Notes to Standalone Financial Statements

for the year ended March 31, 2020

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C., Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in providing diverse solutions, activities in E-governance, E-commerce, White Label ATM, Financial Services (Including Banking) and Logistics sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrollment projects, data digitization, software and license.

The financial statements were authorized for issue by the Company's Board of Directors on July 31, 2020.

Note 2 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies have been consistently applied by the Company unless otherwise stated or where a newly issued accounting standard is initially adopted.

A. Basis of preparation

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as `the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii. Basis of preparation

The financial statements have been prepared on historical cost basis except the following assets and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments)
- defined benefit plans- plan assets; and
- Equity-settled Share Based Payments

The Financial statements of the Company are presented in Indian Rupees (`), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

B. Summary of significant accounting policies

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

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

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April,2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and e-governance enrolment projects, data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Significant Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangement for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a "right to use" the revenue from software and license is recognised at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. **Property, Plant and Equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company`s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight- line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

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

Current taxes

Current income tax 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. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised either in other comprehensive income or in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it is carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial Assets</u>

a) Initial recognition and measurement

All financial assets are recognised 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) 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 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 the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise 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.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or another financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to

12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) **Initial recognition and measurement**

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

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. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an 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 recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

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

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations

The Company operates the following post-employment schemes:

I. Defined benefit plans such as gratuity

II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a term approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity.

The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**
  Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**
  The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

  The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

  The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

  Further details about gratuity obligations are given in Note 43.

- **Fair value measurement of financial instruments** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 47 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment** Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**
  A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Note 4 - Property, Plant and Equipment

(a) Description	Buildings	Plant and Machinery	Furnitures and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2018	**1,972.97**	**2,884.69**	**602.49**	**146.77**	**494.90**	**2,086.23**	**3,150.30**	**1,052.63**	**12,390.98**	**315.45**	**12,706.43**
Additions	69.72	5,399.31	13.49	-	53.41	373.81	34.94	271.28	6,215.96	6,628.06	12,844.02
Disposals/Transfers	39.70	-	-	-	0.45	-	-	-	40.15	5,607.20	5,647.35
At March 31, 2019	**2,002.99**	**8,284.00**	**615.98**	**146.77**	**547.86**	**2,460.04**	**3,185.24**	**1,323.91**	**18,566.79**	**1,336.31**	**19,903.10**
Additions	478.57	2,343.96	37.16	-	40.29	90.06	-	34.46	3,024.51	2,057.80	5,082.31
Disposals/Transfers	722.98	-	87.04	-	92.46	858.43	-	295.00	2,055.90	2,932.29	4,988.19
At March 31, 2020	**1,758.58**	**10,627.96**	**566.11**	**146.77**	**495.69**	**1,691.67**	**3,185.24**	**1,063.38**	**19,535.39**	**461.82**	**19,997.21**
Depreciation and Impairment											
At March 31, 2018	**192.51**	**1,016.52**	**339.77**	**38.08**	**137.89**	**1,685.80**	**4.98**	**8.49**	**3,424.04**	**-**	**3,424.04**
Depreciation charged for the year	33.10	369.18	38.96	16.62	70.76	165.54	59.06	117.65	870.87	-	870.87
Impairment during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals/Transfers	8.16	-	-	-	0.12	-			8.28	-	8.28
At March 31, 2019	**217.45**	**1,385.70**	**378.73**	**54.70**	**208.53**	**1,851.34**	**64.04**	**126.14**	**4,286.63**	**-**	**4,286.63**
Depreciation charged for the year	37.09	886.77	39.97	16.65	79.04	238.04	59.50	112.98	1,470.04	-	1,470.04
Impairment during the year	-	16.00	-	-	-	-	-	-	**16.00**	-	16.00
Disposals/Transfers	165.39	-	82.89	-	78.93	844.55	-	-	1,171.76	-	1,171.76
At March 31, 2020	**89.15**	**2,288.47**	**335.81**	**71.35**	**208.64**	**1,244.83**	**123.55**	**239.12**	**4,600.91**	**-**	**4,600.91**
Net Book Value											
At March 31, 2020	1,669.43	8,339.48	230.30	75.42	287.06	446.84	3,061.69	824.26	**14,934.48**	461.82	**15,396.30**
At March 31, 2019	1,785.54	6,898.30	237.25	92.07	339.33	608.70	3,121.20	1,197.77	**14,280.16**	1,336.31	**15,616.47**

(b) **Impairment of Assets :** Impairment loss mainly pertains to one high speed printer categorised under Plant & Machinery. Based on technical valuation, the recoverable amount is less than the carrying value of the asset.

(c) **Change in Estimate :** During the previous year, the management has analysed the remaining useful life of assets and based on technical valuation of one class of Property, Plant and Equipment viz. ATM, life expectation has been changed from previous estimates. The change in life expectation has been accounted as per Para 38 of Ind-AS 8, Accounting Policies, Change in Estimates and Errors.

(d) **Finance Lease arrangement (Leasehold Land and Building)**

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

(₹ in Lakhs)

	As at March 31, 2020	As at March 31, 2019
Leasehold Land & Building	3,061.69	3,121.20

During the the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs. In consideration to the provisions of Ind AS 17 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Note 5 - Investments
(Non - Current)

(₹ in Lakhs)

	Particulars	As at March 31, 2020	As at March 31, 2019
(a)	**Unquoted**		
	Investment carried at Cost		
	- Investments in Equity Instruments of Subsidiaries		
	96,000 Equity Shares of Vakrangee e-Solutions Inc., Philippines of Peso 100/- each fully paid up	96.00	96.00
	(March 31, 2019 : 96,000 Equity shares)		
	1,20,00,000 Equity Shares of Vakrangee Logistics Private Limited of ₹ 10/- each fully paid up	1,200.00	1,200.00
	(March 31, 2019 : 1,20,00,000 Equity shares)		
	1,50,00,000 Equity Shares of Vakrangee Finserve Limited of ₹ 10/- each fully paid up	1,500.00	1,500.00
	(March 31, 2019 : 1,50,00,000 Equity shares)		
	(A)	**2,796.00**	**2,796.00**
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	- In Equity Shares		
	2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1000/- each fully paid up	126.94	126.94
	(March 31, 2019 : 2,500 Equity shares)		
	(B)	**126.94**	**126.94**
(b)	**Quoted**		
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	Investments in Mutual Funds		
	24.9375 units of Aditya Birla Real Estate Fund - I of ₹ 1,00,000/- each partly paid up ₹ 60,000/- per unit (March 31, 2019 : ₹ 60,000/- per unit, 24.9375 units)	-	10.26
	1,20,000 units of Union Capital Protection Oriented Fund Series 7 (March 31, 2019 : 1,20,000 units)	-	13.77
	20,00,000 units of Union Capital Protection Oriented Fund Series 8 (March 31, 2019 : 20,00,000 units)	206.90	216.10
	(C)	**206.90**	**240.13**
	TOTAL (A + B + C)	**3,129.84**	**3,163.07**
	Aggregate amount of quoted investments	206.90	240.13
	Aggregate market value of quoted investments	206.90	240.13
	Aggregate amount of unquoted investments	2,922.94	2,922.94

Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

The strategic investments in subsidiaries have been taken at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

Note 6 - Trade Receivables
(Non Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	-	-
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivable - credit impaired	337.33	324.28
	337.33	**324.28**
Less: Allowance for credit losses	337.33	324.28
TOTAL	**-**	**-**

Note 7 - Loans
(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
(i) Loans Receivable considered good (Secured)		-		-
(ii) Loans Receivable considered good (Unsecured)				
(a) Loan to Others				
Security Deposit	51.62		43.28	
Earnest Money Deposit	41.10		41.00	
(b) Loan to Related Parties				
Dues from subsidiaries	2,724.53		2,499.88	
		2,817.25		2,584.16
(iii) Loans Receivable which have significant increase in Credit Risk		-		-
(iv) Loans Receivable - credit impaired		-		-
		2,817.25		**2,584.16**

Note 8 - Other Financial Assets
(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with bank		
- with maturity period of more than 12 months *	53.94	23.62
TOTAL	**53.94**	**23.62**
* Amount held as margin money or security against borrowings, guarantee, other commitments	53.40	23.08

Note 9 - Deferred Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
Assets				
(i) On account of difference in depreciation on Property, Plant and Equipment	-		262.08	
(ii) Provision for Employees' obligations	85.03		73.72	
(iii) On account of Expected Credit Losses	134.07		184.94	
(A)		219.10		520.74
Liabilities				
(i) On account of difference in depreciation on Property, Plant and Equipment	126.58		-	
(B)		126.58		-
Balance carried to Balance Sheet (A - B)		**92.52**		**520.74**

(a) Movement in deferred tax account during the year is as follows:

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2020:				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	262.08	(388.66)	-	(126.58)
Expenses provided but allowable in Income Tax on payment	73.72	17.50	(6.19)	85.03
Allowance for expected credit losses	184.94	(50.87)	-	134.07
	520.74	(422.03)	(6.19)	92.52
Others	-	-	-	-
	-	-	-	-
TOTAL	**520.74**	**(422.03)**	**(6.19)**	**92.52**
For the year ended March 31, 2019 :				
Deferred tax (liabilities)/assets in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	680.58	(418.50)	-	262.08
Expenses provided but allowable in Income Tax on payment	136.53	(58.45)	(4.36)	73.72
Allowance for expected credit losses	244.46	(59.52)	-	184.94
	1,061.57	(536.47)	(4.36)	520.74
Others	-	-	-	-
	-	-	-	-
TOTAL	**1,061.57**	**(536.47)**	**(4.36)**	**520.74**

The analysis of Deferred Tax Assets is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets to be recovered after more than 12 months	-	276.47
Deferred Tax Assets to be recovered within 12 months	92.52	244.27
	92.52	520.74

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2020	As at March 31, 2019
Applicable Tax rate considered for deferred tax asset or liability	25.17%	34.94%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period. In pursuance to Section 115BAA of the Income Tax Act, 1961 announced by Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives including loss of the accumulated MAT Credit. Since the Company does not have any unutilised MAT credit / unabsorbed depreciation losses, it has exercised this option for current period and accordingly recognized the taxes on income for the quarter and year ended March 31, 2020 as per the new provisions.

Note 10 - Other Non-Current Assets

(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
Capital Advances		61,950.00		-
Prepaid Expenses		0.87		1.85
Balances with statutory / revenue authorities				
- Income Tax (net of provision for taxation)	511.53		1,129.67	
- Sales Tax	9.81		11.91	
- Service Tax	-	521.34	61.71	1,203.29
TOTAL		**62,472.21**		**1,205.14**

Note 11 - Inventories

(₹ in Lakhs)

(a) Particulars	As at March 31, 2020		As at March 31, 2019	
Stock-in-Trade	766.44		393.09	
Consumables	4.85		9.27	
Stores & Spares	10.09		8.31	
TOTAL		**781.38**		**410.67**

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 12 - Trade Receivables

(Current)

(₹ in Lakhs)

(a)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	1,32,745.79	1,27,953.81
Trade Receivable which have significant increase in Credit Risk	299.09	471.89
Trade Receivable - credit impaired	-	-
	1,33,044.88	**1,28,425.70**
Less: Allowance for credit Losses	195.36	204.97
TOTAL	**1,32,849.52**	**1,28,220.73**

(b) Debts due from related parties

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Subsidiaries	6.93	388.80
TOTAL	**6.93**	**388.80**

Note 13 - Cash and Cash equivalents and Other Bank Balances

(₹ in Lakhs)

(a)

Particulars	As at March 31, 2020		As at March 31, 2019	
(A) Cash and Cash Equivalents				
(i) Balances with Banks :				
- Current Accounts	1,044.60		1,874.43	
- Deposit Accounts	-		-	
(ii) Cash-in-hand	199.01		207.05	
TOTAL		**1,243.61**		**2,081.48**
(B) Bank Balances other than above				
(i) Earmarked balances in unclaimed dividend account	89.61		86.66	
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months **	16,079.69		1,11,326.97	
TOTAL		**16,169.30**		**1,11,413.63**
** Amount held as margin money or security against borrowings, guarantee, other commitments		670.49		1,333.15

(b) For the purpose of cash flow statement

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
(A) Cash & Cash Equivalents				
(i) Balances with Banks :				
- Current Accounts	1,044.60		1,874.43	
- Deposit Accounts	-		-	
(ii) Cash-in-hand	199.01		207.05	
		1,243.61		2,081.48
Less : - Cash Credit		-		-
TOTAL		**1,243.61**		**2,081.48**

Note 14 - Loans

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
(i) Loans Receivable considered good (Secured)		-		-
(ii) Loans Receivable considered good (Unsecured)				
(a) Loan to Others				
Security Deposit	16.13		15.72	
Staff Advances	4.03		0.89	
		20.16		16.61
(iii) Loans Receivable which have significant increase in Credit Risk		-		-
(iv) Loans Receivable - credit impaired		-		-
TOTAL		**20.16**		**16.61**

Note 15 - Other Financial Assets
(Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
Insurance claim Receivable	11.71		10.04	
Accrued Interest on FD	0.29		582.78	
ATM Settlement Receivable	454.28		2,516.52	
		466.28		3,109.34
TOTAL		**466.28**		**3,109.34**

Note 16 - Current Tax Assets (Net)

(₹ in Lakhs)

Particulars		As at March 31, 2020		As at March 31, 2019
Income Tax (net of provision for taxation)		1,119.72		132.51
TOTAL		**1,119.72**		**132.51**

Note 17 - Other Current Assets

(₹ in Lakhs)

Particulars		As at March 31, 2020		As at March 31, 2019
Advances to Vendors		33,950.66		289.32
Prepaid Expenses		103.72		178.09
Other Receivable				
- Accrued Revenue	7,334.04		28.18	
- Fund with LIC (Group Gratuity)	-		10.65	
		7,334.04		38.83
Balances with statutory / revenue authorities				
- Goods & Service Tax		888.16		389.45
TOTAL		**42,276.58**		**895.69**

Note 18 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(₹ in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2019	12,500.00	12,500.00
Increase during the year	-	-
As at March 31, 2020	**12,500.00**	**12,500.00**

(ii) Paid up Equity share capital

(₹ in Lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2018	**10,588.03**	**10,588.03**
Exercise of options	-	-
As at March 31, 2019	**10,588.03**	**10,588.03**
Exercise of options	6.03	6.03
As at March 31, 2020	**10,594.06**	**10,594.06**

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.69%	2,509.50	23.70%
NJD Capital Private Limited	1,311.00	12.37%	1,311.00	12.38%
Life Insurance Corporation of India	659.30	6.22%	671.30	6.34%
Dinesh Nandwana	691.07	6.52%	597.34	5.64%

(iv) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2020, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.25/- per share of ₹ 1/- each for the year ended March 31, 2019.

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

(v) Aggregate details for five immediately previous reporting periods for each class of shares

(No. of shares in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	5,294.02	5,294.02
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	15.22	9.19

(vi) Capital Management

The Company's objectives when managing capital are to :

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Net debt	-	-
Total equity	2,61,453.50	2,58,654.94
Net debt to equity ratio	-	-

Note 19 - Other Equity

(i) Reserves and surplus

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities Premium	42,746.84	42,318.52
Share Options Outstanding Account	5,950.10	11,025.85
Deferred Employee Compensation Expense	(3,070.18)	(7,232.25)
General Reserve	18,268.05	18,268.05
Surplus in Statement of Profit and Loss	1,90,153.46	1,86,894.00
Total (A)	**2,54,048.27**	**2,51,274.17**

(a) Securities Premium

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**42,318.52**	**42,318.52**
Add:- On share issued during the year	178.22	-
Add:- Transfer from shares options outstanding account	250.10	-
Closing balance	**42,746.84**	**42,318.52**

(b) Share Options Outstanding Account

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**11,025.85**	**9,442.83**
Add:- On further grant of options	495.65	3,551.57
Less:- Reversal due to Lapsation of option	(5,321.30)	(1,968.55)
Less: Transfer to Securities premium account	(250.10)	-
Closing balance	**5,950.10**	**11,025.85**

(c) **Deferred Employee Compensation Expense**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**(7,232.25)**	**(7,310.65)**
Add:- On further grant of options	(495.65)	(3,551.57)
Less:- Reversal due to Lapsation of option	2,398.78	1,551.53
Less:- Amortised during the year	2,258.94	2,078.44
Closing balance	**(3,070.18)**	**(7,232.25)**

(d) **General Reserve**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**18,268.05**	**11,641.84**
Add:- Transfer from Profit and Loss account	-	6,626.21
Closing balance	**18,268.05**	**18,268.05**

(e) **Surplus in Statement of Profit and Loss**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**1,86,894.00**	**1,94,693.38**
Add:- Profit for the year	6,452.38	2,017.94
Less:- Transfer to General Reserve	-	(6,626.21)
Less:- Dividend declared and paid	(2,648.51)	(2,647.01)
Less:- Dividend distribution tax	(544.41)	(544.10)
Closing balance	**1,90,153.46**	**1,86,894.00**

(ii) **Other Comprehensive Income**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	**(3,207.25)**	**(3,148.79)**
Remeasurement of net defined benefit obligations (net of taxes)	18.42	(58.46)
Closing balance **Total (B)**	**(3,188.83)**	**(3,207.25)**
Total (A+B)	**2,50,859.44**	**2,48,066.91**

Nature of reserves

(a) **Securities Premium**

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

(b) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Note 20 - Trade Payables

(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
- Dues of micro enterprises and small enterprises	**Principal**	**Interest**	**Principal**	**Interest**
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	-	-	-	-
Total Dues of micro enterprises and small enterprises		-		-
- Dues of Creditors other than micro enterprises and small enterprises		291.35		342.16
TOTAL		**291.35**		**342.16**

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Note 21 - Other Financial Liabilities

(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposit	39.26	38.42
TOTAL	**39.26**	**38.42**

Note 22 - Employee Benefit Obligations
(Non - Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employees' benefits	337.74	189.29
TOTAL	**337.74**	**189.29**

Note 23 - Trade Payables
(Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
- Dues of micro enterprises and small enterprises	**Principal**	**Interest**	**Principal**	**Interest**
Amount due to vendor	101.56	-	26.05	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	101.56	-	26.05	-
Total Dues of micro enterprises and small enterprises		101.56		26.05
- Dues of Creditors other than micro enterprises and small enterprises		6,169.56		2,712.74
TOTAL		**6,271.12**		**2,738.79**

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Note 24 - Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to Franchisee under WLA	2,794.30	3,239.25
Payable for acquisition of Property, Plant & Equipments	555.70	1,135.39
Unpaid Dividend	89.61	86.66
TOTAL	**3,439.61**	**4,461.30**

Note 25 - Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	1,043.52	289.29
Advance from customers	2,088.32	329.30
Kendra money received pending allotment	1,453.50	1,137.36

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Franchisee Wallet Balance	386.64	541.55
Staff Emoluments Payable	658.49	287.35
TOTAL	**5,630.47**	**2,584.85**

Note 26 - Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Expenses for Goods & services	696.61	362.43
TOTAL	**696.61**	**362.43**

Note 27 - Employee Benefit Obligations
(Current)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employees' benefits	24.72	21.68
TOTAL	**24.72**	**21.68**

Note 28 - Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax (net of provision for taxation)	704.23	-
TOTAL	**704.23**	**-**

Note 29 - Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(a) Revenue from vakrangee kendra, including e-governance activities		51,911.87		1,35,221.04
(b) Revenue from Sale of Products				
- Computer consumables & peripherals	2,261.09		3,755.27	
		2,261.09		3,755.27
(c) Revenue from Sale of Services				
- Information Technology-enabled Services (ITeS)	7,864.45		5,512.95	
		7,864.45		5,512.95

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(d) Other Operating Revenues				
- Kit Transportation charge	263.49		487.53	
- Scrap Sales	34.33		0.60	
		297.82		488.13
TOTAL		**62,335.23**		**1,44,977.39**

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Note 30 - Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(i) Interest Income				
(a) Interest Income on the financial assets at amortized cost				
- Bank Deposits	5,624.96		7,489.15	
(b) Other Interest Income	1,744.34	7,369.30	37.90	7,527.05
(ii) Dividend income		1.50		1.83
(iii) Other non-operating income				
- Rent Received	3.12		4.92	
- Gain on Sale of Asset	0.46		-	
- Gain on Foreign Exchange Fluctuation	224.81		217.00	
- Fair value gain on financial instrument at fair value through Profit and loss*	-		62.42	
- Miscellaneous Income	0.39		0.07	
		228.78		284.41
TOTAL		**7,599.58**		**7,813.29**

*Total Fair value gain on financial instrument at fair value through profit and loss includes ₹ NIL lakhs (previous year ₹ 50.16 lakhs) as ' Net Gain on sale of Investments'

Note 31 - Operating Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
Project Delivery Cost				
- Opening Stock	17.58		31.65	
- Add : Purchase of goods and services	40,904.52		1,28,060.29	
- Less : Closing Stock	14.94		17.58	
		40,907.16		1,28,074.36
Project Expenses		708.79		381.33

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Commission Expenses	6,492.98	3,928.95
Communication Costs	1.65	14.37
Conveyance & Travelling Expenses	32.10	35.02
Transportation, Octroi and Loading / Unloading Charges	119.13	133.49
Rent, Rates and Taxes	236.42	193.91
TOTAL	**48,498.23**	**1,32,761.43**

Note 32 - Changes in Inventories

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(a) At the beginning of the period				
(i) Work-in-Progress	-		-	
(ii) Stock-in-Trade	393.09		1,682.98	
Less : Stock converted into Fixed Assets	(52.28)		(286.92)	
		340.81		1,396.06
Less : at the end of the period				
(i) Work-in-Progress	-		-	
(ii) Stock-in-Trade	766.44		393.09	
		766.44		393.09
TOTAL		**(425.63)**		**1,002.97**

Note 33 - Employee Benefits Expenses

(₹ in Lakhs)

(a)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
(i) Salaries & Wages	6,174.86		6,641.21	
(ii) Directors' Remuneration	1,411.43		470.53	
(iii) Contribution to Provident & Other Funds	347.85		288.59	
(iv) Share-based Payment Expenses *	(663.57)		1,661.42	
(v) Directors' Sitting Fees	17.80		15.30	
(vi) Staff Welfare Expenses	94.44		135.29	
		7,382.81		9,212.34
TOTAL		**7,382.81**		**9,212.34**

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 41.

Note 34 - Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
Repairs & Maintenance :				
- Building	18.65		7.31	
- Vehicle	2.42		3.77	
- Others	42.35	63.42	27.50	38.58
Advertisement and Publicity		494.50		461.69
Business Promotion		85.03		200.30
Rates & Taxes		140.40		119.93
Insurance		111.65		38.64
Electricity Charges		90.51		92.03
Printing and Stationery		139.25		101.93
Communication Costs		186.41		148.11
Fees & Subscriptions		6.00		12.74
Listing, Registrar & Share Issue/Transfer Charges		56.30		21.60
Fair value gain on financial instrument at fair value through Profit and loss		9.46		-
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	683.14		960.79	
- Filing, Stamp Duty and Franking Charges	9.21	692.35	2.39	963.18
Payments to Auditors :				
- Audit fees (including limited review)	60.00		50.00	
- Tax Audit fees	10.00		7.50	
- For Other Services	0.75		0.23	
- For Reimbursement of Expenses	4.01	74.76	3.38	61.11
Conveyance & Travelling		209.01		230.70
Vehicle Expenses		9.73		11.43
Corporate Social Responsibility Expenditure (Refer Note 38)		84.85		92.50
Office & General Expenses		157.23		123.27
Allowance for credit losses				
- Opening Allowances	(529.26)		(699.57)	
- Less : Closing Allowances	(532.69)	3.43	(529.26)	(170.31)
Miscellaneous Expenses		147.81		24.42
TOTAL		**2,762.10**		**2,571.85**

Note 35 - Exceptional Item

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
- Net gain on disposal of Property plant and equipment	503.41	177.40
TOTAL	**503.41**	**177.40**

Exceptional item consists of profit on sale of investment property and old office premises (an item of PPE).

Note 36 - Earnings Per Equity Share

(₹ in Lakhs)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a)	Net profit after tax attributable to equity shareholders for Basic EPS	6,452.38	2,017.94
	Add/Less: Adjustment relating to potential equity shares	-	-
	Net profit after tax attributable to equity shareholders for Diluted EPS	6,452.38	2,017.94
(b)	Weighted average no. of equity shares (in lakhs) outstanding during the year		
	For Basic EPS	10,593.51	10,588.03
	For Diluted EPS	10,606.65	10,621.18
(c)	Face Value per Equity Share (₹)	1.00	1.00
	Basic EPS (₹)	0.61	0.19
	Diluted EPS (₹)	0.61	0.19
(d)	**Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS**		
	No. of shares used for calculating Basic EPS	10,593.51	10,588.03
	Add: Potential equity shares	13.14	33.15
	No. of shares used for calculating Diluted EPS	**10,606.65**	**10,621.18**

Note 37 - Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

Particulars			As at March 31, 2020		As at March 31, 2019	
(A)	**Contingent Liabilities**					
	(i)	Claims against the company not acknowledged as debts	45.78		45.78	
	(ii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	175.57		565.07	
	(iii)	Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	125.00		325.00	
	(iv)	Disputed liabilities pertaining to Service Tax with CESTAT	-		156.19	
	(v)	Disputed liabilities pertaining to Sales Tax with appellate authorities	-		449.47	
		(A)		346.35		1,541.51
(B)	**Commitments**					
	(i)	Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	62,797.48		1,444.79	
		(B)		62,797.48		1,444.79
TOTAL (A + B)				**63,143.83**		**2,986.30**

Note: The amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 38 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

a) Gross amount required to be spent by the company during the year is ₹ 1,235.96 lakhs.

(₹ in Lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
i) Construction / acquisition of any asset	-	-	-
ii) On purposes other than (i) above	84.85	-	**84.85**

Note 39 - Segment Reporting

The Company's activities predominantly revolve around providing the e-governance related activities of Mission Mode Projects covered under "National e-Governance Plan" (NeGP). Considering the nature of Company's business and operations, there is only one reportable segment (business and / or geographical) in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Note 40 - Related Party Details

(a) Key Management Personnel and Directors

Mr. Ramesh Mulchand Joshi	Non-Executive Chairman (w.e.f. January 24, 2020)
Mr. Dinesh Nandwana	Managing Director & Group CEO (Executive Chairman upto January 24, 2020)
Mr. Anil Khanna	Director. (Managing Director & Group CEO upto January 24, 2020)
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Ranbir Datt	Nominee Director
Mr. Subhash Singhania	Chief Financial Officer
Mr. Mehul Rawal	Company Secretary and Compliance Officer

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Mr. Manoj Nandwana	Nephew of Director
- Mr. Shelendra Nandwana	Nephew of Director
- Ms. Divya Nandwana	Daughter of Director
- Mr. Vedant Nandwana	Son of Director

(c) Subsidiary Companies with whom the Company has entered into transactions during the year

Name of subsidiaries	Country of Incorporation	Holding as at	
		March 31, 2020	March 31, 2019
Vakrangee e-Solutions Inc.	Phillipines	100%	100%
Vakrangee Finserve Limited	India	100%	100%
Vakrangee Logistics Private Limited	India	100%	100%

Related Party Transactions

- In relation to (a)

(₹ in Lakhs)

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	240.00	268.77
- Anil Khanna	1,112.93	139.11
- Dr. Nishikant Hayatnagarkar	58.50	62.65
- Subhash Singhania	54.00	57.61
- Mehul Rawal	26.05	28.12
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	16.76	14.98
- Anil Khanna	-	4.33
- Dr. Nishikant Hayatnagarkar	18.75	17.52
- Subhash Singhania	4.48	3.17
- Mehul Rawal	1.60	0.67
ESOP Perquisites		
- Dr. Nishikant Hayatnagarkar	15.40	-
Directors Sitting Fees		
- Ramesh Mulchand Joshi	3.95	3.30
- Sunil Agarwal	2.50	1.50
- Babulal Meena	2.15	2.20
- Sujata Chattopadhyay	2.00	3.00
- Avinash Chandra Vyas	3.95	2.80
- Ranbir Datt	3.25	2.50
Balance outstanding as on March 31:		
(Expenses and Salaries Payable)		
- Anil Khanna	307.64	0.29
- Subhash Singhania	0.03	-
- Mehul Rawal	0.05	0.05

- In relation to (b)

(₹ in Lakhs)

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Reimbursement of Expenses Paid		
- Manoj Nandwana	3.44	2.14
- Shelendra Nandwana	0.09	0.06

(₹ in Lakhs)

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
- Divya Nandwana	1.02	5.28
- Vedant Nandwana	0.29	4.38
Employee Benefit Expenses		
- Manoj Nandwana	8.97	9.58
- Shelendra Nandwana	6.28	6.93
- Divya Nandwana	18.73	17.91
- Vedant Nandwana	6.81	6.43
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Manoj Nandwana	0.32	0.35

- In relation to (c)

(₹ in Lakhs)

Nature of Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of goods and services		
- Vakrangee Logistics Private Limited	-	9.46
Sales of Support Services		
- Vakrangee Finserve Limited	361.53	360.63
Realisation from debtors		
- Vakrangee e-Solutions Inc.	-	585.92
Loan received back		
- Vakrangee e-Solutions Inc.	-	938.22
Margin Money against Guarantee issued by Bank		
- Vakrangee Finserve Limited	125.00	325.00
Balance Outstanding as on March 31 :		
- Vakrangee Finserve Limited (Trade Receivable)	6.93	388.80
- Vakrangee e-Solutions Inc. (Loans Receivable, including foreign exchange fluctuation as at year end)	2,724.53	2,499.88

Note 41 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 276.07 lakhs (March 31, 2019 - ₹ 210.97 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on acturial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company has fully funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on acturial valuation undertaken by a registered valuer.

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 260.04 lakhs (March 31, 2019 - ₹ 166.36 lakhs).

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-18	**283.82**	**(45.20)**	**238.62**
Current Service cost	114.99	-	114.99
Past Service Cost	-	-	-
Interest expense/(income)	22.00	(3.50)	18.50
Total amount recognised in profit and loss	**136.99**	**(3.50)**	**133.49**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	19.16	-	19.16
Experience (gains)/losses	44.29	(9.35)	34.94
Total amount recognised in other comprehensive income	**63.45**	**(9.35)**	**54.10**
Employer contributions	-	(436.85)	(436.85)
Benefit payments	(29.05)	29.05	-
31-Mar-19	**455.21**	**(465.85)**	**(10.64)**

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-19	**455.21**	**(465.85)**	**(10.64)**
Current Service cost	134.18	-	134.18
Past Service Cost	-	-	-
Interest expense/(income)	35.28	(40.56)	(5.28)
Total amount recognised in profit and loss	**169.46**	**(40.56)**	**128.90**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
(Gain)/loss from change in financial assumptions	46.28	-	46.28
Experience (gains)/losses	(88.41)	17.52	(70.89)
Total amount recognised in other comprehensive income	**(42.13)**	**17.52**	**(24.61)**
Employer contributions	-	(7.25)	(7.25)
Benefit payments	(95.90)	95.90	-
31-Mar-20	**486.64**	**(400.24)**	**86.40**

The net liability disclosed above relates to funded plans are as follows

(₹ in Lakhs)

Particulars	31-Mar-20	31-Mar-19
Present value of funded obligations	486.64	455.21
Fair value of plan assets	(400.24)	(465.85)
Deficit/(Surplus) of gratuity plan	**86.40**	**(10.64)**

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

	31-Mar-20	31-Mar-19
Discount rate	6.70%	7.75%
Salary growth rate (per annum)	5.00%	5.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation		
			Increase in assumption		
	31-Mar-20	31-Mar-19		31-Mar-20	31-Mar-19
Discount rate	1%	1%	Decrease by	9%	11%
Salary growth rate	1%	1%	Increase by	10%	13%

Particulars	Change in assumption			Impact on defined benefit obligation	
				Decrease in assumption	
	31-Mar-20	31-Mar-19		31-Mar-20	31-Mar-19
Discount rate	1%	1%	Increase by	11%	13%
Salary growth rate	1%	1%	Decrease by	9%	11%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

***The major categories of plans assets are as follows :**

	In Percentage %	
	31-Mar-20	31-Mar-19
Equity instruments	**5.55**	**5.55**
Debt instruments	**91.83**	**91.83**
Government bonds	74.55	74.55
Corporate bonds/debentures	17.28	17.28
Asset backed securities	**0.85**	**0.85**
Cash and cash equivalents	**1.77**	**1.77**
Total	**100.00**	**100.00**

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 42 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined at 50% of market price of the scrip of the company (on the highest traded Stock Exchange) or at any other price as decided by the Nomination and Remuneration and Compensation Committee.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-20		31-Mar-19	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	49.95	1,77,89,650	95.81	75,27,450
Granted during the year	18.53	19,61,400	27.01	1,17,81,800
Exercised during the year	30.58	6,02,550	-	-
Lapsed during the year	35.60	1,26,89,700	99.26	15,19,600
Closing Balance	**70.41**	**64,58,800**	**49.95**	**1,77,89,650**
Vested and exercisable	86.88	18,13,475	56.73	17,62,650

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2020 was ₹ 63.10 (March 31, 2019 : ₹ NIL).

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options 31-Mar-20	Share options 31-Mar-19
20/07/12	19/07/21	10.00	-	47,750
26/11/14	26/11/23	32.35	1,13,200	9,37,100
11/03/16	10/03/25	56.54	9,70,300	14,21,500
26/07/17	25/07/26	109.40	22,80,800	30,97,800
26/10/17	25/10/26	137.33	2,96,800	4,49,400
09/01/18	08/01/27	202.28	2,05,300	3,52,500
13/04/18	12/04/27	69.85	3,66,100	5,27,100
10/07/18	09/07/27	25.93	2,00,600	3,54,900
05/10/18	04/10/27	14.38	2,36,300	3,74,400
03/01/19	02/01/28	18.03	1,42,300	2,27,200
25/01/19	25/01/24	25.00	-	1,00,00,000
15/04/19	14/04/28	32.95	2,09,400	-
10/07/19	09/07/28	17.95	1,12,100	-
09/10/19	08/10/28	14.18	3,25,600	-
09/10/19	08/10/30	14.18	10,00,000	-
Total			**64,58,800**	**1,77,89,650**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2020 was ₹ 49.42, ₹ 27.26, ₹ 17.28 and ₹ 17.83 per option respectively for the four grants issued during the year (March 31, 2019 was ₹ 86, ₹ 39.84, ₹ 21.47, ₹ 23.92 and ₹ 26.57). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2020 included:

a) Options are granted for consideration and vest upon completion of service for a period of one / two years. Vested options are exercisable for a period of four / five years after vesting.

Particulars		Year ended March 31, 2020			
b)	Exercise price	32.95	17.95	14.18	14.18
c)	Grant date	15/04/19	10/07/19	09/10/19	09/10/19
d)	Expiry date	14/04/28	09/07/28	08/10/28	08/10/30
e)	Share price at grant date (₹)	67.00	36.80	26.05	26.05
f)	Expected price volatility of the company's shares	44.79%	50.68%	32.38%	27.48%
g)	Expected dividend yield	0.37%	0.44%	0.43%	0.39%
h)	Risk free interest rate	7.50%	6.67%	6.67%	6.80%
i)	Fair value (₹)	49.42	27.26	17.28	17.83

Particulars		Year ended March 31, 2019				
b)	Exercise price	69.85	25.93	14.38	18.03	25.00
c)	Grant date	13/04/18	10/07/18	05/10/18	03/01/19	25/01/19
d)	Expiry date	12/04/27	09/07/27	04/10/27	02/01/28	25/01/24
e)	Share price at grant date (₹)	139.70	54.40	29.90	34.35	43.20
f)	Expected price volatility of the company's shares	59.58%	37.00%	36.77%	40.59%	39.77%
g)	Expected dividend yield	0.40%	0.38%	0.55%	0.55%	0.55%
h)	Risk free interest rate	6.58%	8.12%	8.11%	7.25%	7.30%
i)	Fair value (₹)	86.00	39.84	21.47	23.92	26.57

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

(₹ in Lakhs)

Particulars	March 31, 2020	March 31, 2019
Employee Stock Option Plan	(663.57)	1,661.42

Note 43 - Financial Instruments

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

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

Level 3 : Unobservable inputs for the asset or liability.

The carrying value and fair value by each classification as at March 31, 2020 were as follows:-

(₹ in Lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	2,817.25	-	-	2,817.25	-	-
Trade Receivables	1,32,849.52	-	-	1,32,849.52	-	-
Cash & Cash equivalents	1,243.61	-	-	1,243.61	-	-
Other Bank Balances	16,169.30	-	-	16,169.30	-	-
Short Term Loans	20.16	-	-	20.16	-	-
Other Financial Assets	520.22	-	-	520.22	-	-
Investments*	-	333.84		333.84	206.90	126.94
TOTAL	**1,53,620.06**	**333.84**	**-**	**1,53,953.90**	**206.90**	**126.94**

(₹ in Lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities	3,478.87	-	-	3,478.87	-	-
TOTAL	**3,478.87**	**-**	**-**	**3,478.87**	**-**	**-**

The carrying value and fair value by each classification as at March 31, 2019 were as follows:-

(₹ in Lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	2,584.16	-	-	2,584.16	-	-
Trade Receivables	1,28,220.73	-	-	1,28,220.73	-	-
Cash & Cash equivalents	2,081.48	-	-	2,081.48	-	-
Other Bank Balances	1,11,413.63	-	-	1,11,413.63	-	-
Short term Loans	16.61	-	-	16.61	-	-
Other financial assets	3,132.97	-	-	3,132.97	-	-
Investments*	-	367.07	-	367.07	240.13	126.94
TOTAL	**2,47,449.58**	**367.07**	**-**	**2,47,816.65**	**240.13**	**126.94**

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities	4,499.72	-	-	4,499.72	-	-
TOTAL	**4,499.72**	**-**	**-**	**4,499.72**	**-**	**-**

*excluding Investments in Subsidiary Companies (₹ 2,796.00 lakhs (March 31, 2019 : ₹ 2,796.00 lakhs) measured at cost.

(ii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

(₹ in Lakhs)

Age of receivables	March 31, 2020	March 31, 2019
Within the credit period	1,32,745.79	1,27,953.82
1-90 days past due	12.70	13.23
91-180 days past due	0.19	70.60
181-270 days past due	0.17	84.80
More than 270 days past due	623.36	627.53
Total	**1,33,382.21**	**1,28,749.98**

Movement in the expected credit loss allowance	March 31, 2020	March 31, 2019
Balance at beginning of the year	529.26	699.57
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	3.43	(170.31)
Total	**532.69**	**529.26**

b) **Liquidity Risk :**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(₹ in Lakhs)

As on March 31, 2020	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

As on March 31, 2019	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

c) **Market Risk :**

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) **Market Risk - Foreign Exchange**

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(₹ in Lakhs)

Currency	Liabilities		Assets	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
US Dollar (USD)	-	-	2,724.53	2,499.88

Foreign Currency Exposure

Particulars	USD in Lakhs	
	As at March 31, 2020	As at March 31, 2019
Trade Receivables	-	-
Loans Receivable	36.14	36.14
TOTAL	**36.14**	**36.14**

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(₹ in Lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2020		For year ended March 31, 2019	
	1% increase	1 % decrease	1% increase	1 % decrease
US Dollar (USD)	27.25	(27.25)	25.00	(25.00)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not have any borrowings outstanding as at March 31, 2020 and in absence of exposure to interest rates on borrowings, the impact of interest rate sensitivity analysis is not required.

Note 44 - Disclosure under Section 186 (4) of the Companies Act, 2013 pertaining to subsidiaries and associates

(i) Details of loans to subsidiaries

(₹ in Lakhs)

Name of Subsidiaries	As at March 31, 2020	As at March 31, 2019
- Vakrangee e-Solutions Inc. (Purpose of loan is to provide financial assistance to the subsitdiary company)	2,724.53	2,499.88
	2,724.53	**2,499.88**

(ii) Details of Investment in Subsidiaries

Name of Subsidiaries	No. of Shares as at year-end	% of shareholding
Vakrangee e-Solutions Inc. (incorporated in Philippines)	96,000	100%
Vakrangee Finserve Limited	1,50,00,000	100%
Vakrangee Logistics Private Limited	1,20,00,000	100%

Note 45 - Income Taxes

(a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before income taxes	8,170.76	4,209.74
Enacted tax rates in India	25.17%	34.94%
Computed expected tax expense	2,056.42	1,471.06
Effect of non-deductible expenses	(368.94)	69.01
Others	57.19	0.14
Income Tax expense of current year	**1,744.67**	**1,540.21**
Earlier year tax expenses	(448.32)	**115.13**
Current Income Tax expense	**1,296.35**	**1,655.34**

(b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2020 and March 31, 2019 :

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Income Tax Liabilities	704.23	-
Income Tax Assets	1,631.24	1,262.18
Net current income tax liabilities / (assets) at the end	**(927.01)**	**(1,262.18)**

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2020 and March 31, 2019 is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net current income tax liability / (asset) at the beginning	**(1,262.18)**	**(950.25)**
Income Tax paid	(961.18)	(1,967.27)
Current Income Tax expense	1,296.35	1,655.34
Net current income tax liability / (asset) at the end	**(927.01)**	**(1,262.18)**

(c) The gross movement in the deferred income tax account for the year ended March 31, 2020 and March 31, 2019, are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net deferred income tax liability at the beginning	**(520.74)**	**(1,061.56)**
Movements relating to temporary differences	422.03	536.46
Temporary differences on other comprehensive income	6.19	4.36
Net deferred income tax liability at the end	**(92.51)**	**(520.74)**

Note 46 - Previous year figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable. The previous year's figures have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. : 116293W

Anil Agarwal
Partner
Membership No.: 041396

Place : Mumbai
Date : July 31, 2020

For and on behalf of the Board of Directors

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
MD & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Subhash Singhania
Chief Financial Officer

Mehul Raval
Company Secretary