800	37,24,800	37,24,800	Completed

		Care Program						
2	Concern India Foundation	Facilitation of Formal Education through National Institute of Open School	2019-20	1 year	29,90,760	29,90,760	29,90,760	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – **Not Applicable**

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

For INFRAsoft TECHNOLOGIES LIMITED

For INFRAsoft TECHNOLOGIES LIMITED

Managing Director & Chief Executive Officer

Chairman – CSR Committee

Place: Mumbai

Date: October 14, 2021

ANNEXURE NO. 4
TO DIRECTORS REPORT
Form No. AOC-2

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

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2020-21.

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

Sr. No.	Particulars	Details of the Related Party Transactions
(a)	Name(s) of the related party and nature of relationship	7 (Seven) Subsidiary Companies of Infrasoft Technologies Limited, the names and details whereof are separately mentioned in the Directors Report annexed and forming part of this Annual Report
(b)	Nature of contracts / arrangements / transactions	Contracts are mainly entered in to for Transfer Pricing
(c)	Duration of the contracts / arrangements / transactions	Yearly Renewals and entered into in the first month / quarter of every Financial Year
(d)	Salient terms of the contracts or arrangements or transactions including the value:	The terms and conditions of the Contact are related to the Transfer Pricing
(e)	Date(s) of approval by the Board:	The transactions are entered on arms' length and on ordinary course.
(f)	Software development income:	Rs. 48,14,84,766
	Recovery of expenses	Rs. 85,03,713

Note:

The contents of the contract may be verified during the working hours of the Company by the Shareholders with a prior notice of 7 (Seven) clear days.

For INFRAISOFT TECHNOLOGIES LIMITED

Place: Mumbai
 Date: October 14, 2021

Rahul Bhasin
Chairman
(DIN 00236867)

Independent Auditors' Report

To the Members of Infrasoft Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Director Report, but does not include the standalone financial statements and our auditors' report thereon.

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

Independent Auditors' Report (Continued)

Other Information (Continued)

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

Independent Auditors' Report (Continued)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Continued)

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

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

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

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

Independent Auditors' Report (Continued)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss, and standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) 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 Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 2021.

Independent Auditors' Report (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022

Mumbai
21 October 2021

Suhas Pai
Partner
Membership No: 119057
UDIN:21119057AAAADL9719

Annexure – A to the Independent Auditors’ Report on the standalone financial statements of Infrasoft Technologies Limited for the year ended 31 March 2021

(Referred to in our report of even date)

Report on Companies (Auditor’s Report) Order, 2016 (“the Order”), with reference to aforesaid standalone financial statements, in terms of section 143(11) of the Companies Act,2013 (“the Act”)

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once in every two year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company does not hold any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.
- (ii) The Company is engaged in providing software development, implementation, support and services and does not have any inventories on account of this operation. Therefore, the provisions of paragraph 3(ii) of the said Order are not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clauses (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 of the Act. The company has complied with the provisions of the section 186 of the Act with respect to the investment made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

Annexure – A to the Independent Auditors’ Report on the standalone financial statements of Infrasoft Technologies Limited for the year ended 31 March 2021 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to information and explanations given to us, the Company did not have any dues on account of duty of customs,

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues, were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Service tax, Goods and Service Tax and Sales-tax/value added tax which have not been deposited with the appropriate authorities on account of any dispute *except as follows*:

Name of the Statute	Nature of the Dues	Demand (Rs)	Amount deposited	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax Demand	3,061,504	2,932,640	A.Y 2002-03	High court, New Delhi
Income tax Act, 1961	Income tax Demand	49,586,640	12,500,000	A.Y 2006-07	-
Income tax Act, 1961	Income tax Demand	16,732,090	5,490,064	A.Y 2007-08	ITAT, New Delhi
Income tax Act, 1961	Income tax Demand	9,449,290	-	A.Y 2008-09	-
Income tax Act, 1961	Income tax Demand	9,927,294	-	A.Y 2009-10	-
Income tax Act, 1961	Income tax Demand	5,082,175	-	AY 2016-17	ITAT, Mumbai
Income tax Act, 1961	Income tax Demand	3,298,616	-	A.Y 2017-18	CIT (A), Mumbai
MVAT Act, 2002	VAT Demand	5,109,107	-	FY 2012-13	Joint Commissioner of Sales Tax Appeals
Central Sales Tax Act, 1958	CST Demand	525,054	458,147	FY 2012-13	Joint Commissioner of Sales Tax Appeals

- (viii) In our opinion and according to the information and explanations given to us. The Company did not have any outstanding debentures, banks or dues to financial institution’s during the year.

Annexure – A to the Independent Auditors’ Report on the standalone financial statements of Infrasoft Technologies Limited for the year ended 31 March 2021 (Continued)

- (ix) In our opinion, and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act and Rule 7 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022

Mumbai
21 October 2021

Suhas Pai
Partner
Membership No: 119057
UDIN:21119057AAAADL9719

Annexure B to the Independent Auditors’ report on the standalone financial statements of Infrasoft Technologies Limited for the period ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2A(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Annexure B to the Independent Auditors' report on the standalone financial statements of Infrasoft Technologies Limited for the period ended 31 March 2021 (Continued)

Auditors' Responsibility (Continued)

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022

Mumbai
21 October 2021

Suhas Pai
Partner
Membership No: 119057
UDIN:21119057AAAADL9719

Infrasoft Technologies Limited



Balance Sheet

as at 31 March 2021

(Currency: Indian Rupees)

	Note	31 March 2021	31 March 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	7,64,15,850	7,64,15,850
Reserves and surplus	4	2,14,59,05,243	1,86,04,54,171
		<u>2,22,23,21,093</u>	<u>1,93,68,70,021</u>
Non-current liabilities			
Other long term liabilities	5	-	13,25,496
Long-term provisions	6	1,94,85,815	1,47,58,643
		<u>1,94,85,815</u>	<u>1,60,84,139</u>
Current liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	7	34,06,045	55,32,587
- total outstanding dues of creditors other than micro enterprises and small enterprises	7	16,15,01,219	23,44,88,586
Other current liabilities	5	22,71,94,783	19,47,59,335
Short-term provisions	6	4,87,96,145	4,49,32,886
		<u>44,08,98,192</u>	<u>47,97,13,394</u>
TOTAL		<u><u>2,68,27,05,100</u></u>	<u><u>2,43,26,67,554</u></u>
ASSETS			
Non-current assets			
Property, plant and equipment	8	8,41,86,990	7,88,75,441
Intangible assets	9	18,73,073	56,17,908
Non-current investments	10	11,73,40,214	11,73,40,214
Deferred tax assets	11	3,21,00,701	3,80,98,596
Long-term loans and advances	12	18,14,57,766	25,66,68,262
Other non-current assets	13	2,23,08,397	1,20,25,581
		<u>43,92,67,141</u>	<u>50,86,26,002</u>
Current assets			
Current investments	14	12,08,49,777	2,08,49,777
Trade receivables	15	44,17,93,809	64,26,63,451
Cash and bank balances	16	50,30,36,792	22,74,68,139
Short-term loans and advances	12	11,75,02,443	15,63,94,521
Other current assets	17	1,06,02,55,137	87,66,65,664
		<u>2,24,34,37,958</u>	<u>1,92,40,41,552</u>
TOTAL		<u><u>2,68,27,05,100</u></u>	<u><u>2,43,26,67,554</u></u>

Significant accounting policies

Notes to the financial statements

The notes referred to above form an integral part of the Standalone financial statements.
As per our report of even date as attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of

Infrasoft Technologies Limited

CIN No: U72900MH1995PLC135094

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: ACS 20518]

Statement of Profit and Loss

for the year ended 31 March 2021

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2021	31 March 2020
Revenues			
Revenue from operations	18	2,49,30,02,216	2,29,04,57,865
Other income	19	2,66,61,306	17,38,09,224
Total revenue		<u>2,51,96,63,522</u>	<u>2,46,42,67,089</u>
Expenses			
Cost of services	20	51,15,99,361	26,96,36,705
Employee benefits expense	21	1,13,39,51,922	1,07,05,84,487
Depreciation and amortisation expense	22	3,29,05,535	3,86,67,643
Other expenses	23	42,50,68,314	52,65,93,207
Total expenses		<u>2,10,35,25,132</u>	<u>1,90,54,82,042</u>
Profit before taxation		41,61,38,390	55,87,85,047
Tax expenses:			
Current tax		7,99,29,121	9,43,67,839
Short/ (Excess) provision of prior years		1,68,23,143	(12,84,566)
MAT credit utilisation		3,67,34,539	44,72,231
Prior years MAT (entitlement)/reversal		(87,97,379)	53,46,944
Deferred tax charge-current year		59,97,894	61,39,429
Profit for the year		<u>28,54,51,072</u>	<u>44,97,43,170</u>
Earnings per equity share			
Nominal value of share : Rs. 10 (31 March 2020 : Rs. 10)	24		
Basic		37.35	58.85
Diluted		<u>37.29</u>	<u>58.76</u>

Significant accounting policies

The notes referred to above form an integral part of the Standalone financial statements.

Notes to the financials statements

As per our report of even date as attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of

Infrasoft Technologies Limited

CIN No: U72900MH1995PLC135094

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: ACS 20518]

Cash Flow Statement

for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
A. Cash flow from Operating Activities		
Net Profit before taxation	41,61,38,390	55,87,85,047
Adjustments for:		
Interest income	(43,26,053)	(46,76,681)
Dividend income	-	(14,16,81,188)
Profit on sale of investments	(16,04,182)	(92,68,091)
Depreciation and amortisation expense	3,29,05,535	3,86,67,643
Bad debts written off	17,14,37,199	5,62,02,196
Deposits written off	57,25,000	10,60,000
Provision for bad and doubtful debts (written back)/provided	(2,40,57,507)	(1,98,81,718)
Provision for doubtful deposits	(52,25,000)	11,75,000
Profit on sale of property, plant and equipment	-	(3,87,805)
Unbilled revenue written off	2,43,82,732	3,18,88,312
Unrealised foreign exchange (gain)/loss	49,53,677	(6,00,658)
Operating cash flow before working capital changes	62,03,29,791	51,12,82,057
Movement in working capital		
Decrease/(Increase) in trade receivables	5,09,09,148	(27,96,34,228)
Decrease/(Increase) in loans and advances	5,70,64,290	(4,57,44,040)
(Increase) in other current assets and non-current assets	(20,88,46,114)	(14,55,14,921)
Decrease/(Increase) in provisions	90,92,732	(26,75,088)
(Decrease)/Increase in trade payables	(7,51,13,909)	8,55,64,673
Increase/(Decrease) in other current and non-current liabilities	3,04,60,750	(1,73,00,526)
Cash generated from operations	48,38,96,688	10,59,77,927
Taxes paid, net	(6,86,53,442)	(8,41,39,270)
Net cash generated from operating activities (A)	41,52,43,246	2,18,38,657
B. Cash flow from Investing Activities		
Purchase of property, plant and equipment, net of capital advance	(3,38,23,048)	(4,31,21,974)
Sale proceeds of Property, plant and equipment	-	25,825
Dividend income	-	14,16,81,188
Investment in fixed deposits	(17,82,19,417)	(13,34,88,748)
Proceeds from fixed deposits matured	14,86,91,872	13,19,24,334
Purchase of current investments	(28,75,00,000)	(34,99,96,495)
Proceeds from sale of current investments	18,91,04,182	51,05,92,489
Proceeds from sale of non-current investments	-	2,22,530
Interest received	51,99,964	35,34,029
Net cash (used)/generated in investing activities (B)	(15,65,46,447)	26,13,73,178
C. Cash flow from Financing Activities		
Dividend paid	-	(24,72,49,400)
Net cash used in financing activities (C)	-	(24,72,49,400)
Net increase in cash and cash equivalents (A+B+C)	25,86,96,798	3,59,62,435
Effect of exchange differences on cash and cash equivalents held in foreign currency	(23,72,876)	6,78,438
Cash and cash equivalents at the beginning of the year	15,64,68,934	11,98,28,061
Cash and cash equivalents at the end of the year	41,27,92,856	15,64,68,934

Cash Flow Statement (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

Notes :

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 "Cash Flow Statements", notified under section 133 read with rule 7 of Companies (Accounts) Rules, 2013.

	31 March 2021	31 March 2020
2) Reconciliation of cash and cash equivalents:		
Cash and cash equivalents comprise of:		
Cash on hand	5,731	18,644
Balances with banks		
- in current accounts	41,27,47,125	15,64,10,290
- in current accounts (for dividend)	40,000	40,000
- in deposit accounts (with maturity upto 3 months)	-	-
Cash and cash equivalents	41,27,92,856	15,64,68,934

- 3) Figures in brackets represents outflow of cash and cash equivalents.

As per our report of even date as attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of
Infrasoft Technologies Limited
CIN No: U72900MH1995PLC135094

Suhas Pai
Partner
Membership No: 119057

Rahul Bhasin
Chairman
[DIN: 00236867]

Rajesh Mirjankar
Managing Director
[DIN: 03594206]

Kankesh Kamath
Chief Financial Officer
[Membership No: ACA 100377]

Mumbai
Date : 21 October 2021

Mumbai
Date : 21 October 2021

Meet Bhagat
Company Secretary
[Membership No: ACS 20518]

Infrasoft Technologies Limited

Notes to the Standalone financial statements

for the year ended 31 March 2021

(Currency: Indian Rupees)

1 Background of Company

Infrasoft Technologies Limited ('the Company') was incorporated on 6 July 1995.

Infrasoft Technologies Limited offers software products, solutions and services for banks and financial institutions in India, United Kingdom, Middle East, United States, Singapore, Canada, Malaysia and Jersey. It offers the following products and solutions;

- Core Banking Solution that creates new business models for banks to provide integrated process and data solutions;
- Wealth Management framework that offers a platform for wealth management services for private banks, asset managers, fund managers, trusts, insurance firms, brokerages and banks;
- Anti Money Laundering software - a business intelligence driven logical data model that addresses compliance requirements of banks, insurance firms, money exchanges and other financial institutions.
- Islamic Banking Solution for retail banking, wholesale banking, investment banking and funds management; and
- Micro finance Microfinance Solution provides a fully integrated application that addresses the entire life-cycle of lending process from origination, servicing and collection and recovery.
- InfrasoftTech provides digital solutions in the payment space for mobile banking, unified payment interface(UPI) and other system interfaces for bank's core banking and other transactions systems to connect with all the services delivery channels. Infrasofttech payment solutions connects to the national & international payment gateways to provide homogeneous integration of the customer banks to the global payment systems. InfrasoftTech also provides custom digital solutions to its Clients based on the their need which are based on cutting edge software technology platforms.

The Company also provides eChannel integrator, which enables delivery of services through various electronic channels, such as internet, peer to peer links, mobile, and gateways. In addition, it offers framework based solutions, migration services, testing services, offshore development and onshore integration services and managed services to provide application support and enhancement. Further, the Company provides application development services in the areas of business analysis, prototyping, solution architecting, design, development, validation, verification, solution deployment, and ongoing support and enhancements, as well as offers consulting services.

2 Significant accounting policies

a. Basis of accounting and preparation of Standalone financial statements

The Standalone financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting which comprise of mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act'). Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Standalone financial statements are presented in Indian rupees.

b. Use of estimates

The preparation of the Standalone financial statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses for the year. Examples of such estimates include useful lives of property, plant and equipment and intangible assets, future obligations under employee retirement benefit plans, provision for doubtful debts and advances etc. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods. Such revisions are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

c. Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or

it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

c. Current–non-current classification (Continued)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents, generally twelve month is considered as operating cycle.

d. Revenue recognition

- Revenue on sale of products is recognised on delivery or installation of license as per the terms set out in the contract. Revenue on implementation and customisation services is recognised on achievement of the respective milestone based on percentage of completion.

Revenue from sale of license is recognised upon activation of license upon order confirmation. The fair value of license is estimated as 40% of the total contract value.

- Revenue from software operations:

Revenue from software development and software related services which are based on time and material are recognised as an when the related services are rendered. Revenue from software development and software related services on fixed price contracts are recognised based on proportionate completion method.

Revenue recognition for digital business is based on transaction.

In case of fixed price development contracts, revenue is recognised on the basis of percentage of completion of the project that represents proportion of work completed and is certified by management. Billing to the customers is done based on milestones achieved as specified in the contracts. Revenue from software operations also includes work completed but not billed which is classified as 'unbilled revenue' and is included in 'Other current assets', while billing in advance is classified as 'Billing in advance' in 'Other current liabilities'.

- Revenue from maintenance services is recognised over the term of the contract on a straight line basis.

- Interest income:

Interest and other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

- Dividend income:

Revenue is recognised when the Company's right to receive payment is established at the Balance Sheet date.

e. (a) Property, plant and equipment (tangible assets)

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost includes freight, duties, taxes and incidental expenditure relating to the acquisition and installation of property, plant and equipment incurred up to the date the asset is ready for its intended use.

Capital work-in-progress includes the cost of property, plant and equipment that are not ready to use at the Balance Sheet date.

Depreciation on fixed assets is provided pro rata for the period of use based on management's best estimate of useful lives of the assets. The useful life of the assets consider for depreciation is as summarised below:

Estimated useful life	Current years
Computer equipments (including servers)	3 - 6 years
Furniture and fixture	10 years
Office equipment	5 years
Electrical and fittings	10 years
Vehicles	8 years
Leasehold improvements	To be amortized over the lesser of the period of lease and the useful life of the asset

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

e. (a) Property, plant and equipment (tangible assets) (Continued)

Depreciation on property, plant and equipment is provided on the straight-line method over the useful life of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(b) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated loss. Subsequent expenditure is capitalised only when it increases the future economic benefit from the specific asset to which it relates.

Intangible assets are amortised on the straight line method at the following rates:

Goodwill arising on account of business purchase is amortized over period of 4 years.

Customers contract is amortised over period of 3 years.

Software license is amortised over period of 3 years.

f. Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. After impairment, depreciation is provided on revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes.

g. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long term investments.

Long term investments are carried at cost. Provision for diminution, is made to recognize a decline, other than temporary, in the value of long term investments and is determined separately for each individual investment. The fair value of a long term investment is ascertained with reference to its market value, the investee's assets and results and the expected cash flows from the investment. Current investments are carried at lower of cost and market value of each investment individually.

h. Foreign currency translations

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the profit and loss account of the period.

Monetary assets and 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 profit and loss account. Non-monetary foreign currency items are carried at cost.

i. Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year.

Post-employment benefits

Defined contribution plans:

The Company's contribution towards employee's provident fund and employee state insurance scheme are defined contribution plans. The Company's contribution paid/payable under the schemes is recognised as expense in the Statement of Profit and Loss during the year in which the employee renders the related service. The Company makes specified monthly contributions towards employee provident fund and employee state insurance scheme.

Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows.

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

i. Employee benefits (Continued)

The discount rates used for determining the present value of the obligation under defined benefit plans, are based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. The obligation under the defined benefit plan is measured after taking into account changes in legislation as have been enacted up to the Balance Sheet date.

Other long-term employment benefits:

Company's liabilities towards compensated absences to employees are determined on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

j. Income Taxes

Income-tax expenses comprise current tax and deferred tax charge or credit.

Current Taxes

Provision for current income-tax is recognised in accordance with the provisions of Indian Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

The profits pertaining to the unit situated at Santacruz Electronics Export Processing Zone (SEEPZ), Mumbai of the Company were exempt from taxes under the Income tax Act, 1961, being profit from industrial undertakings situated at SEZ. Under Section 10AA of the Income tax Act, 1961, the Company availed an exemption of profits from income tax for a period ended 31 March 2020 in relation to its undertakings set up at SEEPZ, SEZ.

The Income tax Act, 1961 allows credit in respect of Minimum Alternate Tax ("MAT") paid under section 115JB, to be carried forward up to fifteen succeeding assessment years. The amount of MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income tax Act 1961, and such tax is in excess of MAT for that year. The amount of set-off would be to the extent of excess of normal income-tax over the amount of MAT calculated as if Section 115JB had been applied for that assessment year for which the set-off is being allowed.

In accordance with the guidance note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961" issued by the Institute of Chartered Accountants of India, MAT paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax within the eligible period and the asset can be measured reliably.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result from differences between the profits offered for income taxes and the profits as per the Standalone financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the Balance Sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date. Deferred tax assets on timing differences are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reassessed for the appropriateness of their respective carrying amounts at each balance sheet date.

k. Leases

- i) Finance leases payments are apportioned between the finance charge and the reduction of the outstanding lease liability. The finance charges are recognised as an expense in the Statement of Profit and Loss.
- ii) Operating lease payments are recognised in the Statement of the Profit and Loss on a straight line basis over the lease term.

l. Earnings per share ('EPS')

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earning per share, and also the weighted average number of equity shares which may be issued on conversion of all dilutive potential shares, unless the results would be anti – dilutive.

m. Employee stock options

The Company applies the Guidance Note on "Accounting for Employee Share based Payments" issued by the Institute of Chartered Accountants of India ('ICAI') to account for costs related to the stock option plan. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Company follows intrinsic value method to calculate the value of the stock options.

Infrasoft Technologies Limited

Notes to the Standalone financial statements (*Continued*)

for the year ended 31 March 2021

(Currency: Indian Rupees)

2 Significant accounting policies (*Continued*)

n. Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities for promoting programs that benefit the communities in and around Infrasoft's work centre and further results in enhancing the quality of life and economic well being of the local populace, express commitment to the social development good through responsible business practices and good governance, engage with state and its agencies in pursuing the development agenda for sustainable change for its CSR activities. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013.

o. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of resources will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Onerous Contracts

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the Standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

3 Share capital

	31 March 2021		31 March 2020	
	Number of	Amount	Number of shares	Amount
a) Authorised share capital				
Equity shares of Rs.10 each	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
	<u>1,10,00,000</u>	<u>11,00,00,000</u>	<u>1,10,00,000</u>	<u>11,00,00,000</u>
b) Issued, subscribed and paid up capital				
Equity shares of Rs.10 each	76,41,585	7,64,15,850	76,41,585	7,64,15,850
	<u>76,41,585</u>	<u>7,64,15,850</u>	<u>76,41,585</u>	<u>7,64,15,850</u>
c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period				
Balance at the beginning of the year	76,41,585	7,64,15,850	76,41,585	7,64,15,850
Movement during the year	-	-	-	-
Balance at the end of the year	<u>76,41,585</u>	<u>7,64,15,850</u>	<u>76,41,585</u>	<u>7,64,15,850</u>

d) Rights and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity held.

e) Shareholders holding more than 5% of the shares

	31 March 2021		31 March 2020	
	Number of share	% shareholding	Number of share	% shareholding
Baring India Private Equity Fund II	44,48,008	58.21%	44,48,008	58.21%
Batlivala and Karani Securities India Private Limited	7,06,250	9.24%	7,06,250	9.24%
Rashmi Agarwal	4,65,000	6.09%	4,65,000	6.09%
Rajesh Mirjankar	4,17,893	5.47%	4,17,893	5.47%
Maninder Mahabir Singh	4,14,101	5.42%	4,14,101	5.42%
Manoj Murarka	3,97,956	5.21%	3,97,956	5.21%
	<u>68,49,208</u>	<u>89.63%</u>	<u>68,49,208</u>	<u>89.63%</u>

f) Shares reserved for issue under options

The Company had reserved issuance of 96,500 (Previous year 96,500) equity shares of Rs.10 each for offering to eligible employees of the Company under Employees Stock Option Scheme (ESOS). The option vest over a maximum period of 4 years or such other period as may be decided by the Employees Stock Compensation Committee from the date of grant based on specific criteria. (Also, refer note no. 27)

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
4 Reserves and surplus		
Capital redemption reserve		
Balance at the beginning of the year	<u>71,62,970</u>	71,62,970
Balance at the end of the year	<u>71,62,970</u>	<u>71,62,970</u>
Securities premium account		
Balance at the beginning of the year	<u>2,85,01,470</u>	2,85,01,470
Balance at the end of the year	<u>2,85,01,470</u>	<u>2,85,01,470</u>
General reserve		
Balance at the beginning of the year	<u>6,51,00,795</u>	6,51,00,795
Balance at the end of the year	<u>6,51,00,795</u>	<u>6,51,00,795</u>
Surplus in the statement of profit and loss account		
Balance at the beginning of the year	1,75,96,88,936	1,55,71,95,166
Add : Transferred from Statement of Profit and Loss	28,54,51,072	44,97,43,170
Less : Interim dividend	-	24,72,49,400
Less : Dividend distribution tax	-	1,80,01,850
Add : Dividend distribution tax- credit	-	1,80,01,850
Balance at the end of the year	<u>2,04,51,40,008</u>	<u>1,75,96,88,936</u>
Total	<u>2,14,59,05,243</u>	<u>1,86,04,54,171</u>

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued) as at 31 March 2021

(Currency: Indian Rupees)

5 Other current liabilities

	Long-term		Short-term	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Advances from customers	-	-	4,45,604	9,43,529
Billing in advances	-	-	8,81,26,500	5,42,44,543
Other payables				
Advances from wholly owned subsidiaries (refer Note (a) below)	-	-	3,03,39,805	3,23,62,650
Employee related payables	-	-	7,43,36,139	7,00,82,235
Creditors for capital goods	-	-	23,19,074	16,69,872
Rent equilisation reserve	-	13,25,496	15,85,063	8,21,900
Payable to authorities :				
Tax deducted at source payable	-	-	1,66,48,403	1,83,44,905
Employees provident fund, ESIC and other	-	-	62,91,525	59,88,980
Goods and services tax /Value added tax payable	-	-	70,38,674	1,02,36,725
Unpaid dividend	-	-	63,996	63,996
	-	13,25,496	22,71,94,783	19,47,59,335

(a) Advances from wholly owned subsidiaries:

	31 March 2021	31 March 2020
- Infrasoft Technologies FZ LLC	1,16,44,573	1,19,39,567
- Infrasoft Technologies Ltd., UK	1,68,50,302	1,55,76,655
- Infrasoft Technologies SDN BHD	18,44,930	48,46,428
	3,03,39,805	3,23,62,650

6 Provisions

	Long-term		Short-term	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Provision for employee benefits				
Provisions for gratuity * (refer note no. 26)	1,94,85,815	1,47,58,643	2,45,75,983	2,46,33,338
Provision for leave encashment (refer note no. 26)	-	-	2,08,75,919	1,64,53,003
Other provisions				
Provision for tax (Net advance tax of Rs. 108,786,637 and previous year of Rs. 40,495,709)	-	-	33,44,243	38,46,545
	1,94,85,815	1,47,58,643	4,87,96,145	4,49,32,886

* Provision for gratuity (long term) is net off contribution of Rs. 9,023,221 (Previous Year Rs. 5,396,527) paid to LIC Gratuity Fund

7 Trade payables

	31 March 2021	31 March 2020
Total outstanding dues of micro enterprises and small enterprises (refer note no. 36)	34,06,045	55,32,587
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,15,01,219	23,44,88,586
	16,49,07,264	24,00,21,173

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

8 Property, plant and equipment

Gross block	Furniture and fixtures	Electrical and fittings	Vehicles	Computer equipments	Office equipments	Leasehold improvements	Total
Balance as at 1 April 2019	74,43,406	47,37,517	12,99,895	16,08,34,696	2,32,24,058	3,81,79,507	23,57,19,080
Additions	7,34,700	-	20,11,610	2,92,84,796	7,69,968	-	3,28,01,074
Disposals / Adjustments	-	-	(12,99,895)	(48,000)	-	-	(13,47,895)
Balance as at 31 March 2020	81,78,106	47,37,517	20,11,610	19,00,71,493	2,39,94,026	3,81,79,507	26,71,72,258
Additions	-	-	-	3,18,63,886	15,30,106	-	3,33,93,992
Disposals / Adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2021	81,78,106	47,37,517	20,11,610	22,19,35,379	2,55,24,132	3,81,79,507	30,05,66,250
Accumulated depreciation and amortisation							
Balance as at 1 April 2019	45,84,456	38,94,636	12,99,895	9,49,97,370	2,04,77,992	3,68,35,424	16,20,89,773
Depreciation / Adjustments	8,93,487	5,52,142	1,34,246	2,35,87,179	15,22,152	8,46,356	2,75,35,562
Reversal on disposal of assets / Adjustments	-	-	(12,99,893)	(28,625)	-	-	(13,28,518)
Balance as at 31 March 2020	54,77,943	44,46,778	1,34,248	11,85,55,924	2,20,00,144	3,76,81,780	18,82,96,818
Depreciation / Adjustments	6,40,909	2,90,262	2,51,279	2,53,80,159	10,22,118	4,97,715	2,80,82,442
Reversal on disposal of assets / Adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2021	61,18,852	47,37,040	3,85,527	14,39,36,083	2,30,22,262	3,81,79,495	21,63,79,260
Net block							
Balance as at 31 March 2020	27,00,163	2,90,739	18,77,362	7,15,15,569	19,93,881	4,97,727	7,88,75,440
Balance as at 31 March 2021	20,59,254	477	16,26,083	7,79,99,296	25,01,869	12	8,41,86,990

Infrasoft Technologies Limited

Notes to the Standalone financial statements (*Continued*)

as at 31 March 2021

(Currency: Indian Rupees)

9 Intangible assets

Gross block	Goodwill	Customers contract	Software licenses	Total
Balance as at 1 April 2019	8,04,00,000	10,89,00,000	4,20,35,000	23,13,35,000
Additions	-	-	40,00,393	40,00,393
Disposals	-	-	-	-
Balance as at 31 March 2020	8,04,00,000	10,89,00,000	4,60,35,393	23,53,35,393
Additions	-	-	10,78,258	10,78,258
Disposals	-	-	-	-
Balance as at 31 March 2021	8,04,00,000	10,89,00,000	4,71,13,651	23,64,13,651
Accumulated amortisation				
Balance as at 1 April 2019	8,04,00,000	10,89,00,000	2,92,85,404	21,85,85,404
Amortisation charge	-	-	1,11,32,081	1,11,32,081
Balance as at 31 March 2020	8,04,00,000	10,89,00,000	4,04,17,485	22,97,17,485
Amortisation charge	-	-	48,23,093	48,23,093
Balance as at 31 March 2021	8,04,00,000	10,89,00,000	4,52,40,578	23,45,40,578
Net block				
Balance as at 31 March 2020	-	-	56,17,908	56,17,908
Balance as at 31 March 2021	-	-	18,73,073	18,73,073

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

10 Non-current investments (Valued at cost unless stated otherwise)

	31 March 2021		31 March 2020	
	Units	Amounts in Rs.	Units	Amounts in Rs.
Unquoted trade investments				
Investments in equity instrument fully paid up (unquoted)				
In wholly owned subsidiary companies :				
Infrasoft Technologies Inc (Shares at par value)	200	54,44,434	200	54,44,434
Infrasoft Technologies Limited (UK) (Shares of GBP 1 each)	1,40,000	1,12,58,238	1,40,000	1,12,58,238
Infrasoft Technologies FZ-L.L.C. (Shares of AED 1,000 each)	125	15,19,500	125	15,19,500
Infrasoft Technologies Pte. Limited (Shares of SGD 1 each)	6,50,986	1,75,27,545	6,50,986	1,75,27,545
Infrasoft Technologies (Jersey) Limited (Shares of GBP 1 each)	100	8,05,27,200	100	8,05,27,200
Infrasoft Technologies SDN. BHD (Shares of MYR 1 each)	80,100	10,04,915	80,100	10,04,915
InfrasoftTech Canada Limited (Shares of 1 CAD each)	100	5,131	100	5,131
		<u>11,72,86,963</u>		<u>11,72,86,963</u>
Non trade				
Investments in equity shares(unquoted)				
In others				
Thane Janata Sahakari Bank Limited (Shares of Rs. 50 each)	1,001	50,051	1,001	50,051
Jankalyan Sahakari Bank Limited (Shares of Rs. 10 each)	320	3,200	320	3,200
		<u>53,251</u>		<u>53,251</u>
		<u>11,73,40,214</u>		<u>11,73,40,214</u>
Aggregate amount of investments				
Aggregate amount of unquoted investments at cost		11,73,40,214		11,73,40,214

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued) as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
11 Deferred tax assets		
Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	67,29,974	79,71,714
Disallowances under section 43B of the Income tax Act, 1961	2,14,99,007	1,73,24,105
Provision for bad and doubtful debts/deposits	34,10,150	1,21,77,456
Provision for rent equalisation	4,61,570	6,25,321
Deferred tax asset	3,21,00,701	3,80,98,596

12 Loans and advances

Unsecured, considered good

	Long-term		Short-term	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Loans and advances to wholly owned subsidiaries (refer note)	-	-	48,05,500	75,00,406
Other loans and advances				
Advances recoverable	8,97,492	30,81,871	3,15,21,236	3,06,07,523
Share application money pending allotment - Infrasoft Technologies	2,20,43,189	2,20,47,923	-	-
Security deposit				
Considered good	57,32,178	1,19,00,159	2,97,07,088	2,25,52,070
Considered doubtful	6,00,000	66,50,000	-	-
Less : Provision	(6,00,000)	(66,50,000)	-	-
MAT credit	-	2,79,37,160	-	-
Advance income taxes (Net of provision for tax of Rs. 414,834,610 and previous year of Rs. 435,554,429)	12,36,74,982	14,73,08,326	-	-
Income tax paid under protest	2,09,22,704	2,58,90,484	-	-
GST/Service tax credit recoverable	-	-	1,37,24,412	1,15,58,647
Advances to employees	-	-	1,05,65,803	6,93,47,125
Advances to suppliers	-	-	50,13,561	31,58,901
Deferred revenue expenditure	81,87,221	1,85,02,339	2,21,64,843	1,16,69,849
	18,14,57,766	25,66,68,262	11,75,02,443	15,63,94,521

Note*:- The Company had made an overseas direct investment (ODI) in its wholly owned US subsidiary towards Equity Capital in the past years. The equity shares have been allotted to the Company on 20 May 2021.

	31 March 2021	31 March 2020
a) Loans and advances to wholly owned subsidiaries:		
- Infrasoft Technologies Pte. Limited	-	37,60,157
- Infrasoft Technologies Jersey Limited	50,340	1,67,526
- InfrasoftTech Canada Limited	45,05,972	23,43,281
- Infrasoft Technologies FZ LLC	2,49,188	12,29,442
	48,05,500	75,00,406

13 Other non-current assets

	31 March 2021	31 March 2020
Bank deposits (due to mature after 12 months from the reporting date) (Refer note no. 16)	2,23,08,397	1,20,25,581
	2,23,08,397	1,20,25,581

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

14 Current investments

	31 March 2021		31 March 2020	
	Number of Units	Amounts in Rs.	Number of Units	Amounts in Rs.
Current investment				
<i>Investments in mutual funds (non trade, unquoted)</i>				
<i>(lower of cost or market value)</i>				
IDFC Government Securities Fund - Investment Plan - Growth - Regular	6,88,293	1,08,49,777	6,88,293	1,08,49,777
HDFC Credit Risk Debt Fund - Regular Plan - Growth	7,22,011	1,00,00,000	7,22,011	1,00,00,000
L & T Liquid Fund Direct Plan(G)	17,762	5,00,00,000	-	-
DSP Liquidity Fund - Direct Plan – Growth	17,024	5,00,00,000	-	-
Total unquoted investments		<u>12,08,49,777</u>		<u>2,08,49,777</u>
Aggregate amount of				
Book value of unquoted investments		12,08,49,777		2,08,49,777
Market value of unquoted investment in mutual funds		12,86,33,821		2,86,33,821

*Lien against bank guarantee of Rs. 20,849,777 (Previous year Rs. 20,849,777)

Infrasoft Technologies Limited

Notes to the Standalone financial statements (*Continued*)

as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
15 Trade receivables		
<i>Unsecured</i>		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	16,68,01,610	36,76,71,252
Doubtful	1,11,10,681	3,51,68,187
Less : Provision for bad and doubtful debts	(1,11,10,681)	(3,51,68,187)
	16,68,01,610	36,76,71,252
Other receivables		
Considered good	27,49,92,199	27,49,92,199
	27,49,92,199	27,49,92,199
	44,17,93,809	64,26,63,451
Includes amounts due from subsidiary companies:		
Infrasoft Technologies SDN BHD	-	29,53,683
	-	29,53,683

These includes balance aggregating Rs.343,954/- (Previous year Rs. 1,536,155) receivable in foreign currency, which are outstanding for more than 270 days. In case of balances receivable in foreign currency, which are outstanding for more than 270 days, the Company needs to file an application with the appropriate regulatory authorities for approval of extension of the period to realise such proceeds under Foreign Exchange Management Act, 1999. The Company has filed the application for relevant approvals in this regard with the appropriate authorities.

Infracsoft Technologies Limited

Notes to the Standalone financial statements (Continued)
 as at 31 March 2021

(Currency: Indian Rupees)

16 Cash and bank balances

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Cash and cash equivalents				
Cash on hand	-	-	5,731	18,644
Balances with banks				
- in current accounts	-	-	41,27,47,125	15,64,10,290
- in current accounts (for dividend)	-	-	40,000	40,000
- in deposit accounts (with original maturity upto 3 months)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>41,27,92,856</u>	<u>15,64,68,934</u>
Other bank balances*				
Deposits with maturity upto 3 months *	-	-	84,30,385	1,00,00,000
Deposits with maturity more than 3 months but less than 12 months*	-	-	8,18,13,551	6,09,99,205
Deposits with maturity more than 12 months*	2,23,08,397	1,20,25,581	-	-
	<u>2,23,08,397</u>	<u>1,20,25,581</u>	<u>9,02,43,936</u>	<u>7,09,99,205</u>
Less : Amounts disclosed as other non-current assets (Refer note no. 13)	2,23,08,397	1,20,25,581	-	-
Total	<u>-</u>	<u>-</u>	<u>50,30,36,792</u>	<u>22,74,68,139</u>

*Lien against bank guarantee of Rs. 112,502,333 (Previous year Rs. 64,903,196)

17 Other current assets

	31 March 2021	31 March 2020
Interest accrued on fixed deposit	13,06,125	21,80,035
Unbilled revenue	53,11,26,922	46,90,89,507
Unbilled revenue-intercompany (refer note no. 25)	52,78,22,090	40,53,96,122
	<u>1,06,02,55,137</u>	<u>87,66,65,664</u>

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued) for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
18 Revenue from operations		
Sale of software products	1,84,54,52,746	1,67,18,27,331
Sale of services	64,75,49,470	61,86,30,534
	<u>2,49,30,02,216</u>	<u>2,29,04,57,865</u>
19 Other income		
Interest income from		
- Fixed deposits	43,26,053	46,76,681
Dividend income from subsidiaries	-	14,16,81,188
Profit on sale of investments (net)	16,04,182	92,68,091
Interest on Income Tax Refund	1,90,59,756	1,34,63,460
Profit on sale assets (net)	-	3,87,805
Liabilities no longer required, written back	8,25,000	41,19,579
Miscellaneous income	8,46,315	2,12,420
	<u>2,66,61,306</u>	<u>17,38,09,224</u>
20 Cost of services		
Software development and maintenance services	30,98,76,586	21,96,73,793
Manpower cost	1,42,77,083	1,88,10,514
Computer hardware	18,74,45,692	3,11,52,398
	<u>51,15,99,361</u>	<u>26,96,36,705</u>
21 Employee benefits expense		
Salaries, wages and bonus	1,08,61,03,200	1,01,64,81,270
Contribution to gratuity (refer note no. 26)	1,06,94,145	1,16,09,156
Contribution to provident and other defined contribution funds	3,61,15,532	3,54,87,313
Staff welfare expenses	10,39,045	70,06,748
	<u>1,13,39,51,922</u>	<u>1,07,05,84,487</u>
22 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer note no. 8)	2,80,82,442	2,75,35,562
Amortisation of intangible assets (refer note no. 9)	48,23,093	1,11,32,081
	<u>3,29,05,535</u>	<u>3,86,67,643</u>

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued) for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
23 Other expenses*		
Electricity	62,24,487	99,83,615
Rent (Also, refer note no. 34)	4,33,67,428	4,76,77,364
Repairs and maintenance - others	1,02,890	16,59,718
Insurance	1,18,34,367	1,06,23,042
Payments to auditors (Also, refer note no. 35)	38,93,000	38,93,000
Travelling and conveyance	8,15,82,611	19,62,58,274
Communication expenses	67,40,107	67,66,627
Business promotion	1,18,85,003	1,55,75,422
Legal and professional fees	1,00,86,268	3,50,56,217
Directors advisory fees	30,00,000	30,00,000
Selling and marketing expenses	32,42,346	7,07,41,277
Upkeeping and maintenance	1,06,73,581	1,14,82,195
CSR expenditure (Also, refer note no. 30)	90,20,000	67,15,560
Computer consumables	2,68,58,131	1,44,01,082
Unbilled revenue written off	2,43,82,732	3,18,88,312
Bad debts written off (Also, refer note no. 39)	17,14,37,199	5,62,02,196
Deposits written off	57,25,000	10,60,000
Provision for doubtful debts (net of written off as bad debts)	(2,40,57,507)	(1,98,81,718)
Provision for doubtful Deposits (net of Deposits written off)	(52,25,000)	11,75,000
Loss on foreign currency transaction (net)	29,83,541	1,09,624
Rates and taxes	61,24,605	57,95,031
Recruitment expenses	76,93,990	1,06,46,061
Miscellaneous expenses	74,93,535	57,65,308
	42,50,68,314	52,65,93,207

*net of reimbursement of expenses from subsidiaries.

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

24 Earning per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

	31 March	31 March 2020
Basic Earning per share :		
Weighted average number of equity shares outstanding during the year	76,41,585	76,41,585
Net profit after tax attributable to equity shareholders (amounts in Rs.)	28,54,51,072	44,97,43,170
Earning per share :	37.35	58.85
Diluted Earning per share :		
Weighted average number of equity shares outstanding during the year	76,54,374	76,54,374
Net profit after tax attributable to equity shareholders (amounts in Rs.)	28,54,51,072	44,97,43,170
Earning per share :	37.29	58.76

25 Related Party Disclosures :

a) Names of related parties and description of relationship

Relationship	Name
A) Enterprise where control exists in subsidiaries	1) Infrasoft Technologies FZ LLC 2) Infrasoft Technologies Pte. Limited 3) Infrasoft Technologies SDN BHD. 4) Infrasoft Technologies Inc. 5) Infrasoft Technologies Limited (UK) 6) Infrasoft Technologies (Jersey) Limited 7) Infrasoft Technologies Guernsey Limited (Subsidiary of Infrasoft Technologies (Jersey) Ltd) 8) InfrasoftTech Canada Limited
B) Other related parties with whom the Company had	
i) Key management personnel (KMP)	1) Mr. Rajesh Mirjankar 2) Mr. Rangan Mohan 3) Mr. Milind Chalisgaokar

Details of transactions and outstanding balances in respect of the above related parties

	Subsidiaries	Individual having significant influence	Total
Transactions			
Software development income	48,14,84,766 (53,24,47,049)	-	48,14,84,766 (53,24,47,049)
Recovery of expenses	85,03,713 (63,98,647)	-	85,03,713 (63,98,647)
Support services expenses	-	(5,31,839)	-
Dividend received from subsidiaries	-	-	-
	(14,16,81,188)	-	(14,16,81,188)
Balance outstanding			
Balance receivable	48,05,500 (1,04,54,089)	-	48,05,500 (1,04,54,089)
Balance unbilled receivable	52,78,22,088 (40,53,96,121)	-	52,78,22,088 (40,53,96,121)
Balance payable	3,03,39,808 (3,23,62,650)	-	3,03,39,808 (3,23,62,650)
Investment	11,72,86,963 (11,72,86,963)	-	11,72,86,963 (11,72,86,963)
Share application money	2,20,43,189 (2,20,47,923)	-	2,20,43,189 (2,20,47,923)

* Figures in bracket represents Previous year figures

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

25 Related Party Disclosures (Continued) :

b) Disclosure of transactions with related parties

Transaction	Year ended 31 March 2021	Year ended 31 March 2020
Software development income		
Infrasoft Technologies FZ LLC	30,09,70,191	34,75,82,727
Infrasoft Technologies (Jersey) Limited	5,80,85,544	5,11,85,657
Infrasoft Technologies Guernsey Ltd	25,67,340	(1,93,439)
Infrasoft Technologies Pte Limited	3,12,82,580	6,66,68,639
InfrasoftTech Canada Limited	4,41,32,682	4,07,17,798
Infrasoft Technologies SDN BHD	21,63,519	73,22,869
Infrasoft Technologies Limited (UK)	4,22,82,910	1,91,62,798
Recovery of expenses		
Infrasoft Technologies FZ LLC	2,59,100	1,38,537
Infrasoft Technologies Limited (UK)	-	-
InfrasoftTech Canada Limited	45,05,972	23,37,961
Infrasoft Technologies (Jersey) Limited	47,050	1,68,640
Infrasoft Technologies Pte Limited	36,91,591	37,53,509
Support services expenses		
HGS International Services Pvt Ltd	-	5,31,839
Dividend received from subsidiaries		
Infrasoft Technologies (Jersey) Limited	-	6,99,07,872
Infrasoft Technologies FZ LLC	-	7,17,73,316
Balance due from subsidiaries (including loans and advances)		
InfrasoftTech Canada Limited	45,05,972	23,43,281
Infrasoft Technologies (Jersey) Limited	50,340	1,67,526
Infrasoft Technologies FZLLC	2,49,188	12,29,442
Infrasoft Technologies SDN BHD	-	29,53,683
Infrasoft Technologies Pte Limited	-	37,60,157
Balance due from subsidiaries on account of unbilled revenue		
InfrasoftTech Canada Limited	84,98,326	40,08,503
Infrasoft Technologies (Jersey) Limited	1,68,03,605	67,89,778
Infrasoft Technologies Guernsey Ltd	25,67,340	-
Infrasoft Technologies FZLLC	45,69,99,983	32,06,09,748
Infrasoft Technologies SDN BHD	10,72,889	88,22,682
Infrasoft Technologies Pte Limited	1,68,14,673	4,64,95,754
Infrasoft Technologies Limited (UK)	2,50,65,272	1,86,69,656
Balance due to subsidiaries		
Infrasoft Technologies Limited (UK)	1,68,50,302	1,55,76,655
Infrasoft Technologies SDN BHD	18,44,932	48,46,428
Infrasoft Technologies FZLLC	1,16,44,574	1,19,39,566
Investments in subsidiaries		
Infrasoft Technologies Inc	54,44,434	54,44,434
Infrasoft Technologies Limited (UK)	1,12,58,238	1,12,58,238
Infrasoft Technologies FZ-L.L.C.	15,19,500	15,19,500
Infrasoft Technologies Pte. Limited	1,75,27,545	1,75,27,545
Infrasoft Technologies (Jersey) Limited	8,05,27,200	8,05,27,200
Infrasoft Technologies SDN. BHD	10,04,915	10,04,915
InfrasoftTech Canada Limited	5,131	5,131
Share application money		
Infrasoft Technologies Inc.	2,20,43,189	2,20,47,923

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

25 Related Party Disclosures (Continued) :

c) The compensation to key managerial personnel, comprising directors and executive officers is as follows:

Transaction	Year ended	Year ended
	31 March 2021	31 March 2020
Salaries and other employee benefits to whole-time directors and executive officers	1,63,19,390	1,76,01,033
Advisory fees to non-executive / independent directors	30,00,000	30,00,000
Total	1,93,19,390	2,06,01,033

The compensation payable to key managerial personnel, comprising directors and executive officers is as follows:

Transaction	Year ended	Year ended
	31 March 2021	31 March 2020
Mr. Milind Chalisingaonkar	8,32,500	-
Mr. Rangan Mohan	92,500	1,80,000

As on 31 March, 2021, there is outstanding travel advance of Rs. 1,318,882/- paid to Mr. Rajesh Mirjankar and the same has been settled subsequent to the reporting date.

26 Retirement benefits to employees

Gratuity

In accordance with Indian law, the Company provide for gratuity, a defined benefit retirement plan covering eligible employees in India. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in an amount equivalent to 15 to 30 days salary payable for each completed year of service. The Company provides the gratuity benefit through annual contributions to fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company. Vesting occurs upon completion of five years of service subject to maximum payment of Rs.20 Lakhs. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet date.

Changes in present value of obligations	31 March 2021	31 March 2020
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	4,47,88,508	3,61,75,690
Current service cost	74,19,838	56,79,212
Interest cost	24,40,974	24,45,477
Actuarial (gain)/ loss on obligations	3,49,350	33,65,705
Benefits paid	(19,13,650)	(28,77,576)
Closing balance	5,30,85,020	4,47,88,508
ii) Fair value of plan assets		
Opening balance	53,96,527	33,92,865
Expected return on plan assets	2,94,111	2,29,358
Employer's contributions	60,00,000	50,00,000
Actuarial (loss) on plan assets	(7,53,766)	(3,48,120)
Benefits paid	(19,13,650)	(28,77,576)
Closing balance	90,23,222	53,96,527
Net liability recognised in the balance sheet (i-ii)	4,40,61,798	4,80,04,799
b) Expenses recognised in statement of profit and loss		
Current service cost	74,19,838	56,79,212
Interest cost	24,40,974	24,45,477
Expected return on plan assets	(2,94,111)	(2,29,358)
Net actuarial (gain)/loss recognised during the year	11,03,116	37,13,825
Expenses recognised in statement of profit and loss	1,06,69,817	1,16,09,156
c) Break up of plan assets		
LIC of India - Insurer Managed Fund	100%	100%
d) Principal actuarial assumptions		
Rate of discounting	5.18%	5.45%
Expected return on plan assets	5.18%	5.45%
Rate of increase in basic salary	8.00%	8.00%
Attrition rate	25.00%	25.00%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Normal retirement age	60 years	60 years

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

26 Retirement benefits to employees (Continued)

Gratuity

- i) **Discount rate :** 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 obligations.
- ii) **Expected rate of return on plan assets :** This is based on the expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.
- iii) **Salary escalation rate :** The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Experience adjustments:

Particular	As on				
	31st March 2021	31st March 2020	31st March 2019	31st March 2018	31st March 2017
Gain/(Loss):					
Experience adjustments on plan liabilities	(3,49,350)	(33,65,705)	(49,715)	40,84,944	5,20,529
Experience adjustments on plan assets	(7,53,766)	(3,48,120)	(2,89,702)	(5,75,679)	(4,85,762)

Provident Fund:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs.35,591,613 (31st March 2020: Rs.35,222,760)

Leave encashment

The Company recognised a charge of compensated absences of Rs.5,931,894 (Previous year reversal of Rs.6,224,497) under employee benefits expense in the statement profit and loss account.

27 Disclosures on Employee share based payments - Employee Stock Option Scheme

- 1) In conformity with the Guidance Note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India in respect of the grants made on or after 1 April 2005, the following disclosures are made:

Method adopted for valuation

Stock compensation expense has been determined under the "Intrinsic Value Method" and amortised over the vesting period.

- 1) The Company instituted ESOP 2011 scheme under which 268,000 stock options have been allocated for a grant to employees. The scheme was approved by our shareholders to grant maximum 275,000 stock options at the Extra Ordinary General Meeting held on 11 February 2011. These options vest over a period of four years from the date of the grant.

The vesting period shall be as follows:

First 20% of the Options Granted - On the completion of 12 months from the date of grant

Next 20% of the Options Granted - On the completion of 24 months from the date of grant

Next 30% of the Options Granted - On the completion of 36 months from the date of grant

Next 30% of the Options Granted - On the completion of 48 months from the date of grant

The following is the status of ESOP as at 31st March 2021

Particulars	As at		
	No of shares	Exercise price	Fair Value
Outstanding at the beginning of the year Tranche I	27,000	190	184.91
Outstanding at the beginning of the year Tranche II	69,500	361	361.00
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Lapsed - Tranche I	-	-	-
Lapsed - Tranche II	-	-	-
Outstanding at the end of the year Tranche I	27,000	190	184.91
Outstanding at the end of the year Tranche II	69,500	361	361.00
Exercise at the end of the year	-	-	-

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

27 Disclosures on Employee share based payments - Employee Stock Option Scheme (Continued)

The following is the status of ESOP as at 31st March 2020

Particulars	As at 31 March 2020		
	No of shares	Exercise price	Fair Value
Outstanding at the beginning of the year Tranche I	45,000	190	184.91
Outstanding at the beginning of the year Tranche II	89,500	361	361.00
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Lapsed - Tranche I	18,000	190	184.91
Lapsed - Tranche II	20,000	361	361.00
Outstanding at the end of the year Tranche I	27,000	190	184.91
Outstanding at the end of the year Tranche II	69,500	361	361.00
Exercise at the end of the year	-	-	-

The Company follows Intrinsic method to account for employee stock options. The stock-based compensation cost calculated as per intrinsic value method for the financial year 2020-21 is Nil. The guidance note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India requires that the impact on the statement of profit and loss to be disclosed had fair valuation been followed. The Company has issued options to the employees at a price which is higher than fair value. Therefore, no provision or disclosure is made for employees compensation cost in the books of accounts.

	31 March 2021	31 March 2020
Profit for the year after taxation as reported	28,54,51,072	44,97,43,170
Add: Employee stock based compensation determined under the intrinsic value method	-	-
Less: Employee stock based compensation determined under the fair value method	-	-
Proforma Profit	28,54,51,072	44,97,43,170
Reported earnings per equity share of Rs. 10 each		
Basic	37.35	58.85
Diluted	37.29	58.76
Proforma earnings per equity share of Rs. 10 each		
Basic	37.35	58.85
Diluted	37.29	58.76

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

28 Segment reporting :

In accordance with paragraph 4 of Accounting Standard 17 “Segment Reporting” prescribed in the Companies (Accounts) Rules 2014, issued by the central government, the Company has presented segmental information only on the basis of the consolidated financial statements (refer note no. 28 of consolidated financial statements).

29 Unhedged foreign currency exposure

Foreign currency transactions of the Company are unhedged by derivative instruments or otherwise.

The details of foreign currency transactions of the Company are:

a) Foreign currency exposures not hedged at year-end

Particulars	Currency	31 March 2021	31 March 2020
Trade receivables	USD	5,44,845	3,69,251
	INR	3,99,02,323	2,77,21,689
	GBP	8,910	91,936
	INR	8,97,059	85,56,473
	LKR	27,50,450	27,26,363
	INR	10,08,728	10,77,241
Bank balance	USD	17,30,050	1,00,000
	INR	12,67,02,103	75,10,210
	GBP	1,30,523	-
	INR	1,31,41,056	-
Advances from customers and wholly owned subsidiaries	USD	2,267	64,533
	INR	1,66,004	48,46,428
	AED	5,84,128	5,84,128
	INR	1,16,44,592	1,19,39,566
	GBP	1,67,365	1,67,365
	INR	1,68,50,302	1,55,76,655
Trade payables	USD	-	1,428
	INR	-	1,07,246
	Eur	-	11,648
	INR	-	9,67,254.58
Investments, loans and advances	CAD	77,609	44,047
	INR	45,06,297	23,43,280
	USD	-	50,069
	INR	-	37,60,287
	GBP	500	1,800
	INR	50,340	1,67,528
	AED	12,500	60,149
	INR	2,49,188	12,29,442
	USD	1,12,100	1,12,100
	INR	82,09,767	84,18,945
	GBP	11,00,000	11,00,000
	INR	11,07,48,000	10,23,77,990
	AED	1,25,000	1,25,000
	INR	24,91,875	25,55,000
	SGD	6,50,986	6,50,986
INR	3,53,69,176	3,42,93,942	
MYR	80,100	80,100	
INR	14,13,228	13,86,531	
CAD	100	100	
INR	5,806	5,320	

Infrasoft Technologies Limited

Notes to the Standalone financial statements (*Continued*)

for the year ended 31 March 2021

(Currency: Indian Rupees)

30 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities for promoting programs that benefit the communities in and around Infrasoft Technologies Limited. The major areas covered for CSR activities are environment sustainability, empowering women and promoting gender equality, poverty reduction, eradicating extreme hunger, promoting education and other social business projects, contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central and State Govt. funds for socio-economic development and relief etc. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on CSR activities is Rs 9,018,589. The total expenditure incurred on 'Corporate Social Responsibility Activities' for the current year is Rs 9,020,000 (previous year Rs 6,715,560)

CSR Activities	In Cash	Yet to be paid in cash	Total
(1) Construction / acquisition of any asset	-	-	-
(2) On purposes other than (1) above :			
Current year	90,20,000	-	90,20,000
Previous year	67,15,560	-	67,15,560

31 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2021	31 March 2020
Guarantees given by bank on behalf of company	12,21,68,663	9,12,94,108
Capital commitment (net of advances)	46,95,150	44,75,281
Income tax demand in respect of earlier years under dispute	5,37,95,395	4,75,43,460
VAT CST demand in respect of earlier years under dispute	56,34,161	56,34,161
Statutory bonus (also refer note no.37)	80,62,262	80,62,262

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

32 Earnings in foreign currency (accrual basis)	31 March 2021	31 March 2020
Software development services, products, annual maintenance services	60,84,98,121	90,38,96,509
Foreign dividend income from foreign subsidiaries	-	14,16,81,188
Total	<u>60,84,98,121</u>	<u>1,04,55,77,697</u>

33 Expenditure in foreign currency (accrual basis)	31 March 2021	31 March 2020
Travelling expenses	4,59,99,714	11,03,75,718
Commission on sales	1,20,52,010	7,07,41,277
Computer expenses	70,84,305	10,388
Software development and maintenance services	4,98,99,923	1,53,58,024
Recruitment expenses	4,59,050	29,612
Legal and professional fees	2,13,937	-
Total	<u>11,57,08,939</u>	<u>19,65,15,019</u>

34 Leases

Operating lease

The lease rental for office premises, guest house and godown charged to statement of profit and loss aggregates to Rs. 43,367,428 (previous year Rs. 47,677,364).

Future minimum lease commitments in respect of non-cancellable operating leases:

	31 March 2021	31 March 2020
Not later than one year	-	1,10,250
Later than one year and not later than five years	-	-

35 Payments to auditors (excluding GST)	31 March 2021	31 March 2020
As auditor		
Statutory audit	31,93,000	31,93,000
In other capacity:		
Other services	7,00,000	7,00,000
	<u>7,00,000</u>	<u>7,00,000</u>
	<u>38,93,000</u>	<u>38,93,000</u>

36 Disclosure under Micro Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 2 October 2006, and on the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

Particulars	31 March 2021	31 March 2020
The amount remaining unpaid to micro and small suppliers as at the end of the year		
-Principal	34,06,045	55,32,587
-Interest	-	-
Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

Infrasoft Technologies Limited

Notes to the Standalone financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

37 During the year ended March 31, 2016, Payment of Bonus Act, 1965 ('the Act') has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2016) is required to be paid to the eligible employees. Based on stay orders from various High Courts across the country, the amendment to the Payment of Bonus Act to the extent that it gives retrospective effect from 1.4.2014 in respect of statutory bonus has not been recognised and treated as contingent liability.

38 Transfer Pricing

The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation as per independent accountant's report for the year ended 31 March, 2020. Based on the above, the Company's management believes that the Company's international transactions with the related parties post 31 March, 2020 continue to be at arms length and that the aforesaid legislation will not have any impact on the Standalone financial statements, particularly on the amount of tax expense and that of the provision for taxation.

39 Bad Debts

Bad debts written off during the year, includes an amount pertaining to trade receivable written off towards full and final settlement, vide a mutual consent agreement signed.

40 Previous year figures have been reclassified / regrouped, wherever applicable, to confirm to current year's classification as detailed under

Regrouped	Regrouped from	Regrouped To	Amounts in Rs.
Software development and maintenance services	Manpower cost	Software development and maintenance services	4,26,21,210

41 Subsequent Events

The Board of Directors, at its meeting on October 14, 2021, recommended a final dividend of Rs. 10 per equity share for the financial year ended March 31, 2021. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company to be held on November 30, 2021 and if approved, would result in a cash outflow of Rs. 76,415,850/-.

42 COVID-19 Impact

The World Health Organization in February 2020 declared outbreak of Coronavirus (COVID -19) as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's offices had to be closed down / operate under restrictions for a considerable period of time during the year. More recently, the next wave of the pandemic has impacted India and the Company is monitoring the situation closely taking into account the increasing level of infections in India and across the world and directives from the various Governments.

Management believes that it has considered all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial statements including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, and the net realisable values of other assets. At this stage, the Company considers it is in a position, notably due to its digital capabilities, to ensure continuity of services currently demanded by its clients. However, the Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

Given the effect of these lockdowns / restrictions on the overall economic activity, the impact assessment of COVID-19 on the financial statements is subject to estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements.

43 Other Information

Information with regard to other matters, as required by Schedule III to the act is either nil or not applicable to the company for the year.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of

Infrasoft Technologies Limited

CIN No: U72900MH1995PLC135094

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: ACS 20518]

Independent Auditor's Report

To the Members of Infrasoft Technologies Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Infrasoft Technologies 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 31 March 2021, and the consolidated statement of profit and loss, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 31 March 2021, of its consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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 Directors' Report, but does not include the consolidated financial statements and our auditors' report thereon.

Independent Auditors' Report (Continued)

Other Information (or another title if appropriate, such as "Information Other than the Consolidated Financial Statements and Auditors' Report Thereon") (Continued)

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

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

Management's and Board of Directors' Responsibilities 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 term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective 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.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

Independent Auditors' Report (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors;
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparing 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities 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 of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Independent Auditors' Report (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

Other Matters

We did not audit the financial statements of eight subsidiaries whose financial statements reflect total assets of Rs.1,507,447,638 as at 31st March 2021, total revenues of Rs. 1,334,040,900 and net cash flows amounting to Rs. 248,717,888 for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

Independent Auditors' Report (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

- 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 and the reports of the other auditors;
 - c) the consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:
- i. the consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 30 to the consolidated financial statements;
 - ii. the Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021;
 - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2021; and
 - iv. the disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021.

Independent Auditors' Report (Continued)

Report on Other Legal and Regulatory Requirements (Continued)

(C) With respect to the matter to be included in the Audit Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.101248W/W-100022

Mumbai
21 October 2021

Suhas Pai
Partner
Membership No. 119057
UDIN- 21119057AAAADM2945

Annexure A to the Independent Auditors’ report on the consolidated financial statements of Infrasoft Technology Limited for the period ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1A(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Infrasoft Technologies Limited (hereinafter referred to as “the Holding Company”) as of that date.

In our opinion, the Holding Company 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 31 March 2021, 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 the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, 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 based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 the internal controls based on the assessed risk.

**Annexure A to the Independent Auditors' report on the consolidated financial statements of Infrasoft Technology Limited for the period ended 31 March 2021
(Continued)**

Auditors' Responsibility (Continued)

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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 the preparation of 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial 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 **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.101248W/W-100022

Mumbai
21 October 2021

Suhas Pai

Partner

Membership No. 119057

UDIN-21119057AAAADM2945

Infrasoft Technologies Limited

Consolidated Balance Sheet

as at 31 March 2021

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2021	31 March 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	76,415,850	76,415,850
Reserves and surplus	4	<u>2,764,094,478</u>	<u>2,374,091,589</u>
		<u>2,840,510,328</u>	<u>2,450,507,439</u>
Non-current liabilities			
Other long -term liabilities	5	-	1,325,496
Long-term provisions	6	<u>19,485,815</u>	<u>14,758,643</u>
		<u>19,485,815</u>	<u>16,084,139</u>
Current liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	7	3,406,045	5,532,587
- total outstanding dues of creditors other than micro enterprises and small enterprises	7	272,088,781	328,906,383
Other current liabilities	5	345,074,771	292,230,672
Short-term provisions	6	<u>63,919,768</u>	<u>54,622,262</u>
		<u>684,489,365</u>	<u>681,291,904</u>
TOTAL		<u>3,544,485,508</u>	<u>3,147,883,482</u>
ASSETS			
Non-current assets			
Property, plant and equipment	8	86,366,768	81,583,663
Intangible assets	9	1,889,254	5,654,869
Goodwill on consolidation		96,642,734	89,337,892
Non-current investments	10	53,251	53,251
Deferred tax assets	11	34,470,968	40,737,009
Long-term loans and advances	12	210,603,226	274,811,833
Other non-current assets	13	<u>22,308,397</u>	<u>12,025,581</u>
		<u>452,334,597</u>	<u>504,204,098</u>
Current assets			
Current investments	14	120,849,777	20,849,777
Trade receivables	15	707,221,982	984,453,702
Cash and bank balances	16	1,066,399,332	542,313,666
Short-term loans and advances	12	125,415,437	162,580,183
Other current assets	17	<u>1,072,264,383</u>	<u>933,482,056</u>
		<u>3,092,150,911</u>	<u>2,643,679,384</u>
TOTAL		<u>3,544,485,508</u>	<u>3,147,883,482</u>

Significant accounting policies

Notes to the financials statements

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of

Infrasoft Technologies Limited

CIN No: U72900MH1995PLC135094

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: ACS A20518]

Mumbai

Date : 21 October 2021

Infrasoft Technologies Limited

Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2021	31 March 2020
Revenues			
Revenue from operations	18	3,310,964,968	3,061,037,299
Other income	19	34,187,651	72,863,042
Total revenue		3,345,152,619	3,133,900,341
Expenses			
Cost of services rendered	20	573,251,207	337,025,624
Employee benefits expense	21	1,542,484,550	1,443,098,591
Depreciation and amortisation expense	22	33,882,810	39,730,793
Other expense	23	671,257,567	796,213,759
Total expenses		2,820,876,134	2,616,068,767
Profit before taxation		524,276,485	517,831,574
Tax expenses:			
Current tax		90,802,969	109,312,899
Short / (Excess) provision of prior years		16,823,143	(1,284,565)
MAT credit Utilisation		36,734,539	4,472,231
Prior year MAT reversal /(entitlement)		(8,797,379)	5,346,944
Deferred tax charge-current year		6,202,555	5,008,402
Deferred tax charge- prior year		-	-
Profit for the year		382,510,658	394,975,663
Earnings per equity share			
Nominal value of share : Rs. 10 (31 March 2020 : Rs. 10)	24		
Basic		50.06	51.69
Diluted		49.97	51.60
Significant accounting policies			
Notes to the financials statements	2 3-40		
The notes referred to above form an integral part of the consolidated financial statements.			

As per our report of even date attached.

For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of
Infrasoft Technologies Limited
 CIN No: U72900MH1995PLC135094

Suhas Pai
 Partner
 Membership No: 119057

Rahul Bhasin
 Chairman
 [DIN: 00236867]

Rajesh Mirjankar
 Managing Director
 [DIN: 03594206]

Mumbai
 Date : 21 October 2021

Kankesh Kamath
 Chief Financial Officer
 [Membership No: ACA 100377]
 Mumbai
 Date : 21 October 2021

Meet Bhagat
 Company Secretary
 [Membership No: ACS A20518]
 [DIN: 00236867]

Infrasoft Technologies Limited

Consolidated Cash Flow Statement

for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
A. Cash flow from operating activities		
Net Profit before taxation	524,276,485	517,831,574
Adjustments for:		
Interest income	(4,366,753)	(4,853,049)
Liabilities no longer required written back	-	-
Profit on sale of investments	(1,604,182)	(9,268,091)
Provision for bad and doubtful debts provided	(35,633,269)	(58,442,746)
Depreciation and amortisation expense	33,882,810	39,730,793
Deposit written off	5,725,000	1,223,930
Bad debts written off	214,653,561	118,512,438
Provision for doubtful deposits	(5,225,000)	1,175,000
Profit on sale of property, plant and equipment	-	(387,805)
Unbilled revenue written off	96,260,830	107,084,598
Unrealised foreign exchange loss	7,912,581	680,358
Foreign currency translation reserve	62,946	58,760,545
Operating profit before working capital changes	835,945,009	772,047,545
Movement in working capital		
Decrease/(Increase) in trade receivables	95,443,463	(454,328,709)
(Increase) in loans and advances	44,778,241	(68,260,158)
(Increase) in other current assets and non-current assets	(235,879,979)	(82,396,973)
Increase/(Decrease) in provisions	16,583,021	(1,364,646)
(Decrease)/Increase in trade payables	(58,944,144)	51,733,617
Increase in other current and non-current liabilities	50,869,401	15,808,463
Cash generated from operations	748,795,011	233,239,139
Taxes paid, net	(82,026,499)	(98,287,340)
Net cash generated from operating activities (A)	666,768,512	134,951,799
B. Cash flow from investing activities		
Purchase of property, plant and equipment, net of capital advance	(34,077,713)	(44,075,943)
Proceeds from sale of property, plant and equipment	-	407,180
Investment in fixed deposits	(178,018,544)	(506,400,196)
Proceeds from fixed deposits matured	148,691,872	570,710,520
Purchase of current investments	(287,500,000)	(349,996,495)
Proceeds from sale of current investments	189,104,182	510,592,489
Proceeds from sale of non-current investments	-	222,530
Interest received	5,203,575	3,667,854
(B)	(156,596,628)	185,127,939
C. Cash flow from Financing Activities		
Dividend paid	-	(247,249,400)
Net cash used in financing activities (C)	-	(247,249,400)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	510,171,884	72,830,338
Effect of exchange differences on cash and cash equivalents held in foreign currency	(5,130,074)	(1,370,933)
Cash and cash equivalents at the beginning of the year	463,184,025	391,724,620
Cash and cash equivalents at the end of the year	968,225,835	463,184,025

Infrasoft Technologies Limited

Consolidated Cash Flow Statement (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

Notes :

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 "Cash Flow Statements", notified under section 133 read with rule 7 of Companies (Accounts) Rules, 2013.

	31 March 2021	31 March 2020
2) Reconciliation of cash and cash equivalents:		
Cash and cash equivalents comprise of:		
Cash on hand	5,731	18,644
- in current accounts	968,180,104	463,125,381
- in current accounts (for dividend)	40,000	40,000
- in deposit accounts (with maturity upto 3 months)	-	-
Cash and Cash equivalents	968,225,835	463,184,025

- 3) Figures in brackets represents outflow of cash and cash equivalents.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of
Infrasoft Technologies Limited

[CIN No: U72900MH1995PLC135094]

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: FCS A20518]

Mumbai

Date : 21 October 2021

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

3 Share capital

a) Authorised share capital

	31 March 2021		31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each	11,000,000	110,000,000	11,000,000	110,000,000
	<u>11,000,000</u>	<u>110,000,000</u>	<u>11,000,000</u>	<u>110,000,000</u>

b) Issued, subscribed and paid up capital

	31 March 2021		31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each	7,641,585	76,415,850	7,641,585	76,415,850
	<u>7,641,585</u>	<u>76,415,850</u>	<u>7,641,585</u>	<u>76,415,850</u>

c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

	31 March 2021		31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	7,641,585	76,415,850	7,641,585	76,415,850
Balance at the end of the year	<u>7,641,585</u>	<u>76,415,850</u>	<u>7,641,585</u>	<u>76,415,850</u>

d) Rights and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity held.

e) Shareholders holding more than 5% of the shares

	31 March 2021		31 March 2020	
	Number of shares	% shareholding	Number of shares	% shareholding
Baring India Private Equity Fund II	4,448,008	58.21%	4,448,008	58.21%
Batlivala and Karani Securities India Private Limited	706,250	9.24%	706,250	9.24%
Rashmi Agarwal	465,000	6.09%	465,000	6.09%
Rajesh Mirjankar	417,893	5.47%	417,893	5.47%
Maninder Mahabir Singh	414,101	5.42%	414,101	5.42%
Manoj Murarka	397,956	5.21%	397,956	5.21%
	<u>6,849,208</u>	<u>89.63%</u>	<u>6,849,208</u>	<u>89.63%</u>

f) Shares reserved for issue under options

The Company had reserved issuance of 96,500 (Previous year 96,500) equity shares of Rs.10 each for offering to eligible employees of the Company under Employees Stock Option Scheme (ESOS). The option vest over a maximum period of 4 years or such other period as may be decided by the Employees Stock Compensation Committee from the date of grant based on specific criteria.(Also, refer note no. 27)

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
4 Reserves and surplus		
Capital redemption reserve		
Balance at the beginning of the year	7,162,970	7,162,970
Balance at the end of the year	<u>7,162,970</u>	<u>7,162,970</u>
Securities premium account		
Balance at the beginning of the year	28,501,470	28,501,470
Balance at the end of the year	<u>28,501,470</u>	<u>28,501,470</u>
General reserve		
Balance at the beginning of the year	65,880,286	65,880,286
Balance at the end of the year	<u>65,880,286</u>	<u>65,880,286</u>
Foreign exchange fluctuation reserve		
Balance at the beginning of the year	218,208,423	156,986,772
Add : Exchange difference on consolidation of non-integral subsidiaries accounts	7,492,231	61,221,651
Balance at the end of the year	<u>225,700,654</u>	<u>218,208,423</u>
Surplus in the Statement of Profit and Loss account		
Balance at the beginning of the year	2,054,338,440	1,906,612,177
Add : Transferred from Statement of Profit and Loss	382,510,658	394,975,663
Less : Interim dividend paid during the year	-	247,249,400
Less : Dividend distribution tax	-	18,001,850
Add : Dividend distribution tax- credit	-	18,001,850
Balance at the end of the year	<u>2,436,849,098</u>	<u>2,054,338,440</u>
Total	<u><u>2,764,094,478</u></u>	<u><u>2,374,091,589</u></u>

5 Other liabilities

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Advances from customers	-	-	4,318,613	11,698,328
Billing in advances	-	-	141,863,941	106,529,273
Other payables				
Employee related payables	-	-	91,055,756	91,187,690
Creditors for capital goods	-	-	2,319,074	1,669,872
Rent equilisation reserve	-	1,325,496	1,585,063	821,900
Payable to authorities :				
Tax deducted at source payable	-	-	16,648,403	18,344,905
Employees providend fund, ESIC and others	-	-	7,042,761	6,234,247
Value added tax and other tax payable	-	-	80,177,164	55,680,461
Unpaid dividend	-	-	63,996	63,996
	<u>-</u>	<u>1,325,496</u>	<u>345,074,771</u>	<u>292,230,672</u>

6 Provisions

	Long-term		Short-term	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Provision for employee benefits				
Provisions for gratuity * ((refer note no.26)	19,485,815	14,758,643	31,065,455	30,316,181
Provision for compensated absence	-	-	27,559,578	16,453,004
Other provisions				
Provision for tax (Net advance tax of Rs. 108.786.637 and previous year of Rs.	-	-	5,294,735	7,853,077
	<u>19,485,815</u>	<u>14,758,643</u>	<u>63,919,768</u>	<u>54,622,262</u>

* Provision for gratuity (long term) is net off contribution of Rs. 9,023,221 (Previous Year Rs. 5,396,527) paid to LIC Gratuity Fund

Infrasoft Technologies Limited

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
7 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note no.32)	3,406,045	5,532,587
Total outstanding dues of creditors other than micro enterprises and small enterprises	272,088,781	328,906,383
	<u>275,494,826</u>	<u>334,438,970</u>

Notes to the consolidated financial statements (*Continued*)

as at 31 March 2021

(Currency: Indian Rupees)

8 Property, plant and equipment

Gross block	Electrical fittings	Computer and peripherals	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvements	Total
Balance as at 31 March 2019	4,737,517	167,774,499	13,787,861	1,299,895	24,931,306	39,656,334	252,187,412
Additions	-	29,626,218	943,018	2,011,610	792,841	-	33,373,687
Disposals	-	(48,000)	-	(1,299,895)	-	-	(1,347,895)
Translation	-	214,560	220,951	-	126,693	45,650	607,854
Balance as at 31 March 2020	4,737,517	197,567,277	14,951,830	2,011,610	25,850,840	39,701,984	284,821,058
Additions	-	31,960,368	-	-	1,676,208	-	33,636,576
Disposals	-	-	-	-	-	-	-
Translation	-	596,325	499,088	-	(13,618)	124,488	1,206,282
Balance as at 31 March 2021	4,737,517	230,123,970	15,450,918	2,011,610	27,513,430	39,826,472	319,663,916
Accumulated depreciation							
Balance as at 31 March 2019	3,894,636	101,743,425	9,602,005	1,299,895	22,034,703	36,901,745	175,476,409
Depreciation	552,142	23,817,920	1,091,436	134,246	1,566,101	1,381,324	28,543,169
Reversal on disposal of assets	-	(28,625)	-	(1,299,895)	-	-	(1,328,520)
Translation	-	217,612	186,507	-	121,179	21,039	546,337
Balance as at 31 March 2020	4,446,778	125,750,332	10,879,948	134,246	23,721,983	38,304,108	203,237,395
Depreciation	290,262	25,510,804	852,920	251,280	1,093,543	1,026,327	29,025,135
Reversal on disposal of assets	-	-	-	-	-	-	-
Translation	-	586,990	394,903	-	(18,036)	70,761	1,034,618
Balance as at 31 March 2021	4,737,040	151,848,126	12,127,771	385,526	24,797,490	39,401,195	233,297,148
Net block							
Balance as at 31 March 2020	290,739	71,816,945	4,071,882	1,877,364	2,128,857	1,397,877	81,583,663
Balance as at 31 March 2021	477	78,275,844	3,323,147	1,626,084	2,715,939	425,276	86,366,768

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

9 Intangible asset

Gross block	Goodwill on merger	Customers	Software Licenses	Total
Balance as at 1 April 2019	80,400,000	108,900,000	42,208,747	231,508,747
Additions	-	-	4,000,393	4,000,393
Disposals	-	-	-	-
Translation	-	-	5,371	5,371
Balance as at 31 March 2020	80,400,000	108,900,000	46,214,511	235,514,511
Additions	-	-	1,090,339	1,090,339
Disposals	-	-	-	-
Translation	-	-	14,646	14,646
Balance as at 31 March 2021	80,400,000	108,900,000	47,319,496	236,619,496
Accumulated amortisation				
Balance as at 1 April 2019	80,400,000	108,900,000	29,367,444	218,667,444
Amortisation charge	-	-	11,187,628	11,187,628
Reversal on disposal of assets	-	-	-	-
Translation	-	-	4,571	4,571
Balance as at 31 March 2020	80,400,000	108,900,000	40,559,643	229,859,643
Amortisation charge	-	-	4,857,675	4,857,675
Reversal on disposal of assets	-	-	-	-
Translation	-	-	12,924	12,924
Balance as at 31 March 2021	80,400,000	108,900,000	45,430,242	234,730,242
Net block				
Balance as at 31 March 2020	-	-	5,654,869	5,654,869
Balance as at 31 March 2021	-	-	1,889,254	1,889,254

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

10 Non-current investments

	31 March 2021		31 March 2020	
	Number of units	Amounts in Rs.	Number of units	Amounts in Rs.
Non-trade				
Investments in equity shares(unquoted)				
In others				
Thane Janata Sahakari Bank Limited (Shares of Rs. 50 each)	1,001	50,051	1,001	50,051
Jankalyan Sahakari Bank Limited (Shares of Rs. 10 each)	32	3,200	32	3,200
		<u>53,251</u>		<u>53,251</u>
		<u>53,251</u>		<u>53,251</u>
Aggregate amount of Unquoted investments at cost		53,251		53,251

11 Deferred tax assets

Deferred tax assets

	31 March 2021	31 March 2020
Timing difference between book depreciation and as per Income Tax Act, 1961	6,729,974	7,971,714
Disallowances under section 43B of the Income tax Act, 1961	21,499,007	17,324,105
Provision for bad and doubtful debts and deposits	3,410,150	12,177,456
Unabsorbed business carried forward losses	2,370,267	2,638,413
Provision for rent equilisation	461,570	625,321
Deferred tax asset	<u>34,470,968</u>	<u>40,737,009</u>

12 Loans and advances

Unsecured, considered good

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
To parties other than related parties				
Advances recoverable in cash or kind or value to be received	897,492	3,081,871	40,140,685	39,165,674
Security deposit (Unsecured)				
Considered good	9,339,492	15,534,762	29,707,088	22,552,069
Less: Provision for doubtful deposits	(600,000)	-	-	-
Considered doubtful	5,475,000	5,475,000	-	-
Less: Provision for doubtful deposits	(5,475,000)	(5,475,000)	-	-
MAT credit entitlement	-	27,937,160	-	-
Advance income taxes (Net of provision for tax of Rs.414,834,610 and previous year of Rs. 435,554,429)	127,069,129	150,259,303	-	-
Income tax paid under protest	20,922,704	25,890,484	-	-
GST/service tax credit recoverable	-	-	13,724,412	11,558,731
VAT refund due	44,187,188	33,605,914	237,670	39,550
Advances to employees	-	-	11,184,477	70,684,669
Deferred revenue expenditure	8,187,221	18,502,339	22,164,843	11,669,849
Advances to suppliers	-	-	8,256,262	6,909,641
	<u>210,603,226</u>	<u>274,811,833</u>	<u>125,415,437</u>	<u>162,580,183</u>

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
13 Other non current assets		
Bank deposits (due to mature after 12 months from the reporting date) (refer note no.16)	22,308,397	12,025,581
	<u>22,308,397</u>	<u>12,025,581</u>

14 Current investments

	31 March 2021		31 March 2020	
	Number of units	Amount in Rs.	Number of units	Amount in Rs.
Current investment				
Investments in mutual funds (non trade, unquoted) (lower of cost or market value)				
IDFC Government Securities Fund - Investment Plan	688,293	10,849,777	688,293	10,849,777
HDFC Credit Risk Debt Fund-Regular Plan-Growth	722,011	10,000,000	722,011	10,000,000
L & T Liquid Fund Direct Plan(G)		50,000,000		
DSP Liquidity Fund - Direct Plan – Growth		50,000,000		
Total unquoted investments		<u>120,849,777</u>		<u>20,849,777</u>
Aggregate amount of				
Book value of unquoted investments		120,849,777		20,849,777
Net Asset Value (NAV) of unquoted investment in mutual funds		132,198,000		28,633,821

*Lien against bank guarantee of Rs. 20,849,777 (Previous year Rs. 20,849,777)

	31 March 2021	31 March 2020
15 Trade receivables		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	266,227,323	260,498,289
Considered doubtful	15,297,767	54,107,832
Less : Provision for bad and doubtful debts	(15,297,767)	(54,107,832)
	(A)	<u>266,227,323</u>
Other receivables		
Considered good	440,994,659	723,955,413
	(B)	<u>440,994,659</u>
	(A) + (B)	<u>707,221,982</u>

These includes balance aggregating Rs.343,954/- (Previous year Rs. 1,536,155) receivable in foreign currency, which are outstanding for more than 270 days. In case of balances receivable in foreign currency, which are outstanding for more than 270 days, the Company needs to file an application with the appropriate regulatory authorities for approval of extension of the period to realise such proceeds under Foreign Exchange Management Act, 1999. The Company has filed the application for relevant approvals in this regard with the appropriate authorities.

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2021

(Currency: Indian Rupees)

16 Cash and bank balances

	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Cash and cash equivalents				
Cash on hand	-	-	5,731	18,644
Balances with banks				
- in current accounts	-	-	968,180,104	463,125,381
- in current accounts (for dividend)	-	-	40,000	40,000
- in deposit accounts (with original maturity upto 3 months)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>968,225,835</u>	<u>463,184,025</u>
Other bank balances*				
Deposits with maturity upto 3 months *	-	-	10,000,000	10,000,000
Deposits with maturity more than 3 months but less than 12 months*	-	-	88,173,497	69,129,641
Deposits with maturity more than 12 months*	22,308,397	12,025,581	-	-
	<u>22,308,397</u>	<u>12,025,581</u>	<u>98,173,497</u>	<u>79,129,641</u>
Less : Amounts disclosed as other non-current assets (refer note no. 13)	22,308,397	12,025,581	-	-
Total	<u>-</u>	<u>-</u>	<u>1,066,399,332</u>	<u>542,313,666</u>

*Lien against bank guarantee of Rs.120,431,894 (Previous year Rs 73,164,111)

	31 March 2021	31 March 2020
17 Other current assets		
Interest accrued on fixed deposit	1,473,692	2,310,514
Unbilled revenue	1,070,790,691	931,171,542
	<u>1,072,264,383</u>	<u>933,482,056</u>

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
18 Revenue from operations		
Sale of software product	2,134,814,017	1,874,389,591
Sale of services	1,176,150,951	1,186,647,708
	<u>3,310,964,968</u>	<u>3,061,037,299</u>
19 Other income		
Interest income from		
- Fixed deposits	4,366,753	4,853,049
Gain on foreign currency transaction (net)	-	463,514
Profit on sale of assets (net)	-	387,805
Profit on sale of investments (net)	1,604,182	9,268,091
Interest on Income Tax Refund	19,059,756	13,467,296
Miscellaneous income	1,397,364	612,196
Provision / liabilities no longer required, written back	7,759,596	43,811,091
	<u>34,187,651</u>	<u>72,863,042</u>
20 Cost of services		
Software development and maintenance services	312,316,049	220,540,611
Manpower cost	50,569,656	80,970,512
Computer hardware	210,365,502	35,514,501
	<u>573,251,207</u>	<u>337,025,624</u>
21 Employee benefits expense		
Salaries, wages and bonus	1,468,929,563	1,365,258,718
Contribution to gratuity (refer note no. 26)	11,997,737	12,631,767
Contribution to provident and other defined contribution funds	60,415,447	57,246,988
Staff welfare expenses	1,141,803	7,961,118
	<u>1,542,484,550</u>	<u>1,443,098,591</u>
22 Depreciation and amortisation expense		
Depreciation of property plant and equipment (refer note no.8)	29,025,135	28,543,165
Amortisation of intangible assets (refer note no.9)	4,857,675	11,187,628
	<u>33,882,810</u>	<u>39,730,793</u>

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

	31 March 2021	31 March 2020
23 Other expenses		
Electricity	6,545,797	10,391,814
Rent (refer note no.31)	51,782,618	59,951,903
Repairs and maintenance - others	225,735	2,229,585
Insurance	22,223,313	17,648,875
Payments to auditors	8,093,966	8,190,910
Travelling and conveyance	102,508,908	223,809,031
Communication expenses	9,036,189	9,683,959
Business promotion	15,033,764	17,895,332
Legal and professional fees	24,219,397	43,756,425
Directors advisory fees	4,098,194	4,014,301
Selling and marketing expenses	62,464,600	158,859,466
Repair and maintenance	10,924,035	12,738,264
CSR expenditure (refer note no.29)	9,020,000	6,715,560
Computer consumables	27,246,566	14,529,083
Unbilled revenue written off	96,260,830	107,084,598
Bad debts written off (refer note no.36)	214,653,561	118,512,438
Deposits written off	5,725,000	1,223,930
Provision for doubtful debts (net of written off as bad debts)	(35,633,269)	(58,442,746)
Provision for doubtful deposits	(5,225,000)	1,175,000
Loss on foreign currency transaction (net)	5,837,756	1,272,166
Rates and taxes	12,077,886	8,287,388
Recruitment expenses	7,727,417	13,063,871
Miscellaneous expenses	16,410,305	13,622,606
	671,257,567	796,213,759

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

24 Earning per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

	31 March 2021	31 March 2020
Basic earning per share :		
Weighted average number of equity shares outstanding during the year	7,641,585	7,641,585
Net profit after tax attributable to equity shareholders (Amounts in Rs.)	382,510,658	394,975,663
Earning per share :	50.06	51.69
Diluted earning per share :		
Weighted average number of equity shares outstanding during the year	7,654,374	7,654,374
Net profit after tax attributable to equity shareholders (Amounts in Rs.)	382,510,658	394,975,663
Earning per share :	49.97	51.60

25 Related Party Disclosures :

a) Names of related parties and description of relationship

Relationship	Name
Related parties with whom the Company had transactions, etc.	
i) Key management personnel (KMP)	1) Mr. Rajesh Mirjankar 2) Mr. Rangan Mohan 3) Mr. Milind Chalisgaokar

b) The compensation to key managerial personnel, comprising directors and executive officers is as follows:

Transaction	Individual having significant influence	
	Year ended 31 March 2021	Year ended 31 March 2020
Support services expenses (HGS International Services Pvt Ltd)	-	531,839

Amounts in Rs.

Transaction	Year ended	
	31 March 2021	31 March 2020
Salaries and other employee benefits to whole-time directors and members of executive officers	16,319,390	17,601,033
Advisory fees to non-executive / independent directors	3,000,000	3,000,000
Total	19,319,390	20,601,033

The compensation payable to key managerial personnel, comprising directors and executive officers is as follows:

Transaction	Year ended	
	31 March 2021	31 March 2020
Mr. Milind Chalisgaonkar	832,500	-
Mr. Rangan Mohan	92,500	180,000

- c) As on 31 March, 2021, there is outstanding travel advance of Rs. 1,318,882/- paid to Mr. Rajesh Mirjankar and the same has been settled subsequently.

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

26 Retirement benefits to employees

Gratuity

In accordance with Indian law, the Company provide for gratuity, a defined benefit retirement plan covering eligible employees in India. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in an amount equivalent to 15 to 30 days salary payable for each completed year of service. The Company provides the gratuity benefit through annual contributions to fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company. Vesting occurs upon completion of five years of service subject to maximum payment of Rs.20 Lakhs. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

For one of its foreign subsidiary, employee benefits are provided in accordance with the contractual terms with the employees, subject to the minimum Labour law requirement of that country.

Changes in present value of obligations	31 March 2021	31 March 2020
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	50,471,350	40,497,005
Liabilities assumed in amalgamation		
Current service cost	8,723,430	6,701,823
Past service cost	-	-
Interest cost	2,440,974	2,445,477
Actuarial (gain)/ loss on obligations	349,350	3,365,705
Benefits paid	(2,261,084)	(2,953,770)
Forex Gain /Loss on translation of liability	(149,529)	415,110
Closing balance	59,574,491	50,471,350
ii) Fair value of plan assets		
Opening balance	5,396,526	3,392,864
Assets acquired in amalgamation		
Expected return on plan assets	294,111	229,358
Employer's contributions	6,000,000	5,000,000
Actuarial (loss) on plan assets	(753,766)	(348,120)
Benefits paid	(1,913,650)	(2,877,576)
Closing balance	9,023,221	5,396,526
Net liability recognised in the balance sheet (i-ii)	50,551,270	45,074,824
b) Expenses recognised in statement of profit and loss		
Current service cost	8,723,430	6,701,823
Past service cost	-	-
Interest cost	2,440,974	2,445,477
Expected return on plan assets	(294,111)	(229,358)
Net actuarial (gain)/loss recognised during the year	1,103,116	3,713,825
Expenses recognised in statement of profit and loss	11,973,409	12,631,767
c) Break up of plan assets		
LIC of India - Insurer Managed Fund	100.00%	100.00%
d) Principal actuarial assumptions		
Rate of discounting	5.18%	5.45%
Expected return on plan assets	5.18%	5.45%
Rate of increase in basic salary	8.00%	8.00%
Attrition rate	25.00%	25.00%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Normal retirement age	60 years	60 years

Note: Gratuity for Infrasoft Technologies FZ LLC is calculated as per local applicable laws

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

26 Retirement benefits to employees (Continued)

Experience adjustments:

Particular	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
(Loss):					
Experience adjustments on plan liabilities	(349,350)	(3,365,705)	4,084,944	520,529	3,402,973
Experience adjustments on plan assets	(753,766)	(348,120)	(575,679)	(485,762)	(89,284)

Provident Fund:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs.35,591,613 (31st March 2020: Rs.35,222,760)

Compensated absence

The Company recognised a charge of compensated absences of Rs.12,143,238 (Previous year reversal of Rs.8,740,682) under employee benefits expense in the statement profit and loss account.

27 Disclosures on Employee share based payments - Employee Stock Option Scheme

- 1) In conformity with the Guidance Note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India in respect of the grants made on or after 1 April 2005, the following disclosures are made:

Method adopted for valuation

Stock compensation expense has been determined under the "Intrinsic Value Method" and amortised over the vesting period.

- 1) The Company instituted ESOP 2011 scheme under which 268,000 stock options have been allocated for a grant to employees. The scheme was approved by our shareholders to grant maximum 275,000 stock options at the Extra Ordinary General Meeting held on 11 February 2011. These options vest over a period of four years from the date of the grant.

The vesting period shall be as follows:

First 20% of the Options Granted - On the completion of 12 months from the date of grant

Next 20% of the Options Granted - On the completion of 24 months from the date of grant

Next 30% of the Options Granted - On the completion of 36 months from the date of grant

Next 30% of the Options Granted - On the completion of 48 months from the date of grant

The following is the status of ESOP as at 31st March 2021

Particulars	As at		
	Numbers of shares	Exercise price	Fair Value
Outstanding at the beginning of the year Tranche I	27,000	190	185
Outstanding at the beginning of the year Tranche II	69,500	361	361
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Lapsed - Tranche I	-	-	-
Lapsed - Tranche II	-	-	-
Outstanding at the end of the year Tranche I	27,000	190	185
Outstanding at the end of the year Tranche II	69,500	361	361
Exercise at the end of the year	-	-	-

The following is the status of ESOP as at 31st March 2020

Particulars	As at		
	Numbers of shares	Exercise price	Fair Value
Outstanding at the beginning of the year Tranche I	45,000	190	185
Outstanding at the beginning of the year Tranche II	89,500	361	361
Granted	-	-	-
Exercised	-	-	-
Forfeited	-	-	-
Lapsed - Tranche I	18,000	190	185
Lapsed - Tranche II	20,000	361	361
Outstanding at the end of the year Tranche I	27,000	190	185
Outstanding at the end of the year Tranche II	69,500	361	361
Exercise at the end of the year	-	-	-

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

27 Disclosures on Employee share based payments - Employee Stock Option Scheme (Continued)

The Company follows Intrinsic method to account for employee stock options. The stock-based compensation cost calculated as per intrinsic value method for the financial year 2020-21 is Nil. The guidance note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India requires that the impact on the statement of profit and loss to be disclosed had fair valuation been followed. The Company has issued options to the employees at a price which is higher than fair value. Therefore, no provision or disclosure is made for employees compensation cost in the books of accounts.

	31 March 2021	31 March 2020
Profit for the year after taxation as reported	382,510,658	394,975,663
Add: Employee stock based compensation determined under the intrinsic value method	-	-
Less: Employee stock based compensation determined under the fair value method	-	-
Proforma Profit	382,510,658	394,975,663
Reported earnings per equity share of Rs. 10 each		
Basic	50.06	51.69
Diluted	49.97	51.60
Proforma earnings per equity share of Rs. 10 each		
Basic	50.06	51.69
Diluted	49.97	51.60

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

28 Segment Reporting :

The Business segment comprises of Products and Services related to Fin Tech digital solutions for the banking and financial sector. Revenue and Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of revenue ratio. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Summarised segment information for the years ended March 31, 2021 and 2020 is as follows:

A) Primary Segment Reporting (By Business Segment) for the year ended 31 March, 2021

	Products	Services	Total
Sales	2,134,814,017	1,176,150,951	3,310,964,968
	1,874,389,591	1,186,647,708	3,061,037,299
Identifiable Operating Expenses	404,964,895	168,286,313	573,251,208
	178,829,991	158,195,633	337,025,624
Allocated Direct Expenses	891,030,242	651,454,306	1,542,484,548
	828,428,785	614,669,806	1,443,098,591
Segmental Operating Income	838,818,880	356,410,332	1,195,229,212
	867,130,815	413,782,269	1,280,913,084
Allocable Other Expenses	390,942,229	93,222,143	484,164,372
	564,576,047	187,034,492	751,610,539
Unallocable Other Expenses			220,976,006
			84,334,014
Other Operating Income and Other Income (Net)			34,187,651
			72,863,042
Total Profit before Interest & Tax			524,276,484
			517,831,574
Tax Expense			141,765,827
			122,855,910
Profit after Taxes			382,510,657
			394,975,663
Assets			
Segment Assets	1,591,381,550	186,631,123	1,778,012,674
	1,750,847,477	218,885,619	1,969,733,096
Reconciliation to total assets			
Goodwill	-	96,642,732	96,642,732
		89,337,892	89,337,892
Investment	-	-	120,903,028
			20,903,028
Deferred Tax assets	-	-	34,366,136
			40,737,009
Unallocable assets	-	-	1,514,560,938
			1,027,172,458
Total assets			3,544,485,508
			3,147,883,482
Liabilities			
Segment liabilities	123,665,958	15,275,383	138,941,341
	113,550,920	23,553,389	137,104,310
Reconciliation to total liabilities			
Provisions	-	-	83,405,583
			69,380,905
Unallocable liabilities	-	-	926,322,107
			903,861,258
Total Liabilities			703,975,182
			697,376,043

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

B) Secondary Segment Reporting (Geographical Segment) for the year ended 31 March, 2021

	31 March 2021	31 March 2020
Revenue (by location of customers)		
India	1,886,709,548	1,394,449,019
United Kingdom	547,589,890	566,337,889
Middle east countries	241,430,979	195,274,508
North America	130,973,217	194,030,115
Rest of the world	504,261,334	710,945,768
Total	3,310,964,968	3,061,037,299

C) Secondary Segment Reporting (Geographical Segment) for the year ended 31 March, 2021

	Capital assets	Capital liabilities	Capital employed
Capital employed (by location of customers)			
India	914,648,114	(164,907,264)	1,079,555,378
	<i>942,217,605</i>	<i>(240,021,173)</i>	<i>1,182,238,778</i>
United Kingdom	77,434,752	(52,214,502)	129,649,254
	<i>134,264,125</i>	<i>(42,107,013)</i>	<i>176,371,138</i>
Middle east countries	128,570,940	(542,383,997)	670,954,937
	<i>77,354,588</i>	<i>(384,509,519)</i>	<i>461,864,107</i>
North America	12,591,255	(15,513,991)	28,105,246
	<i>23,598,593</i>	<i>(8,576,228)</i>	<i>32,174,821</i>
Rest of the world	644,767,614	(30,643,741)	675,411,355
	<i>792,298,184</i>	<i>(73,006,729)</i>	<i>865,304,913</i>
Segment total	1,778,012,674	(805,663,495)	2,583,676,169
	<i>1,969,733,096</i>	<i>(748,220,661)</i>	<i>2,717,953,758</i>
Unallocable net assets			256,834,155
			<i>(267,446,319)</i>
Capital employed			2,840,510,324
			<i>2,450,507,439</i>

Notes:

- 1) Previous year numbers are shown in italics.

29 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company has identified areas including activities for promoting programs that benefit the communities in and around Infrasoft Technologies Limited. The major areas covered for CSR activities are environment sustainability, empowering women and promoting gender equality, poverty reduction, eradicating extreme hunger, promoting education and other social business projects, contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central and State Govt. funds for socio-economic development and relief etc. These areas will be pursued in phases and in a manner aligned with the CSR rules and regulations. The funds have been contributed to trusts/organisations involved in the above activities and will be utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The gross amount required to be spent by the Company on CSR activities is Rs 90,18,589. The total expenditure incurred on 'Corporate Social Responsibility Activities' for the current year is Rs 9,020,000 (previous year Rs 6,715,560)

S.No.	CSR activities	In cash	yet to be paid in cash	Total
(1)	Construction / acquisition of any asset	-	-	-
(2)	On purposes other than (1) above			
	Current year	9,020,000	-	9,020,000
	Previous year	6,715,560	-	6,715,560

Infrasoft Technologies Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

30 Contingent liabilities and commitments (To the extent not provided for)

	31 March 2021	31 March 2020
Guarantees given by bank on behalf of company	125,135,261	98,230,606
Capital commitment (net of advances)	4,695,150	4,475,281
Income tax demand in respect of earlier years under dispute	53,795,395	47,543,460
VAT CST demand in respect of earlier years under dispute	5,634,161	5,634,161
Statutory bonus	8,062,262	8,062,262

31 Leases

Operating lease

The lease rental for office premises, guest house and godown charged to statement of profit and loss aggregates to Rs.51,782,618 (previous year Rs.59,951,903).

Future minimum lease commitments in respect of non-cancellable operating leases:

	31 March 2021	31 March 2020
Not later than one year	-	110,250
Later than one year and not later than five years	-	-

32 Disclosure under Micro Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 2 October 2006, and on the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

Particulars	31 March 2021	31 March 2020
The amount remaining unpaid to micro and small suppliers as at the end of the year		
-Principal	3,406,045	5,532,587
-Interest	-	-
Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

33 During the year ended March 31, 2016, Payment of Bonus Act, 1965 (‘ the Act’) has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2016) is required to be paid to the eligible employees. Based on stay orders from various High Courts across the country, the amendment to the Payment of Bonus Act to the extent that it gives retrospective effect from 1.4.2014 in respect of statutory bonus has not been recognised and treated as contingent liability.

34 Statement pursuant to requirement of schedule III of the companies Act, 2013 relating Company's interest in subsidiary companies

Name of Entity	Net Assets		Share in Profit and loss	
	[Total Assets- Total liabilities]			
	As % of Consolidated net assets	Amount	As % of Consolidated total revenue	Amount
31st March 2021				
Parent Company				
Infrasoft Technologies Ltd.	61.96%	1,760,007,208	77.19%	295,272,089
Subsidiaries				
Infrasoft Technologies FZ LLC	25.73%	730,816,335	6.91%	26,445,036
Infrasoft Technologies Pte. Limited	1.16%	33,024,196	2.26%	8,627,798
Infrasoft Technologies SDN BHD.	0.28%	7,917,865	-0.10%	-391,590
Infrasoft Technologies Inc.	0.74%	20,932,359	0.30%	1,154,727
Infrasoft Technologies Limited (UK)	2.29%	65,012,118	0.13%	500,508
Infrasoft Technologies (Jersey) Limited	4.93%	139,900,818	9.32%	35,641,128
Infrasoft Technologies Gurensey Limited	0.08%	2,244,057	-1.18%	-4,525,748
InfrasoftTech Canada Limited	2.84%	80,655,372	5.17%	19,786,707
Total	100%	2,840,510,328	100.00%	382,510,655
31st March 2020				
Parent Company				
Infrasoft Technologies Ltd.	64.39%	1,577,948,018	70.93%	280,151,200
Subsidiaries				
Infrasoft Technologies FZ LLC	23.35%	572,095,523	12.47%	49,260,369
Infrasoft Technologies Pte. Limited	2.67%	65,324,208	1.30%	5,150,803
Infrasoft Technologies SDN BHD.	0.60%	14,793,379	0.52%	2,047,747
Infrasoft Technologies Inc.	1.00%	24,419,336	0.64%	2,511,244
Infrasoft Technologies Limited (UK)	1.34%	32,740,717	1.26%	4,957,145
Infrasoft Technologies (Jersey) Limited	4.55%	111,567,138	9.40%	37,113,317
Infrasoft Technologies Gurensey Limited	0.08%	2,074,437	-1.06%	-4,192,174
InfrasoftTech Canada Limited	2.02%	49,544,683	4.55%	17,976,012
Total	100.00%	2,450,507,439	100.00%	394,975,663

35 Transfer Pricing

The Company’s management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation as per independent accountant's report for the year ended 31 March 2020. Based on the above, the Company’s management believes that the Company's international transactions with the related parties post 31 March 2020 continue to be at arms length and that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of the provision for taxation.

36 Bad Debts

Bad debts written off during the year, includes an amount pertaining to trade receivable written off towards full and final settlement, vide a mutual consent agreement signed.

37 Previous year figures have been reclassified / regrouped, wherever applicable, to confirm to current year's classification as detailed under

Regrouped	Regrouped from	Regrouped To	Amounts in Rs.
Software development and maintenance services	Manpower cost	Software development and maintenance services	42,621,210

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian Rupees)

38 Subsequent Events

The Board of Directors, at its meeting on October 14, 2021, recommended a final dividend of Rs. 10 per equity share for the financial year ended March 31, 2021. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company to be held on November 30, 2021 and if approved, would result in a cash outflow of Rs. 76,415,850/-.

39 COVID-19 Impact

The World Health Organization in February 2020 declared outbreak of Coronavirus (COVID -19) as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments in India and across the world have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's offices had to be closed down / operate under restrictions for a considerable period of time during the year. More recently, the next wave of the pandemic has impacted India and the Company is monitoring the situation closely taking into account the increasing level of infections in India and across the world and directives from the various Governments.

Management believes that it has considered all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial statements including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, and the net realisable values of other assets. At this stage, the Company considers it is in a position, notably due to its digital capabilities, to ensure continuity of services currently demanded by its clients. However, the Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

Given the effect of these lockdowns / restrictions on the overall economic activity, the impact assessment of COVID-19 on the financial statements is subject to estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements.

40 Other Information

Information with regard to other matters, as required by Schedule III to the act is either nil or not applicable to the company for the year.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of Board of Directors of

Infrasoft Technologies Limited

CIN No: U72900MH1995PLC135094

Suhas Pai

Partner

Membership No: 119057

Rahul Bhasin

Chairman

[DIN: 00236867]

Rajesh Mirjankar

Managing Director

[DIN: 03594206]

Kankesh Kamath

Chief Financial Officer

[Membership No: ACA 100377]

Mumbai

Date : 21 October 2021

Meet Bhagat

Company Secretary

[Membership No: ACS A20518]

Mumbai

Date : 21 October 2021