

ALANKIT LIMITED

Notes Forming part of the Financial Statements

1. COMPANY OVERVIEW

Alankit Ltd. ('the Company') is primarily engaged in e-Governance services and e-Governance products trading and ancillary services related to e-Governance business. The Company is a public limited company incorporated and domiciled in India and has its registered office in New Delhi, India & previously known as "Euro Finmart Limited". The Company has its primary listings on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified by Ministry of Corporate affairs pursuant to section 133 of the Act read with rule 3 of the companies (Indian Accounting Standard) rules 2015 and relevant amendment rules issued thereafter.

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 policies hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair value or revalued amount.

- Derivative financial instruments,
- Investments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

All the assets and liabilities have been classified as current and non-current as per the company's normal operating cycle.

The statement of cash flow have been prepared under Indirect Method.

As the year end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

ii. Use of Estimates and Judgments

The preparation of these financial statements in conformity with Ind AS and the recognition of measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets & liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income & expense for the periods presented.

Estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Critical Accounting Estimates:**a) Impairment of Goodwill:-**

Goodwill is tested for impairment on an annual basis. The Company estimate the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts.

b) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

c) Valuation of deferred tax assets:

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note 2(ix).

iii. Revenue Recognition

- a. The company derives revenue primarily from providing e-Governance services and from sale of e- Governance products on accrual basis except otherwise stated herein below.
- b. Revenue from sale of goods/ products are recognized in accordance with Ind AS 18 viz, when the seller has transferred goods to the buyer, the property in the goods for a price and/or significant risk & rewards of ownership have been transferred to the buyer, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of good and regarding its collection.
- c. Revenue from services is recognized on rendering of services to the customers based on contractual arrangements.
- d. Revenue from Storage of few e-governance physical documents is recognized when reasonable and significant certainty exists regarding the amount of the consideration and its collection.
- e. Dividend Income is recognized when the right to receive dividend is established by the reporting date.
- f. Interest Income is recognized using the effective interest method.
- g. The Company presents revenue net of Goods & Service Tax in its Statement of Profit & Loss.

iv. Property plant and equipment

Property plant and equipment are stated at cost; less accumulate depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant & equipment so as to expense the cost over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period,

with the effects of any change in estimate accounted for on a prospective basis. The estimated useful lives are as mentioned below:-

Type of asset	Rate of Depreciation	Useful life (Year)
Buildings Factory	9.50%	30
Office Building	4.87%	60
Plant & Machinery	18.10%	15
Office Equipment	45.07%	5
Furniture and Fixture	25.89%	10
Computers	63.16%	3
Vehicle	31.23%	8

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

v. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on Straight Line Method basis, commencing from the date the asset is available to the company, further amortization is done on a pro rata basis i.e. from the date on which the intangible asset is acquired. Amortization methods and useful lives are reviewed periodically including at each financial year end.

vi. Impairment of Assets

The carrying amount 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 recognized wherever the carrying amount of assets exceeds its recoverable amount.

vii. Inventories

Inventories are valued at lower of Cost or Net realizable value as per the requirements of Ind AS- 2 "Valuation of Inventory"

viii. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Advance Taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT recognized as deferred asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

ix. **Provision, Contingent Liabilities and Contingent Assets**

Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimates. Contingent liabilities are not recognized in the financial statements. Contingent assets neither recognized nor disclosed in financial statements.

x. **Employee Benefits**

i. **Short Term employee benefits**

Short term employee benefits settled within twelve months of receiving employee services such as salary/wages/bonus and exgratia are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered by employees.

ii. **Post-employment benefits**

a. **Provident and family pension fund**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family fund in which both the employee and the Company make monthly contributions at a specified percentage of the covered employee's salary. Both employee's and Company's contributions are made to Regional Provident Fund Commissioner (RPFC) and the employer's contributions are charged to the Statement of profit and loss as incurred.

b. **Gratuity**

The Company has an obligation towards gratuity, a defined retirement plan, covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death, and incapacitation or on termination of employment of an amount based on the respective employees' salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Actuarial gains and losses for the gratuity liability are recognized full in the period in which they occur through other comprehensive income.

xi. **Lease**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term.

xii. Earning per Equity Share

Basic earnings per equity share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculation of Diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted number of equity shares outstanding during the period are adjusted for the effects of all potentially dilutive equity shares.

xiii. Foreign Currency Transactions

The functional currency of the company is Indian rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

xiv. Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's board of directors. The company declares and pays dividends in Indian rupees.

xv. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

xvi. Financial instruments

i) Financial assets

New - Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial asset at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

-Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

-Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

-Business model test: The Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

-Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

All Equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;
 - a) The Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in associates, joint venture, and subsidiaries at cost.

Financial Liabilities :**(a) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

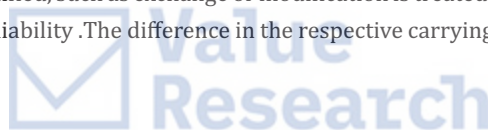
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities are measured at amortized cost using the effective interest method.

Derecognition

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



ALANKIT LIMITED							
Notes forming part of the Financial Statements							
3) PROPERTY, PLANT AND EQUIPMENTS							
The changes in the carrying value of property, plants & equipments for the year ended March 31, 2021 are as follows : <i>(figures in Lacs)</i>							
Description	Buildings	Motor Vehicles	Office equipments	Furnitures & Fixtures	Computers	Computer equipments	Total
Gross carrying value as at April 1, 2020	1824.48	167.75	268.14	52.15	232.06	46.08	2590.66
Addition	-	-	21.15	0.51	11.75	-	33.41
Disposal/Transfer	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2021	1824.48	167.75	289.29	52.66	243.81	46.08	2624.07
Accumulated depreciation as at April 1, 2020	164.22	136.35	182.94	21.67	203.23	39.52	747.93
Depreciation for the period	80.86	9.81	41.71	8.04	15.77	3.17	159.36
Disposal	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	245.08	146.16	224.65	29.71	219.00	42.69	907.29
Net carrying value as at March 31, 2021	1579.40	21.59	64.64	22.95	24.81	3.39	1716.78
The changes in the carrying value of property, plants & equipments for the year ended March 31, 2020 are as follows :							
Description	Buildings	Motor Vehicles	Office equipments	Furnitures & Fixtures	Computers	Computer equipments	Total
Gross carrying value as at April 1, 2019	1824.48	178.12	228.08	52.15	198.83	46.08	2527.74
Addition	-	-	40.06	-	33.23	-	73.29
Disposal/Transfer	-	10.37	-	-	-	-	10.37
Gross carrying value as at March 31, 2020	1824.48	167.75	268.14	52.15	232.06	46.08	2590.66
Accumulated depreciation as at April 1, 2019	79.22	130.42	117.30	11.02	161.73	32.77	532.46
Depreciation for the period	85.00	14.75	65.64	10.65	41.50	6.75	224.29
Disposal	-	8.82	-	-	-	-	8.82
Accumulated depreciation as at March 31, 2020	164.22	136.35	182.94	21.67	203.23	39.52	747.93
Net carrying value as at March 31, 2020	1660.26	31.40	85.20	30.48	28.83	6.56	1842.73

4) GOODWILL

Description	As at March 31, 2021	As at March 31, 2020
Gross carrying value at the beginning	2459.22	2459.22
Addition	-	-
Disposal	-	-
Gross carrying value at the end	2459.22	2459.22
Net carrying amount at the end	2459.22	2459.22

5) OTHER INTANGIBLE ASSETS

Description	As at March 31, 2021	As at March 31, 2020
Gross carrying value at the beginning	998.30	998.30
Addition	2087.29	-
Disposal	-	-
Gross carrying value at the end	3085.59	998.30
Accumulated amortisation at the beginning	568.33	396.34
Amortisation for the period	190.29	171.99
Disposal/Adjustment	-	-
Accumulated depreciation at the end	758.62	568.33
Net carrying amount at the end	2326.97	429.97



ALANKIT LIMITED

Notes forming part of the Financial Statements

6) NON CURRENT INVESTMENTS

(figures in Lacs)

	As at March 31, 2021	As at March 31, 2020
(A) Investments carried at cost (in Subsidiary Companies)		
(a) Fully paid equity shares (unquoted)	4068.55	2838.75
(B) Investment carried at fair value through OCI		
(a) Fully paid equity shares (unquoted)	-	-
	4068.55	2838.75

Details of Investment is as follows



	As at March 31, 2021	As at March 31, 2020	Face Value Per Share	As at March 31, 2021	As at March 31, 2020
(A) Investments carried at cost (in Subsidiary Companies)					
(a) Fully paid equity shares (unquoted)					
Alankit Technologies Limited	2,913,260	2,913,260	10	619.00	619.00
Alankit Forex India Limited	3,000,000	3,000,000	10	1200.00	1200.00
Verasys Technologies Pvt Ltd	2,575,500	2,575,500	10	257.55	257.55
Alankit Insurance Brokers Limited	1,000,000	1,000,000	10	100.00	100.00
Alankit Imaginations Limited	4,000,000	1,400,000	10	1892.00	662.20
				4068.55	2838.75

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Notes forming part of the Financial Statements

7) OTHER NON CURRENT FINANCIAL ASSETS

(figures in Lacs)

	As at March 31, 2021	As at March 31, 2020
Security Deposits	330.60	333.28
	<u>330.60</u>	<u>333.28</u>

8) INVENTORIES

	As at March 31, 2021	As at March 31, 2020
e-Governance Products Inventory	245.74	278.54
	<u>245.74</u>	<u>278.54</u>

9) TRADE RECEIVABLES



	As at March 31, 2021	As at March 31, 2020
(a) Considered good (Secured)	-	-
(a) Considered good (Unsecured)	3447.09	3666.12
(b) Having Significant Increase in Credit Risk	19.45	19.45
(c) Credit Impaired	-	-
Total	<u>3466.55</u>	<u>3685.57</u>
Less : Allowance for doubtful trade receivables	<u>(34.67)</u>	<u>(25.24)</u>
	<u>3431.88</u>	<u>3660.33</u>

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Notes forming part of the Financial Statements

10) CASH AND CASH EQUIVALENTS

(figures in Lacs)

	As at March 31, 2021	As at March 31, 2020
(i) Balance with banks		
In current accounts *	198.95	382.60
In deposit accounts original maturity within 3 month	-	-
(ii) Cash in hand	1.85	2.91
(iii) Foreign Currency	-	-
	200.80	385.51

	As at March 31, 2021	As at March 31, 2020
* Includes Earmarked balance with banks	8.70	9.22
	8.70	9.22

11) BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
In deposit accounts maturity upto 12 month from reporting date	88.14	265.08
	88.14	265.08

12) CURRENT TAX ASSETS (NET)

	As at March 31, 2021	As at March 31, 2020
Income tax recoverable	62.73	62.73
	62.73	62.73

13) OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
(a) Prepaid expenses	23.70	22.59
(b) Advances	380.19	352.03
(c) Advance against Shares Purchase	-	1229.80
(d) MAT credit	5.09	75.06
(e) other current assets	198.17	132.72
	607.15	1812.20

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Notes forming part of the Financial Statements

14.1) EQUITY SHARE CAPITAL

(figures in Lacs)

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
(i) Authorised				
Equity shares of Rs.1/- each				
At the beginning of the period	200,000,000	2000.00	200,000,000	2000.00
Addition during the period	-	-	-	-
At the end of the period	200,000,000	2000.00	200,000,000	2000.00

(ii) Issued, Subscribed & Fully Paid up

Equity shares of Rs.1/- each				
At the beginning of the period	142,958,100	1429.58	142,958,100	1429.58
Addition during the period	-	-	-	-
At the end of the period	142,958,100	1429.58	142,958,100	1429.58

(a) Restrictions attached to shares

The Company has issued only one class of shares referred to as equity shares having a face value of Re. 1/- each. Each holder of equity share is entitled to one vote per share. There are no special rights, preferences and restrictions attached to any share. No shares are reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

(b) Shares held by each shareholder holding more than 5% shares in the company :

	As at March 31, 2021		As at March 31, 2020	
	% of holdings	No. of shares held	% of holdings	No. of shares held
Equity shares of Re. 1 each fully paid up				
(i) Alankit Finsec Limited	19.59%	28,000,000	19.59%	28,000,000
(ii) Alankit Associates Private Limited	19.31%	27,600,000	19.31%	27,600,000
(iii) Alankit Assignments Limited	19.59%	28,000,000	19.59%	28,000,000

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14.2) Other equity

(figures in Lacs)

Other equity consist of the following:

	As at March 31, 2021	As at March 31, 2020
(a) Securities Premium		
(i) Opening balance	1618.90	1618.90
(ii) Addition during the year	-	-
(iii) Less: Utilised for issue of bonus shares	-	-
	1618.90	1618.90
(b) General Reserve		
(i) Opening balance	1000.00	1000.00
(ii) Addition during the year	-	-
	1000.00	1000.00
(c) Retained earnings		
(i) Opening balance	4439.06	3102.09
(ii) Add: Net profit for the year	1006.06	1268.61
(iii) Less: Equity dividend	285.92	-
(iv) Less: Tax on Equity dividend	-	-
(v) Add: Transfer from Investment Revaluation Reserve	-	68.36
	5159.20	4439.06
(d) Other comprehensive Income		
(i) Opening balance	76.75	89.80
(ii) Remeasurement of defined benefit plans	(34.62)	55.31
(iii) Exchange differences on foreign operations	-	-
(iv) Gain/loss on fair valuation of Investments	-	(68.36)
	42.13	76.75
	7820.23	7134.71

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Notes forming part of the Financial Statements

(figures in Lacs)

As at March 31, 2021 **As at March 31, 2020**

15) LONG TERM BORROWINGS

(a) Secured loan

 Dropline OD*

	893.88	755.76
	893.88	755.76

*Secured against Hypothecation charge over immovable property & personal guarantee of directors.

Repayable in 180 equal monthly instalments of Rs.506667/- each starting from 31.12.2018.

16) OTHER FINANCIAL LIABILITIES

As at March 31, 2021 **As at March 31, 2020**

(i) Other non current financial liabilities

 Security Deposit

	1229.64	1917.54
	1229.64	1917.54

(ii) Other current financial liabilities

 Security Deposits

	217.63	163.96
	217.63	163.96

17) PROVISIONS

As at March 31, 2021 **As at March 31, 2020**

(i) Non current provision

 Provision for gratuity

	222.52	103.21
	222.52	103.21

(ii) Current provision

 Provision for gratuity

	30.73	12.52
	30.73	12.52

18) DEFFERED TAX LIABILITIES (NET)

	As at March 31, 2020	Tax effect during the period	As at March 31, 2021
(i) Property, Plant & Equipment	544.38	91.51	635.89
(ii) 43B items	(41.05)	(42.79)	(83.84)
(iii) Income on Deferred Security	131.54	(38.54)	93.00
	634.87	10.18	645.05

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(figures in Lacs)

19) SHORT TERM BORROWINGS

	As at March 31, 2021	As at March 31, 2020
(a) Secured loan		
Cash credit facility from bank.	498.82	492.78
	498.82	492.78

Secured against Hypothecation charge over stock, book debts and other current assets of the company, both present & future and personal guarantee of directors and immovable property.

20) TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total Outstanding dues to MSME	-	-
Total Outstanding dues to other than MSME	990.96	2025.53
	990.96	2025.53

The information regarding Micro, Small and Medium Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information available with the Company, is given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due outstanding as at end of year	-	-
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of period	-	-

21) OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
(i) Statutory Liabilities	382.22	510.12
(ii) Expenses payables	770.38	422.77
(iii) Unclaimed dividend	13.38	9.22
(iv) Advance received from Customer	141.77	92.99
(v) Current maturities of long term debts	60.80	60.80
	1368.55	1095.90

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(figures in Lacs)

	For the Period ended March 31, 2021	For the Period ended March 31, 2020
22) REVENUE FROM OPERATIONS		
(a) Sale of e-Governance services	9302.50	11433.82
(b) Sale of e-Governance products	1017.19	1535.53
	10319.69	12969.35
23) OTHER INCOME		
(a) Interest on Fixed Deposits	21.19	50.42
(b) Interest Income of Deffered Securities	58.21	18.03
(c) Other Income	30.91	203.99
(d) Gain on sale of Investment	-	247.90
	110.31	520.34
24) PURCHASES OF STOCK IN TRADE		
Purchases of e-Governance Products (Net)	924.18	979.12
	924.18	979.12
25) CHANGES IN INVENTORIES		
Stock in Trade at the beginning of the Period	278.54	584.57
Stock in Trade at the end of the Period	245.74	278.54
Net (Increase) / Decrease	32.80	306.03
26) EMPLOYEE BENEFITS EXPENSES		
(a) Salary & Benefits	5467.74	5787.91
(b) Employer Contribution to PF & ESI	555.62	601.23
(c) Staff Welfare Expenses	7.48	48.45
	6030.84	6437.59

ALANKIT LIMITED

Notes forming part of the Financial Statements

(figures in Lacs)

	For the Period ended March 31, 2021	For the Period ended March 31, 2020
27) OTHER OPERATING EXPENSES		
(a) Bank Charges	8.58	12.35
(b) Finance Expenses on Deffered Securities	190.56	185.17
(c) Telephone & Internet Expenses	104.56	113.69
(d) Postage & Telegram	14.06	58.27
(e) Fees and subscriptions	24.92	23.97
(f) Professional Expenses	137.91	152.39
(g) Conveyance, Tour & Travelling	24.86	123.32
(h) Insurance Expenses	25.11	25.35
(i) Security Expenses	23.37	28.02
(j) Vehicle Running & Maintenance	3.75	10.94
(k) Computer Running & Maintenance	21.42	58.38
(l) UPS/Generator Running & Maintenance	1.73	17.02
(m) Repair & Maintenance	8.25	37.70
(n) Electricity Expenses	69.98	61.83
(o) Office Expenses	19.97	64.79
(p) Rent	69.73	126.37
(q) Warehousing Expenses	-	123.61
(r) Printing and stationary	32.64	47.31
(s) Business Promotion	12.26	26.09
(t) Data Management & Digitisation Expenses	535.99	1637.61
(u) Software Maintenance Expense	1.93	-
(u) Distribution Agency Expenses - EESL	-	27.00
(v) PVC UID Card Expenses	-	0.03
(w) Charity & Donation	44.91	45.94
(x) Property Tax	4.31	5.15
(y) General Expenses	131.30	65.28
(z) Prior Period Expenses	1.87	-
(aa) Gratuity Fund	88.66	54.16
(ab) Director sitting fees	8.25	6.80
(ad) Provision for Doubtful Debt	9.42	10.31
(ae) Forex Losses	0.18	2.88
(af) Auditor's Remuneration		
Statutory Audit Fees	5.00	4.00
	1625.48	3155.73
28) FINANCE COST		
(a) Interest on borrowings from banks	155.20	142.89
(b) Bank & Finance Charges	3.07	2.09
	158.27	144.98

ALANKIT LIMITED

CIN: L74900DL1989PLC036860

Notes forming part of Standalone Financial Statements

Note 29 Employee Benefit Obligations:

The company is depositing contribution in respect of employees covered under Provident Fund Act, 1952 on monthly accrual basis with the "Statutory Provident Fund" which has been charged to the profit & loss account.

Defined Benefit Plan

The present value of Gratuity (non funded) is determined based on actuarial valuation & charged to the Profit & Loss account for the year. *(figures in Lacs)*

Particulars	2020-21	2019-20
	(Rs.)	(Rs.)
a) Change in Benefit Obligations		
Projected benefit obligations at the beginning of the period	115.74	139.62
Interest cost	8.10	8.38
Current service cost	80.56	45.78
Benefits paid (if any)		
Actuarial (gain)/loss	48.85	(78.04)
Projected benefit obligations at the end of the period	253.24	115.74
b) The amount to be recognised in the Balance Sheet		
Present value of the defined benefit	253.24	115.74
Plan assets at end of the period at fair value	-	-
Liability recognised in the Balance Sheet-		
1) Current Liability	30.73	12.52
2) Long Term Liability	222.52	103.21
c) Cost for the period		
Interest cost	8.10	8.38
Current service cost	80.56	45.78
Expected return on plan asset	-	-
Actuarial (gain)/loss	48.85	(78.04)
Expenses recognised in the statement of Profit & Loss	137.51	(23.88)
d) Assumptions		
Salary Escalation	5% p.a.	5% p.a.
Interest for Discount	7% p.a.	6% p.a.

ALANKIT LIMITED

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Notes forming part of Standalone Financial Statements

Note 30 Earning per share

The earning per share has been calculated as specified in Ind AS 33 on "Earning Per Share" issued by ICAI and related disclosures are as below :

(figures in Lacs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net profit after tax as per profit and loss A/c (Rs.)	1006.06	1268.61
Weighted average number of equity shares	142,958,100	142,958,100
Basic & Diluted earning per share (Rs)	0.70	0.89
Face Value per equity share (Rs)	1	1

Note 31 Segment Reporting

1. Business Segment:

- (I) The business segment has been considered as the primary segment.
- (II) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system.
- (iii) The Company's primary business comprises of two business segments viz., E- Governance and Financial Activities.
- (iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
- (v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information.

Information about the primary segment

(figures in Lacs)

Particulars	E-Governance Services	E-Governance Trading	Grand Total
(I) Segment Revenue			
External Segment	9412.66 <i>(11953.49)</i>	1017.34 <i>(1536.20)</i>	10430.00 <i>(13489.69)</i>
Internal Segment	-	-	-
Total Revenue	9412.66 <i>(11953.49)</i>	1017.34 <i>(1536.20)</i>	10430.00 <i>(13489.69)</i>
(II) Segment Results Profit/(Loss)	1644.72 <i>(2259.86)</i>	13.70 <i>(206.38)</i>	1658.42 <i>(2466.24)</i>
Less: Depreciation	-	-	349.65 <i>(396.27)</i>
Add: Exceptional / Prior period items	-	-	<i>(101.01)</i>
Less: Income Taxes (Current, Deferred Tax)	-	-	<i>(14.76)</i>
Profit/(Loss) After Tax	-	-	403.73 <i>(786.60)</i>
	-	-	1006.06 <i>(1268.62)</i>

Particulars	E-Governance Services	E-Governance Trading	Grand Total
(III) Segment Assets	15081.43 <i>(15458.25)</i>	457.14 <i>(652.17)</i>	15538.56 <i>(16110.42)</i>
(IV) Segment Liabilities	6238.81 <i>(7512.91)</i>	49.94 <i>(33.21)</i>	6288.75 <i>(7546.12)</i>
(V) Capital Expenditure	378.62 <i>(73.29)</i>	-	378.62 <i>(73.29)</i>
(VI) Depreciation	349.65 <i>(396.27)</i>	-	349.65 <i>(396.27)</i>
(VII) Non Cash Expenditure	279.22 <i>(239.33)</i>	-	279.22 <i>(239.33)</i>

Note : Figures in respect of previous year are stated in brackets in Italics.

2. Geographical Segment :

The Company operates in one Geographic Segment namely "Within India" and hence, no separate information for Geographic Segment wise disclosure is required.

ALANKIT LIMITED

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Notes forming part of Standalone Financial Statements

Note 32 Related Party Disclosure

Key Management Personal

Managing Director	Ankit Agarwal
Director	Alok Kumar Agarwal
Independent Director	Yash Jeet Basrar
Independent Director	Prof. Meera Lal
Independent Director	Ashok Shantilal Bhuta
Director	Preeti Chadha
Chief Financial Officer	Perminder Singh Saini (up to 08.06.2020) Gaurav Maheshwari (w.e.f 15.09.20)
Company Secretary	Khushboo Arora (up to 02.04.2021) Ritu Tomar (w.e.f.08.04.2021)

Relatives of Key Management Personal

Alankit Insuranc TPA Limited

Alankit Assignments Limited

Subsidiaries Companies

Alankit Technologies Limited
Alankit Forex India Limited
Verasys Technologies Pvt Ltd
Alankit Imaginations Limited
Alankit Insurance Brokers Limited

Related party Transactions

(figures in Lacs)

Particulars	KMP and Enterprises over which there is significant influence		Subsidiaries Companies	
	Current Year (Rs.)	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
Sundry Creditors				
Opening Balance	-	-	-	-
Purchase/Services during the year	0.45	-	118.54	216.61
Purchase of Fixed Assets	0.28	-	-	-
Investments Purchased	-	-	1229.80	-
Against Security Deposit	-	-	-	-
Amount collected on behalf of associates	-	-	-	-
Amount paid by Associates	1.19	-	-	-
Advance for purchase of Tangible Assets	-	-	-	-
Amount paid to Associates /adjusted	1.92	-	1351.23	234.33
Closing Balance	-	-	-	2.89
Sundry Debtors				
Opening Balance	-	-	88.45	-
Sales/Service during the year	507.40	708.00	138.13	8.99
Reimbursement of Expenses	108.43	93.23	63.59	62.29
Payment received/adjusted	276.01	801.23	260.04	(17.17)
Closing Balance	339.82	-	30.12	88.45
Income				
Sale/Services Provided	430.00	600.00	125.00	7.71
Expenditure				
Director's Remuneration	72.48	59.00	-	-
Director's Sitting Fees	8.25	5.80	-	-
Purchases/Services Received	0.41	0.44	100.46	183.67
Investments				
Investments purchased	-	-	1229.80	-
Security Deposit Received	113.00	-	-	-
Fixed Assets				
Assets Purchased from associates during the year	0.24	-	-	-

ALANKIT LIMITED

CIN: L74900DL1989PLC036860

Notes forming part of Standalone Financial Statements

Note 33

Bank guarantee issued in favour of different Government authorities Rs. 379.36/- (Previous year Rs. 379.70/-)

Note 34

The Company has invoked the arbitration against NSDL E Governance Infrastructure Limited and has claimed an amount of Rs. 7529.20. Per contra NSDL has claimed an amount of Rs. 2854.43 via its counter claim. The said arbitration is pending adjudication before Dr. JUSTICE F.I. REBELLO former chief justice HIGH COURT of ALLAHABAD and as such, no provision has been made and the same will be provided/recognised as and when adjudication is finalised.

Note 35

Purchases of goods/expenses in foreign exchange current year Rs. 175.80/- (Previous year Rs. 30.60/-). Sale of goods and services in foreign exchange current year Rs. Nil (previous year-Rs. Nil).

Note 36

The offices of the company were Shutdown on 25th March, 2020 consequent to Government Directives in this regard on 23rd March 2020 and gradually reopened from June-2020 onwards, Consequently, revenue and the profitability have seen some impact. There has not been any material negative impact on the company's performance so far. We expect further improvements with the gradually opening of economy. The company has robust system in place and all its locations are well networked. Even during lockdown, all reporting systems worked seamlessly without any disruption. After resumption of operations, the management has detailed assessment of its liquidity position and has prepared future cash flow projections and also assessed the recoverability of its assets and factored assumptions used in the annual impairment assessment of its cash generating units, using various internal and external information. The company will continue to closely monitor any material arising future economic conditions and impact on its business.

Note 37

In opinion of the management, the current assets, loans and advances are expected to realise the amount at which they are stated, if realised in the ordinary course of business and provision of known liabilities have adequately made in the accounts.

Note 38

Figures for previous year have been regrouped / rearranged wherever considered necessary.

Note 39

Figures have been rounded off to the nearest Rupees in Lakh.

For B K Shroff & Co.
Chartered Accountants
FRN No.302166E

**Sd/-
Sanjiv Aggarwal**
Partner
ICAI M. No. 085128

Place : New Delhi
Date : 30.06.2021

**Sd/-
Alok Kumar Agarwal**
Chairman
DIN:00586047

**Sd/-
Prof. Meera Lal**
Independent Director
DIN:08689247

**Sd/-
Gaurav Maheshwari**
Chief Financial Officer

**Sd/-
Ankit Agarwal**
Managing Director
DIN:01191951

**Sd/-
Ashok S Bhuta**
Independent Director
DIN:05336015

**Sd/-
Ritu Tomar**
Company Secretary

**Sd/-
Yash Jeet Basrar**
Independent Director
DIN:00112857

**Sd/-
Preeti Chadha**
Director
DIN:06901521