GODREJ INFOTECH LIMITED

(Incorporated with limited liability on 25th February, 1997 under the Companies Act, 1956)

ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED 31st MARCH, 2022

CORPORATE INFORMATION

BOARD OF DIRECTORS

K.A. PALIA, Chairman
P.E. FOUZDAR
K.K.DASTUR
S.N. IRANI
R.D. CONTRACTOR
M.M. PARPIA
A.G. VERMA
NYRIKA HOLKAR

CHIEF EXECUTIVE OFFICER
AJAY R. PIMPARKAR

COMPANY SECRETARY
AYUSHI THAKKER

AUDITORS
KALYANIWALLA & MISTRY LLP
Chartered Accountants

BANKERS
CENTRAL BANK OF INDIA
CITIBANK N.A.
UNION BANK OF INDIA

REGISTERED OFFICE
Pirojshanagar, L.B.S. Marg, Vikhroli, Mumbai 400 079
Telephone : (022) 6796 4005 ; Fax: (022) 2518 1728
E-mail : infotech@godrej.com | Website: www.godrejinfotech.com

Corporate Identity Number (CIN)
U32100MH1997PLC106135

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-Fifth Annual General Meeting ('AGM') of the Members of GODREJ INFOTECH LIMITED ('the Company') will be held on Tuesday, 2nd August, 2022 at 11.00 a.m. (I.S.T.) through the medium of Video Conferencing ('VC') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022, together with the Reports of the Board of Directors and Auditors thereon.

2. To declare final Dividend on Equity Shares @ Rs. 1,000 (Rupees One Thousand only) per Equity Share for the financial year ended 31st March, 2022.

3. To appoint a Director in place of Dr. K. A. Palia (DIN: 00281971), who retires by rotation and, being eligible, offers himself for re- appointment.

4. To appoint a Director in place of Mr. R. D. Contractor (DIN: 00011878), who retires by rotation and, being eligible, offers himself for re- appointment.

NOTES:

a) Pursuant to the General Circular Nos. 20/2020, 02/2021, 19/2021, 02/2022 and relevant Clarifications issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as 'the Circulars'), companies are allowed to hold their Annual General Meeting ('AGM') through VC, without the physical presence of members at a common venue. In accordance with the said Circulars of the MCA and applicable provisions of the Act, the 25th AGM of the Company shall be conducted through VC.

b) Since this AGM is being held through VC pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

c) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

d) Attendance of the Members through the medium of VC will be counted for the purpose of Quorum under Section 103 of the Act.

e) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details, to their respective Depository Participant(s) (DPs) in case the shares are held by them in electronic form and to Ms. Ayushi Thakker, Company Secretary at tayushi@godrej.com in case the shares are held by them in physical form.

f) Manner of Voting during the AGM shall be through show of hands, unless a poll is demanded.

g) ***Video Conferencing via Microsoft Teams:***

- The VC facility to join the AGM shall open 15 minutes prior to the time scheduled for the Meeting.

- Please follow the steps mentioned below to join and participate in the AGM of the Company:

    1. Click on the link provided in the email sent to you.
    2. Those Members who do not have the Microsoft Teams App downloaded on their laptops/ mobile devices can join the Meeting as a Guest on the Web.
    3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
    4. **For any assistance in joining/ participating through Video Conferencing please contact** Ms. Ayushi Thakker, Company Secretary (+91-9920394142/ tayushi@godrej.com)

h) Corporate Member intending to appoint its Authorized Representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013 ('the Act'), is requested to send a scanned certified true copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote on their behalf at the AGM at tayushi@godrej.com.

i) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice are available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to tayushi@godrej.com.

j) The Dividend on Equity Shares, as recommended by the Board of Directors, if declared at the AGM, will be paid as per the provisions of the Act, to the Members whose name appear on the Company's Register of Members on Tuesday, 17th May, 2022.

k) Members may please note that in terms of Section 124 of the Act, any dividend which has not been paid or claimed within thirty days from the date of declaration, shall be transferred within seven days from the date of expiry of the said period of thirty days to the Unpaid Dividend Account with a scheduled bank. Any money transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund set up by the Government of India under Section 125 of the Act.

l) **Dispatch of Annual Report through Electronic Mode:**

The Notice of the AGM along with the Annual Report is being sent to the Members only through electronic mode at the email addresses registered with the Company/ Depositories.

Members may also note that the Notice and Annual Report 2021-22 will also be available on the Company's website which is as under:

https://www.godrejinfotech.com/aboutUs.aspx

m) Any Member seeking any information is requested to write to the Company at least a week before the date of AGM through email on tayushi@godrej.com. The same will be replied by the Company suitably.

n) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th July, 2022 to Tuesday, 2nd August, 2022 (both days inclusive). All persons whose names are recorded in the Register of Members maintained by the Company /Depositories as on the cut-off date, i.e. Friday, 15th July, 2022 only shall be entitled to attend and vote at the AGM.

o) Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 can be obtained from their respective Depository Participant(s). The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are NSDL Database Management Limited (RTA).

p) The Members are urged to dematerialise their shares held in physical form.

q) The deemed venue for the AGM shall be the Registered Office of the Company.

For and on behalf of the Board of Directors

Sd/-

K.A. PALIA
Chairman
DIN: 00281971

Mumbai, 17th May 2022

Registered Office:
Pirojshanagar, L.B.S. Marg,
Vikhroli, Mumbai 400 079

BOARDS' REPORT

TO THE MEMBERS,

The Directors hereby present the Twenty-Fifth Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2022.

1. FINANCIAL RESULTS (STANDALONE)

The Company's performance during the financial year ended 31st March 2022 as compared to the previous financial year, is summarized below:

(Amount in lakhs)

Particulars	**Current Year 2021-22 (Rs.)**	**Previous Year 2020-21 (Rs.)**
Revenue from Operations	13,247	12,437
Other Income	83	69
Total Revenue	**13,330**	**12,506**
Less: Other Expenses	(11,612)	(11,327)
Profit/(Loss) before Interest and Tax	**1,718**	**1,179**
Less: Finance Cost	-	-
Profit/(Loss) before Tax	**1,718**	**1,179**
Less: Tax Expenses	482	314
Profit/(Loss) after Tax	**1,236**	**865**
Add: Other Comprehensive Income	40	102
Less: Transfer to Reserves	-	-
Total Comprehensive Income	**1,276**	**967**

2. DIVIDEND

The Board of Directors recommend payment of Rs. 1,000 per Equity Share as final dividend for the financial year 2021-22. The dividend declared for the financial year 2020-21 was Rs.1,000 per Equity Share.

3. STATE OF THE COMPANY'S AFFAIRS

For the year under review, the Company generated total revenue from operations of Rs. 132.47 crore (previous year: Rs. 124.37 crore), of which the exports accounted for Rs. 58.51 crore (previous year: Rs. 50.33 crore), which is 44% (previous year: 41%) of total revenue. The Company earned profit before tax of Rs. 17.18 crore (previous year: Rs. 11.78 crore) and profit after tax of Rs. 12.36 crore (previous year: Rs. 8.65 crore).

4. DEPOSITORY SYSTEM

The Company's Equity Shares are available for dematerialisation through National Securities Depository Limited. As on 31st March, 2022, 90.41% of the Equity Shares of the Company were held in dematerialised form.

5. ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013 ('the Act'), the Annual Return for the financial year 2021-22 can be accessed at the below link on the Company's Website: https://www.godrejinfotech.com/aboutUs.aspx

6. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of Dr. K.A.Palia (DIN: 00281971), Mr. P.E.Fouzdar (DIN: 00066123), Mr. K.K.Dastur (DIN: 00050199), Mr. S.N.Irani (DIN: 00213862), Mr. R.D.Contractor (DIN: 00011878), Mr. M.M.Parpia (DIN: 00118333), Mr. A.G.Verma (DIN: 02366334) and Mrs. Nyrika Holkar (DIN: 07040425).

Pursuant to Section 152(6)(e) of the Act and the Articles of Association of the Company, Dr. K.A.Palia (DIN: 00281971) and Mr. R.D.Contractor (DIN: 00011878), will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

In terms of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. M.M.Parpia (DIN: 00118333) and Mr. K.K.Dastur (DIN: 00050199) have been appointed as the Independent Directors of the Company, to hold office for a term of five consecutive years with effect from 11th September, 2018 till 11th September 2023, and they are not liable to retire by rotation. The Company has received declarations from both the Independent Directors confirming that they meet with criteria of independence as prescribed by Section 149(6) of the Act and shall abide by the provisions of the Code for Independent Directors. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

As required by Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, both the Independent Directors have registered themselves in the Indian Institute of Corporate Affairs ('the Institute') databank. None of our Independent Directors are required to pass the online proficiency self-assessment test conducted by the Institute, since both the Independent Directors of the Company have served as directors in listed companies or in an unlisted public company as prescribed.

In the opinion of the Board, as per Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, both the Independent Directors possess high standards of integrity, expertise and experience (including proficiency) which contribute to the advancement and progress of the Company.

On the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 15th September 2021, appointed Ms. Ayushi Thakker as the Key Managerial Personnel designated as the Company Secretary. She is a Commerce Graduate and an Associate Member of Institute of Company Secretaries of India (Membership No. A64098).

Mr. Ajay R. Pimparkar, Chief Executive Officer and Ms. Ayushi Thakker, Company Secretary are the Key Managerial Personnel of the Company as at the date of this Report.

7. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met four times during this financial year, viz. on 25th May 2021, 15th September 2021, 14th December 2021, and 15th March 2022.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, the Directors, based on the representations received from the Operating Management, after due enquiry, confirm that:

a) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2022 and of the profit and loss of the Company for the year ended on 31st March, 2022;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ('CSR') Committee had been constituted in accordance with Section 135(1) of the Act. Subsequently, after the insertion of sub-section 9 in Section 135 of the Act, the Company was not required to continue having the CSR Committee since it did not exceed the limit of Rs. 50 lakh towards CSR obligation.

Accordingly, the Board at its Meeting held on 25th May 2021, had dissolved the CSR Committee and the activities related to CSR are now discharged by the Board of Directors of the Company.

The Board has approved the CSR Policy of the Company, the CSR activities and the projects proposed to be undertaken by the Company, and its governance structure and the CSR Policy is placed on the website of the Company at https://www.godrejinfotech.com/assets/pdf/corporatePolicies/CSR.pdf

The Annual Report on CSR Activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as **Annexure 2** to this Report.

10. AUDIT COMMITTEE

The Audit Committee ('AC') has been constituted in accordance with the provisions of Section 177 of the Act and comprises of Mr. M.M. Parpia, Chairman, Dr. K.A. Palia and Mr. K.K. Dastur. The Head of Finance & Accounts, Internal Auditors and Statutory Auditors are the permanent invitees to the Meetings of the AC.

The Company Secretary acts as the Secretary of the AC.

The AC met three times during the year under review, viz 24th May 2021, 14th September 2021, and 15th March 2022. All the members of Committee were present during the meetings.

The Terms of Reference of the AC Charter include the Purpose of Constitution, Authority and Powers, Composition Structure, Meetings, Roles and Responsibilities of the Committee.

The AC had reviewed and recommended the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements for the financial year 2021-22, for further approval of the Board of Directors and adoption of the same by the Members of the Company.

11. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('NRC') has been constituted by the Board of Directors of the Company in accordance with the provisions of Section 178 of the Act and comprises of Mr. A. G. Verma, Chairman, Mr. M. M. Parpia and Mr. K.K. Dastur.

The Company Secretary acts as the Secretary of the NRC.

The NRC met once during the year under review, viz 14th September 2021.

The Nomination and Remuneration Policy is placed on the website of the Company at https://www.godrejinfotech.com/assets/pdf/corporatePolicies/NRC-Policy.pdf

12. FIXED DEPOSITS FROM MEMBERS AND FROM PUBLIC

During the financial year under review, the Company has neither accepted nor renewed any deposit(s) covered under Chapter V of the Act.

13. TRANSFER OF UNCLAIMED AMOUNT TO THE INVESTOR EDUCATION AND PROTECTION FUND ('IEPF')

During the financial year under review, there was no unclaimed amount to be transferred to IEPF.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into during the financial year 2021-22 with Related Parties are given in the notes to the financial statements. The Related Party transactions which are not on Arm's Length basis as per Section 188(1) of the Act have been disclosed under item 1 of Form AOC-2 which is enclosed with this Report as **Annexure 1**. Since there have been no material contracts or arrangements or transactions on Arm's Length basis, disclosure under item 2 of Form AOC-2 is not applicable.

15. PARTICULARS OF INVESTMENTS MADE, GUARANTEES PROVIDED AND LOANS GIVEN BY THE COMPANY

The details of guarantees and investments made as per the provisions of Section 186 of the Act and the Rules made thereunder are set out in the Notes to the Financial Statements of the Company.

16. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between 31st March 2022 and the date of this Report.

17. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Directors would like to draw your attention to the Demand letters received during the financial year 2019-20 from Department of Telecommunication (DoT) by the Company amounting to Rs. 121 crore. The brief details of the same are stated below:

The Company was issued Internet Service Provider (ISP) license on 17th April 2001, which was further amended to ISP-Internet Telephony licence on 11th October 2002. The intent of obtaining the license was to provide Internet services to customers – though the primary business was to provide services related to Information Technology. The said license was with Godrej Infotech till 7th September 2015 when it was submitted for cancellation.

During the financial year 2019-20, the Company had received demand letters from Department of Telecommunication (DoT) amounting to Rs. 121 crore (including interest and penalty up to the date of respective letters) for year 2005-06 to 2013-14 (except 2007-08) by adding non-telecom revenue i.e., revenue related to Sale of ERP and its Implementation and Support charges as "Miscellaneous income" in Adjusted Gross Revenue (AGR).

During the financial year 2020-21, the Company has received additional demand letters from DOT amounting to Rs. 43 crore (including interest and penalty up to the date of respective letters) for the year 2007-08 and 2014-15. The total amount of demand received as per letters from DOT now stand at Rs. 164 crore (including interest and penalty up to the date of respective letters).

The Company has contested the demands before DoT and requested for their withdrawal, as the same are not payable in terms of ISP license agreements and accordingly not considered in accounts

In the light of judgment dated 24.10.2019 of Hon'ble Supreme Court on the dispute between DoT and Telecom Service Operators (TSPs) regarding interpretation of AGR, DoT vide communication dated 05.12.2019 requested submission of a comprehensive representation since all the earlier demands are being re-examined w.r.t. the Hon'ble Supreme Court Judgement. In the opinion of the management and based upon legal opinion received, the said judgement dated 24.10.2019 of Hon'ble Supreme Court is not applicable to the Company as the nature of license in case of telecom service providers is different and distinct from the licenses given to the Company.

18. INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has in place, proper and adequate internal controls commensurate with the nature of its business and size of its operations. The financial statements are prepared on the basis of the significant accounting policies that are adopted by the management. The accounting policies are reviewed from time to time and updated as may be required. The Company recognizes that any internal control framework, no matter how well designed, requires regular audit and review processes to ensure that such systems are strengthened on an ongoing basis.

The Company, through the independent Internal Audit Department of its Holding Company, Godrej & Boyce Manufacturing Company Ltd., carries out periodic audits based on the annual audit plan. The Audit plan is approved by the Audit Committee which also reviews the compliance of the plan.

19. RISK MANAGEMENT

The Board is of the opinion that there are no major risks affecting the existence of the Company. The Company has laid down procedures to inform the Board about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Board and its executive management collectively identifies the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management system.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of Energy:

i) The steps taken or impact on conservation of energy: Not Applicable

ii) The steps taken by the Company for utilising alternate sources of energy: Not Applicable

iii) The capital investment on energy conservation equipment: Not Applicable

b. Technology Absorption:

i) The efforts made towards technology absorption and the benefits derived there from: Not Applicable

ii) The details of technology imported and its absorption: Not Applicable

iii) The expenditure incurred on Research and Development: Not Applicable

c. Foreign Exchange Earnings and outgo:

The Foreign Exchange earnings and outgo during the financial year ended 31st March 2022 is Rs. 58.51 crore (Previous Year: Rs. 50.33 crore) and Rs. 9.74 crore (Previous Year: Rs. 13.63 crore) respectively.

21. SUBSIDIARIES

As on 31st March 2022, the Company has three subsidiary companies, viz. Godrej Infotech (Singapore) Pte. Ltd., LVD Godrej Infotech NV and Godrej Infotech Americas, Inc.

Pursuant to the proviso to the Rule 6 of Companies (Accounts) Rules, 2014, the Company is not required to consolidate its financial statements if the ultimate holding company consolidates the financial statements and files the same with the Registrar of Companies, however during the year under review, the Company has consolidated its financial statements on suo moto basis, and forms part of this Report. A statement containing the salient features of the financial statements of the Company's Subsidiaries, in Form AOC-1 as required under Rule 5 of the Companies (Accounts) Rules, 2014 forms part of the Notes to the Consolidated Financial Statements, and provides details on the performance and financial position of each of the Subsidiaries included in the Consolidated Financial Statements and therefore not repeated, to avoid duplication.

22. AUDITORS

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166) were appointed as the Statutory Auditors of the Company at the 22nd Annual General Meeting ('AGM') held on 2nd August, 2019 for a term of 5 consecutive years upto the 27th AGM to be held in 2024.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W/W100166), Mumbai, Statutory Auditors, in their Report for the Financial Year 2021-22.

23. SECRETARIAL STANDARDS

The Board of Directors confirm that the Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Institute of Company Secretaries of India.

24. FRAUD REPORTING

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

25. PARTICULARS OF SPECIFIED EMPLOYEES

Disclosures of details with respect to the remuneration of employees as required under Rule 5 sub-rule (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are separately enclosed with and form part of this Report as **Annexure 3**.

The same is available for inspection by the Members at the Registered Office of the Company during business hours on working days. If any Member is interested in obtaining a copy thereof, such Member may write to the Chief Executive Officer, whereupon a copy would be sent.

26. POLICY TO PREVENT SEXUAL HARRASSEMENT OF WOMEN AT WORKPLACE

The Company is deeply committed to the creation and maintenance of an atmosphere where every employee is treated with dignity and respect and afforded equitable treatment. It strives to create conditions in which employees can work together without fear of sexual harassment, exploitation or intimidation. As per the requirements of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('SHWW Act, 2013'), the Company has instituted a Policy on Prevention of Sexual Harassment at the Workplace (Policy) and under the purview of the same an Internal Complaints Committee ('the Committee') has also been formed.

Pursuant to the relevant provisions of the SHWW Act, 2013 and the Rules made thereunder, as amended from time to time, since there were no compliants during the year, the Committee filed a NIL Report dated 5th January 2022, with the 'Office of the Deputy Collector, Mumbai Suburban District'.

27. OTHER DISCLOSURES

a. There are no proceedings initiated/ pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

b. During the financial year 2021-22, the Company has not made any settlement with its Bankers for any loan/ facility availed and/ or still in existence.

c. Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

28. ACKNOWLEDGEMENT

Your Directors wish to place on record sincere appreciation for the support and co-operation received from various Central and State Government Departments, organizations and agencies. The Directors also gratefully acknowledge all stakeholders of your Company, viz., Shareholders, Customers, Dealers, Vendors, Banks and other business partners for excellent support received from them during the financial year under review. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of the Company.

For and on behalf of the Board of Directors

Sd/-

K.A. PALIA
Chairman
DIN: 00281971

Mumbai, 17th May 2022
Registered Office:
Pirojshanagar, L.B.S. Marg,
Vikhroli, Mumbai - 400 079.

ANNEXURE 1

FORM NO AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act read with Rule 8(2) of Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

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

SL. No.	**Particulars**	**Details**
a)	Name (s) of the related party & nature of relationship	Godrej & Boyce Mfg. Co. Ltd., Holding Company
b)	Nature of contracts/ arrangements/ transaction	The Company is availing facilities like Office Space and related common facilities, Housing, Schooling, Dispensary, Credit Society and Welfare facilities.
c)	Duration of the contracts / arrangements / transactions	1st April 2021 to 31st March 2022
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Value not exceeding Rs. 6 crore.
e)	Justification for entering into such contracts or arrangements or transactions	Facilities are availed on Shared Service basis for efficient and effective business operations and welfare of the Company's employees.
f)	Date of approval by the Board	24th February, 2021
g)	Amount paid as advances, if any	No advance shall be paid for the contract/ arrangement.
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	Not Applicable

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/ arrangements/ transaction	Not Applicable
c)	Duration of the contracts / arrangements / transactions	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Date of approval by the Board, if any	Not Applicable
f)	Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors

Sd/-

K.A. PALIA
Chairman
DIN: 00281971

Mumbai, 17th May 2022
Registerd Office:
Pirojshanagar, L.B.S. Marg,
Vikhroli, Mumbai - 400 079.

ANNEXURE 2

Annual Report on Corporate Social Responsibility Activities

[as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

We, Godrej Infotech Ltd ('GITL'), are happy to present to you our CSR compliance report. This Report covers brief outline of the CSR policy, its role and responsibilities, taskforces and monitoring and review by them, project details including budgets and total spends.

This Annual Report presents our approach towards our new initiative in the area of community development in line with our CSR philosophy, highlighting our commitment to our stakeholders. In the year 2018, we have started community development initiatives around the area of operations in Maharashtra, as it is critical to build sustainable communities by addressing their needs in the area of livelihood, environment, health & sanitation and education that is aligned to Schedule VII of the Companies Act, 2013 ('the Act').

The CSR projects undertaken were in line with the CSR Policy and as per the requirements of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Section 135 of the Act.

1) Brief outline of the CSR Policy of the Company:

The CSR policy of the Company is in line with the Section 135 of the Act and Rules made thereunder and the same has been drafted as per the Godrej Group's Good and Green policy. The points covered under the CSR policy are delineated below:

(a) Scope of CSR activities in the Company
(b) Focus Areas for CSR
(c) Governance Structure
(d) CSR Budget
(e) Project Life Cycle
(f) Qualification of Implementing Agency
(g) Treatment of Surpluses
(h) Unspent Amount
(i) Reporting

2) Composition of CSR Committee:

Pursuant to the amendment of the Section 135 of the Act, the Board, at its Meeting held on 25th May 2021 had dissolved the CSR Committee of the Company. Post such dissolution of the CSR Committee, the activities related to CSR are discharged by the Board of Directors of the Company. Also, the CSR Policy of the Company has been amended to reflect abovementioned changes.

3) Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The Governance Structure, CSR Policy and CSR Projects approved by the board are available on the Company's website at the below link.

https://www.godrejinfotech.com/aboutUs.aspx

4) **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014:**

Not Applicable as the Company's CSR budget for the financial year 2021-22 was less than Rs.10 crore.

5) **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

6) **Average net profit of the Company as per section 135(5):** Rs. 14.70 crore.

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

Rs. 29.40 Lakh

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable

(c) **Amount required to be set off for the financial year, if any:** Not Applicable

(d) **Total CSR obligation for the financial year (7a+7b-7c):** Rs. 29.40 Lakh

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

<table>
<tr><th rowspan="2">Total Amount Spent for the Financial Year (in Rs. lakh)</th><th colspan="5">Amount Unspent (in Rs.)</th></tr>
<tr><th colspan="2">Total Amount transferred to Unspent CSR Account as per section 135(6)</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</th></tr>
<tr><th></th><th>Amount (in Rs. lakh)</th><th>Date of transfer</th><th>Name of the Fund</th><th>Amount</th><th>Date of transfer</th></tr>
<tr><td>20.95</td><td>10.85</td><td>27th April 2022</td><td>-</td><td>-</td><td>-</td></tr>
</table>

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

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of project		Projects duration	Amount allocated for the project (in Rs. lakh)	Amount spent in the current financial Year (in Rs. lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. lakh)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	**District**						**Name**	**CSR Registration Number**
1.	Training in Digital Skills	Promoting education, including special education and employment enhancing vocation skills especially among children and livelihood enhancement projects	Yes	Maharashtra	Mumbai	2 years	21.70	10.85	10.85	No	CENTUM Foundation	CSR00000520
	Total						**21.70**	**10.85**	**10.85**			

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

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of project		Amount spent for the project (in Rs. lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	**District**			**Name**	**CSR Registration Number**
1.	Computer Operations & Programming Assistant (COPA)	Promoting education, including special education and employment enhancing vocation skills especially among children and livelihood enhancement projects	No	South Delhi	Delhi	7.10	No	Don Bosco Technical Training Institute	CSR00001130
2.	Hardware & Networking Support	Promoting education, including special education and employment enhancing vocation skills especially among children and livelihood enhancement projects	No	West Bengal	Kolkata	3.00	No	Don Bosco Training Institute	CSR00002158
	Total					**10.10**	**10.10**		

(d) Amount spent in Administrative Overheads: NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 31.80 lakh

(g) Excess amount for set off, if any: Rs. 2.40 lakh

9)

(a) Details of Unspent CSR amount for the preceding three financial years:

Not Applicable

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

Not Applicable

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

Not Applicable

11) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

For and on behalf of the Board of Directors

Sd/-

K.A. PALIA
Chairman
DIN: 00281971

ANNEXURE 3

Disclosures of details with respect to the remuneration of specified employees

[Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Designation of the employee	Chief Executive Officer
Remuneration received	Rs. 1,12,10,162
Nature of employment, whether contractual or otherwise	Permanent
Qualifications and Experience of the employee	BE-Mechanical 34 years
Date of commencement of employment	01-04-1999
Age of such employee	56 years
Last employment held by such employee before joining the company	Godrej and Boyce Mfg. Co. Ltd. (from 14-09-1988 to 31-03-1999)
Percentage of equity shares held by the employee in the company	NIL
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	N.A.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GODREJ INFOTECH LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **GODREJ INFOTECH LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profits, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

Emphasis of Matter

We draw attention to Note 27.B.1. to the Standalone Financial Statements, whereby in addition to the existing demand letter from the Department of Telecommunication (DoT) amounting to Rs. 12,115 lakhs for the financial year 2006-07 to 2013-14 (except 2007-08), during the financial year 2020-21 additional demand letters amounting to Rs. 4,278 Lakhs for the financial year 2007-08 and 2014-15 is received by the Company. DoT has considered as "Miscellaneous Income" the Non – Telecom Revenue of the Company i.e. the revenue generated by the Company from its mainstream businesses of implementation, consultancy and support services of ERP software including trading of software licenses as part of Adjusted Gross Revenue (AGR). The Company has contested the demands before DoT and requested for their withdrawal, as in the opinion of the management the same are not payable in terms of its ISP License agreements.

Our opinion is not modified in respect of this matter.

LLP IN : AAH - 3437
REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, namely Directors' Report including annexures to Directors' Report, but does not include the Standalone Financial Statements and our auditor's report thereon which we obtained prior to the date of this auditor's report.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

(a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

(d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of the reasonably knowledgeable users of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure .A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

e) On the basis of the written representations received from the Directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

g) According to information and explanation given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and hence, the provisions of Section 197(16) of the Act is not applicable.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations to be disclosed in its Standalone Financial Statements except as referred to Note 27.B. of the Standalone Financial Statements.

   ii. The Company did not have any long-term contracts during the year ended March 31, 2022, for which there were any material foreseeable losses. Derivative contracts are appropriately dealt with in the books of account.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W/W100166

Sd/-

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 22127355AJDJCD1550
Place: Chennai
Date: May 17, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2022.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets and accordingly, the provisions of sub clause (i)(a)(B) of Paragraph 3 of the Order is not applicable.

(b) As explained to us, the Company has a programme for physical verification of Property, Plant and Equipment at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies have been noticed on such verification.

(c) The Company does not have any immovable property and accordingly the provisions of sub clause (i)(c) of Paragraph 3 of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment during the year.

(e) During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the management, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence the provisions of sub clause (ii)(a) of Paragraph 3 of the Order are not applicable.

(b) According to the information and explanations given to us, the Company has not been sanctioned any working capital facility at any point of time during the year from banks or financial institutions and hence provisions of sub clause (ii)(b) of Paragraph 3 of the Order are not applicable.

iii. According to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured during the year, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of sub clause (iii)(a) to (f) of Paragraph 3 of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not advanced any loans or made any investments or provided any guarantee or security to the parties covered under section 185 and 186. Accordingly, the provision of sub clause (iv) of Paragraph 3 of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanation given to us, the Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

vi. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act, for any of the activities of the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods & Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and any other statutory dues with the appropriate authorities, wherever applicable. According to the information and explanations given to us, there are no arrears of outstanding undisputed statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, there are no dues of Goods & Services Tax, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute.

viii. According to the information and explanations given to us and the records examined by us and based on the documents and records produced to us, we have not come across any transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. The Company does not have any loans or borrowings from any lender. Accordingly, the provisions of sub clause (ix)(a) to (f) of Paragraph 3 of the Order are not applicable.

x. (a) According to the information and explanations given to us, the Company has not raised money through initial public offer or further public offer (including debt instruments), accordingly the provisions of sub clause (x)(a) of Paragraph 3 of the Order are not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and hence the question of commenting on whether the requirements of Section 42 and Section 62 of the Act have been complied with, does not arise.

xi. (a) During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the management, no instances of any fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, the provisions of sub clause (xi)(a) of Paragraph 3 of the Order are not applicable.

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) The Company is not required to establish a vigil mechanism under the Act. However, the Company has a whistle blower policy and has represented that there are no whistle blower complaints received during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, the provisions of sub clause (xii) of Paragraph 3 of the Order are not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable, and details of such transactions during the year have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

xiv. The Company is not required to appoint an internal auditor since it does not meet the thresholds as specified in Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014. Accordingly, sub clause (xiv) of Paragraph 3 of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the Directors or persons connected with him. Hence, the question of commenting on compliance with provisions of Section 192 of the Act does not arise.

xvi. (a) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of sub clause (xvi)(a) of Paragraph 3 of the Order are not applicable.

(b) According to the information and explanations given to us and based on our examination of the records and the representations made to us by the Management, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence the question of commenting whether the aforementioned activities have been conducted without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, does not arise.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India, hence the provisions of sub clause (xvi)(c) of Paragraph 3 of the Order are not applicable.

(d) The group does not have more than one CIC as a part of the group and accordingly reporting under clause xvi (d) of the order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditor during the year. Accordingly, the provision of sub clause (xviii) of Paragraph 3 of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) The Company does not have other than ongoing projects in respect of Corporate Social Responsibility (CSR).

(b) In respect of ongoing projects, the Company has transferred unspent amount of CSR expenditure as at the end of the financial year to a Fund specified in Schedule VII to the Act within a period of thirty days of the expiry of the said financial year in compliance with second proviso to sub-section (6) of section 135 of the Act.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No. 104607W/W100166

Sd/-

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
UDIN: 22127355AJDJCD1550
Place: Chennai
Date: May 17, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Para 2(f) ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2022.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Controls with reference to financial statements of **GODREJ INFOTECH LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

Sd/-

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
UDIN: 22127355AJDJCD1550
Place: Chennai
Date: May 17, 2022

GODREJ INFOTECH LIMITED

BALANCE SHEET AS AT MARCH 31, 2022

(Amount in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	2	76.94	92.39
(b) Capital Work-in-Progress		-	1.00
(c) Financial Assets			
(i) Investments in Subsidiaries	3	167.08	167.08
(ii) Other Non-Current Financial Assets	4	2.73	13.20
(d) Deferred Tax Assets (Net)	5	94.36	93.25
(e) Income Tax Assets (Net)	6	793.26	699.97
(f) Other Non - Current Assets	7	107.82	108.17
Total Non-current Assets		**1,242.19**	**1,175.06**
2. Current Assets			
(a) Financial Assets			
(i) Investments	8	2,408.70	2,406.47
(ii) Trade Receivables	9	2,610.12	1,705.82
(iii) Cash and Cash Equivalents	10	3,067.87	2,652.39
(iv) Other Current Financial Assets	11	1,794.49	1,544.12
(b) Other Current Assets	12	447.98	394.30
Total Current Assets		**10,329.16**	**8,703.10**
TOTAL ASSETS		**11,571.35**	**9,878.16**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	9.70	9.70
(b) Other Equity	14	6,296.65	5,118.18
TOTAL EQUITY		**6,306.35**	**5,127.88**
LIABILITIES			
1. Non Current Liabilities			
(a) Provisions	15	216.08	289.26
Total Non Current Liabilities		**216.08**	**289.26**
2. Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	16		
(A) total outstanding dues of micro enterprises and small enterprises		17.61	18.29
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		582.22	484.24
(ii) Others	17	3,042.01	2,827.65
(b) Other current liabilities	18	1,281.15	1,079.82
(c) Provisions	19	125.93	51.02
Total Current Liabilities		**5,048.92**	**4,461.02**
TOTAL EQUITY AND LIABILITIES		**11,571.35**	**9,878.16**
Significant accounting policies	1		

The accompanying notes 1 to 33 form an integral part of the financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACOUNTANTS
Firm Registration Number 104607W/W100166

For and on behalf of the Board of Directors

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Chennai

K.A. PALIA
Chairman
(DIN: 00281971)
Place: Mumbai

M.M. PARPIA
Director
(DIN: 00118333)
Place: Mumbai

AJAY PIMPARKAR
Chief Executive Officer
Place: Mumbai

Ayushi Thakker
Company Secretary
(M. No.: A64098)
Place: Mumbai

Date: May 17, 2022

GODREJ INFOTECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	1. Revenue from Operations	20	13,247.48	12,437.15
	2. Other Income	21	83.33	69.27
	TOTAL INCOME		**13,330.81**	**12,506.42**
II	**EXPENSES**			
	1. Cost of Sales/ Services	22	1,648.93	1,461.64
	2. Employee Benefits Expense	23	8,469.64	8,578.22
	3. Depreciation and Amortization Expense	2	21.75	21.56
	4. Other Expenses	24	1,472.21	1,266.03
	TOTAL EXPENSES		**11,612.53**	**11,327.45**
III	**PROFIT BEFORE TAX**		**1,718.28**	**1,178.97**
IV	**TAX EXPENSE**			
	Current Tax	5(b)	496.85	321.18
	Deferred Tax	5(b)	(14.43)	(7.03)
	TOTAL TAX EXPENSE		**482.42**	**314.15**
V	**PROFIT FOR THE YEAR**		**1,235.86**	**864.82**
VI	**OTHER COMPREHENSIVE INCOME FOR THE YEAR**			
	Items that will not be subsequently reclassified to Statement of Profit and Loss			
	1. Remeasurement of defined employee benefit plans		52.93	136.24
	2. Income Tax relating to items that will not be reclassified to Statement of Profit and Loss		(13.32)	(34.29)
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		**39.61**	**101.95**
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,275.47**	**966.77**
VII	**EARNINGS PER EQUITY SHARE**			
	Basic & Diluted	25	12,741	8,916
	Significant accounting policies	1		

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GODREJ INFOTECH LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities		
Profit Before Tax	1,718.28	1,178.97
Adjustments for :		
Depreciation and amortisation expense	21.75	21.56
Gain on Disposal of Property, Plant and Equipment	(2.08)	1.55
Bad Debts Written Off	15.66	-
Provision for Doubtful Debts	31.26	56.24
Interest on Other financial assets carried at amortised cost	(0.36)	(0.09)
Gain on Sale of Investments in Mutual Funds	(5.89)	(17.33)
Net gain on fair value changes on financial instruments classified as FVTPL	(70.32)	(38.82)
Interest on Income Tax Refund	-	(0.09)
Foreign Exchange Loss/(Gain) (Unrealised)	(20.31)	40.50
Operating Profit before Working Capital Changes	**1,687.99**	**1,242.49**
Adjustments for :		
Trade Receivables	(930.91)	845.67
Other Assets/ Receivables	(292.87)	(1,561.35)
Trade payable and Other liabilities	567.65	1,290.33
Cash Generated from Operations/ (used in operations)	**1,031.86**	**1,817.14**
Direct Taxes Paid (Incl. Tax Deducted at Source) Net of Refund	(590.14)	(504.06)
Net Cash Flow from/(used in) Operating Activities	**441.72**	**1,313.08**
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(5.53)	(7.36)
Sales of Property, Plant and Equipment	2.31	(1.06)
Sale/(Purchase) of Mutual funds (Net)	73.98	(29.02)
Net Cash Flow from/(used in) Investing Activities	**70.76**	**(37.44)**
C. Cash Flow From Financing Activities		
Dividend Paid	(97.00)	(97.00)
Net Cash Flow from/(used in) Financing Activities	**(97.00)**	**(97.00)**
Net Increase/(Decrease) in Cash and Cash Equivalents	**415.48**	**1,178.64**
Cash and cash equivalents at the beginning of the year	2,652.39	1,473.75
Cash & Cash Equivalents at the end of the year	**3,067.87**	**2,652.39**

Note:

The above Statement of Cash Flow includes INR 31.80 lakhs (Previous Year 2021: INR 33.29 lakhs) towards Corporate Social Responsibility (CSR) activities (Refer Note 24.3).

The accompanying notes 1 to 33 form an integral part of the financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
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Chief Executive Officer
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Company Secretary
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Place: Mumbai

GODREJ INFOTECH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	No. of Shares	Amount in lakhs	No. of Shares	Amount in lakhs
Balance at the beginning of the reporting year	9,700	9.70	9,700	9.70
Changes in Equity Share Capital during the year	-	-	-	-
Balance at the end of the reporting year	**9,700**	**9.70**	**9,700**	**9.70**

B. Other Equity

(Amount in Lakhs)

Particulars	Reserves & Surplus		Total Equity
	Securities Premium	Retained Earnings	
Balance as at April 01, 2020	**190.00**	**4,058.41**	**4,248.41**
Total Comprehensive Income for the Year			
Profit for the Year	-	864.82	864.82
Remeasurement of Defined Employee Benefit Plan	-	101.95	101.95
Total	**190.00**	**5,025.18**	**5,215.18**
Contributions and Distributions			
Equity Dividend	-	(97.00)	(97.00)
Balance as at March 31, 2021	**190.00**	**4,928.18**	**5,118.18**
Total Comprehensive Income for the Year			
Profit for the Year	-	1,235.86	1,235.86
Remeasurement of Defined Employee Benefit Plan	-	39.61	39.61
Total	**190.00**	**6,203.65**	**6,393.65**
Equity Dividend	-	(97.00)	(97.00)
Balance as at March 31, 2022	**190.00**	**6,106.65**	**6,296.65**

The accompanying notes 1 to 33 form an integral part of the financial statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
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(M. No.: A64098)
Place: Mumbai

Date: May 17, 2022

1. Significant Accounting Policies

A. Company overview

Godrej Infotech Limited ('the Company') is a leading Company provider in consulting, technology, outsourcing and next-generation services. Along with its subsidiaries, the Company provides Business IT services; Consulting and systems integration & implementation, and support services; Products, business platforms and solutions to accelerate intellectual property-led innovation; and offerings in the areas of Analytics, Cloud, and Digital Transformation.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Pirojshanagar, Vikhroli (West), Mumbai - 400079.

B. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended March 31, 2022 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and Notes to Financial Statements.

a. Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

b. Functional and Presentation Currency

The financial statements are presented in Indian rupee, which is the functional currency of the Company. All financial information has been rounded to the nearest lakhs, unless otherwise indicated.

c. Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for certain financial assets and liabilities, including financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured on the basis of actuarial valuation as required by relevant Ind AS.

d. Use of Estimates, Judgements & Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities, are included in the following notes:

(i) Determination of the estimated useful lives of property, plant and equipment and intangible assets.
(ii) Recognition and measurement of defined benefit obligations, key actuarial assumptions.
(iii) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
(iv) Recognition of deferred tax assets.
(v) Fair value of financial instruments.
(vi) Applicable discount rate.

e. Impact of Covid-19 pendamic

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements, including but not limited to liquidity and going concern assumption and carrying amount of financial and non-financial assets. In developing the assumptions, relating to the possible future uncertainties in the global economic condition because of this pandemic, the Company has at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from the estimates as at the date of approval of the financial statement.

f. Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

g. Recent accounting pronouncements

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

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced (while bringing the asset to that location and condition) over the cost of testing the asset, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

h. Measurement of fair values

The Company's accounting policies and disclosures require the financial instruments to be measured at fair values.

The Company has an established control framework with respect to measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusions that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

C. Critical Accounting Estimates

a. Revenue recognition

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Income taxes

The Company's major tax jurisdictions are in India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

D. Significant Accounting Policies

a. Property, Plant & Equipment

(i) Recognition and Measurement

Property, plant and equipment is initially measured at cost net of tax credit availed less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

When significant parts of Property, Plant and Equipment are required to be replaced, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(ii) Depreciation

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value.

Depreciation is provided on Straight Line Method over the estimated useful lives of the property, plant and equipment prescribed under Schedule II to the Companies Act, 2013 on pro rata basis. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation.

Leasehold land is amortised equally over the period of lease.

The estimated useful lives, residual values and depreciation methods are reviewed by the management at each reporting date and adjusted if appropriate.

(iii) Disposal or Retirement

Property, plant and equipment are derecognised either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised in the Statement of Profit and Loss in the year of occurrence.

b. 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 the 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).

If the recoverable amount of asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expenses in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, 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 in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

c. Investment in Subsidiaries

Investment in equity shares of subsidiaries are recorded at cost less accumulated impairment, if any, and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

d. Financial Instruments

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

(i) Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

I Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

II Subsequent measurement and classification

For the purpose of subsequent measurement, the financial assets are classified into three categories:

- Financial assets at amortised cost
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

on the basis of its business model for managing the financial assets

III Financial assets 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 assets for collecting contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment, if any. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

IV Financial asset at Fair Value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income (FVTOCI) 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

V Financial asset at Fair Value through profit or loss (FVTPL)

A financial asset which are not classified in any of the above categories are measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

VI Financial assets as Equity Investments

All equity instruments other than investment in subsidiaries are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

VII Derecognition

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

VIII Impairment of financial assets

The Company applies 'Simplified Approach' for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- Financial assets that are debt instruments and are measured at amortised cost e.g. loans, deposits and bank balance
- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

(ii) Financial Liabilities

I Classification
The Company classifies all financial liabilities as subsequently measured at amortised cost.

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

III Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

IV Derecognition
A financial liability is derecognized 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 and Loss.

(iii) 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 or to realize the assets and settle the liabilities simultaneously.

e. Cash and cash equivalent
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

f. Provisions, Contingent Liabilities and Contingent Assets
(i) 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 will be required to settle the obligation and a reliable estimate can be made. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

(iii) Contingent Assets
Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

g. Revenue recognition
The Company derives revenues mainly from software development and related services and from trading of third party licenses.

(i) Sale of software products / licenses
Revenue from the sale of third party software products / licenses which do not require any significant modification is recognised upon delivery i.e. “point in time”, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligations.

(ii) Sale of service – implementation (Fixed Price contracts)
Revenue from third party software implementation contracts which does not require any significant customisation, which are generally time bound fixed price contracts, is recognised over the life of the contract using the percentage-of-completion method, with the contract milestone determining the degree of completion.

Revenue in excess of billings i.e. the Company’s right to consideration in exchange of products or services that the Company has transferred to a customer is recognised as contract asset in the balance sheet;

To the extent billings are in excess of revenue recognised i.e. there is obligation on the Company to transfer products or services to a customer, the excess is reported as unearned i.e. contract liability in the balance sheet.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or cost expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

(iii) Sale of service – consultancy (Time & Material)
Revenue from contracts priced on a time and material basis is recognised as services are rendered and as related costs are incurred.

(iv) After sale service – consultancy (Time & Material)
Revenue from maintenance contracts is recognised on a pro-rata basis over the period of the contract.

(v) Commission

When the Company as an agent satisfies a performance obligation, the Company recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

(vi) Other income

Interest income is recognised using the effective interest method.
Dividend income is recognised when the right to receive payment is established.

h. Employee Benefits

(i) Short term employee benefits (payable wholly within twelve months of rendering the service)

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-employment benefits:

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Company's contributions paid/payable to Managerial Superannuation Fund, Employees' State Insurance Scheme, Employees' Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes, and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

However, the Rules of the Company's Provident Fund (PF) administered by an approved Trust, require that if the Board of Trustees is unable to pay interest at the rate declared for the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952, for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company.

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in profit or loss in the period in which they arise. Other employee benefits include leave encashment/long-term compensated absences schemes.

i. Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset are capitalized upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready to its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

j. Foreign currency transactions / translations

Foreign currency transactions are accounted at exchange rates prevailing at the date of the transaction. Gains or losses, resulting from the settlement (actual realization /payment) of such transactions and from the translation of monetary current assets and monetary liabilities denominated in foreign currencies into rupees at the year-end exchange rates, are recognised in the Statement of Profit and Loss. Non-monetary items like fixed assets, inventories and investments in equity shares, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. The Company's forward exchange contracts are not held for trading or speculation; the discount or premium arising from the difference between the forward rate and the spot rate at the inception of such a contract is amortized as income or expense over the period of the contract. Any profit or loss arising from such contracts is recognised in the Statement of Profit and Loss.

k. Leases

The Company assesses whether a contract contains a lease at the inception of the contract. Leases of assets (other than short term leases or leases for which the underlying asset is of low value) are recognised if the lease contract conveys the right to the Company to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control the used of an identified asset for a period of time, if throughout the period of lease, the Company has both of the following:

(i) The right to obtain substantially all of the economic benefits from use of the identified asset.

(ii) The right to direct the use of the identified asset.

At the date of commencement of lease, the Company recognises a Right-Of-Use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases for a term of twelve months or less (short term leases) and low value leases. For short term leases and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the lease term. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments or if Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

l. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable profit for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

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

I has a legally enforceable right to set off the recognised amounts; and

II intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

I temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

II temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

III taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

(a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) Credit Entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period in which such credit can be carried forward for set-off. The carrying amount of MAT Credit Entitlement is reviewed at each balance sheet date.

m. Earnings Per Share

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

n. Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

The Finance Act 2020 has abolished the Dividend Distribution Tax (DDT) and has shifted the tax liability on dividends to the shareholders. Accordingly, the Company distributes the dividend after deducting the taxes at applicable rates.

o. Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which is a single business segment in IT products and services. The CODM, being the Chief Executive Officer assesses the financial performance and position of the Company and makes strategic decisions.

GODREJ INFOTECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2. Property, Plant and Equipment

(Amount in Lakhs)

Particulars	Furniture and Fixtures	Office Equipment	Computer	Vehicle	Total
Gross Block					
As at April 01, 2021	122.81	34.08	20.74	0.09	177.72
Additions	1.67	1.37	3.49	-	6.53
Disposals	0.36	4.10	4.63	-	9.09
As at March 31, 2022	**124.12**	**31.35**	**19.60**	**0.09**	**175.16**
Accumulated Depreciation					
Upto April 01, 2021	49.96	20.34	15.01	0.02	85.33
For the year	12.38	5.07	4.29	0.01	21.75
Disposals	0.19	4.10	4.57	-	8.86
Upto March 31, 2022	**62.15**	**21.31**	**14.73**	**0.03**	**98.22**
Net Block as at March 31, 2022	**61.97**	**10.04**	**4.87**	**0.06**	**76.94**
Capital Work-in-Progress as at March 31, 2022	**-**	**-**	**-**	**-**	**-**
Gross Block					
Upto April 01, 2020	101.71	29.77	23.37	0.09	154.94
Additions	22.04	6.13	0.23	-	28.40
Disposals	0.94	1.82	2.86	-	5.62
As at March 31, 2021	**122.81**	**34.08**	**20.74**	**0.09**	**177.72**
Accumulated Depreciation					
Upto April 01, 2020	38.27	16.94	13.69	0.01	68.91
For the year	12.16	5.21	4.18	0.01	21.56
Disposals	0.47	1.81	2.86	-	5.14
Upto March 31, 2021	**49.96**	**20.34**	**15.01**	**0.02**	**85.33**
Net Block as at March 31, 2021	**72.85**	**13.74**	**5.73**	**0.07**	**92.39**
Capital Work-in-Progress as at March 31, 2021	**-**	**-**	**-**	**-**	**1.00**

Note:

a. Refer Note 27(C) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
3	**Investments in Subsidiaries**		
	Investment in Equity Shares (Unquoted, At Cost)		
(a)	55,350 Fully Paid Equity Shares of EURO 1 each in LVD Godrej Infotech NV (P.Y.: 55,350 Fully Paid Equity Shares of EURO 1 each)	110.74	110.74
(b)	1,00,000 Fully Paid Equity Shares of SGD 1 each in Godrej Infotech (Singapore) Pte Ltd. (P.Y.: 1,00,000 Fully Paid Equity Shares of SGD 1 each)	49.44	49.44
(c)	10,00,000 Fully Paid Equity Shares of USD 0.01 each in Godrej Infotech Americas Inc. (P.Y.: 10,00,000 Fully Paid Equity Shares of USD 0.01 each)	6.90	6.90
		167.08	**167.08**
	Aggregate amount of unquoted investments	**167.08**	**167.08**
	Aggregate amount of impairment in value of investments	**-**	**-**
4	**Other Non-Current Financial Assets**		
	Unsecured, Considered Good		
	Security Deposits	2.73	13.20
		2.73	**13.20**

5 Deferred Tax Asset and Tax Expense

(a) Movement in Deferred Tax Balances

(i) Particulars	Net Balance as at April 01, 2021	Movement during the year: Recognised in Profit or Loss	Movement during the year: Recognised in OCI	As at March 31, 2022
Deferred Tax Asset/(Liabilities)				
Property, Plant and Equipment	9.78	0.95	-	10.73
Employee Benefits	33.07	18.41	(13.32)	38.16
Fair valuation of financial instruments	(9.71)	(12.81)	-	(22.52)
Provision for Doubtful Debts	60.11	7.88	-	67.99
Deferred Tax Assets/(Liabilities)	**93.25**	**14.43**	**(13.32)**	**94.36**

(ii) Particulars	Net Balance as at April 01, 2020	Movement during the year: Recognised in Profit or Loss	Movement during the year: Recognised in OCI	As at March 31, 2021
Deferred Tax Asset/(Liabilities)				
Property, Plant and Equipment	3.66	6.12	-	9.78
Employee Benefits	70.90	(3.54)	(34.29)	33.07
Fair valuation of financial instruments		(9.71)		(9.71)
Provision for Doubtful Debts	45.95	14.16	-	60.11
Deferred Tax Assets/(Liabilities)	**120.51**	**7.03**	**(34.29)**	**93.25**

(b) Tax expense recognised in Statement of Profit and Loss

Particulars	**March 31, 2022**	**March 31, 2021**
Current Tax		
In respect of Current Year	445.92	350.34
In respect of Withholding Taxes Adjustments	48.13	12.41
In respect of Prior Year	2.80	(41.57)
	496.85	**321.18**
Deferred Tax		
Origination and reversal of Tax on Temporary differences	(14.43)	(7.03)
	(14.43)	**(7.03)**
Tax Expense for the year	**482.42**	**314.15**

(c) Amounts recognised in Other Comprehensive Income

(Amount in Lakhs)

Remeasurements of Defined Benefit Liability/ (Asset)	**As at March 31, 2022**	**As at March 31, 2021**
Before Tax	52.93	136.24
Tax (Expense) Benefit	(13.32)	(34.29)
Net of Tax	**39.61**	**101.95**

(d) Reconciliation of Effective Tax Rate **(Amount in Lakhs)**

Particulars	**March 31, 2022**	**March 31, 2021**
Profit Before Tax	1,718.28	1,178.97
Tax rate	25.17%	25.17%
Expected Income Tax Expense	432.46	296.72
Tax effect of:		
Prior period tax adjustments	2.80	(41.57)
Allowable Deductions	(1.58)	(1.58)
Difference in tax rate	6.34	4.36
Property, Plant and Equipment	(0.95)	(6.12)
Employee Benefits	(18.41)	3.54
Non-Deductible expenses	8.95	53.18
Withholding Taxes Adjustments	48.13	12.41
Provision for Doubtful Debts	(7.88)	(14.16)
Impact of Fair Value Adjustments	12.56	7.37
Tax expense recognised	**482.42**	**314.15**

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
6	**Income Tax Assets (Net)**		
	Advance Tax and Tax Deducted at Source (Net)	793.26	699.97
		793.26	**699.97**
7	**Other non - current assets**		
a)	Prepaid Expenses	0.45	0.80
b)	Balance with Government Authorities	107.37	107.37
		107.82	**108.17**
8	**Investments**		
	Unquoted, carried at Fair Value Through Profit or Loss		
	Investments in Mutual funds		
(a)	2,37,676.77 (P.Y.: 2,45,406.27) Units of Aditya Birla Sun Life Liquid Fund-Regular-Growth	809.14	808.15
(b)	2,52,348.63 (P.Y.: 2,60,585) Units of ICICI Prudential Liquid Fund-Reg-Growth	790.21	789.69
(c)	15,671.68 (P.Y.: 16,180.94) Units of Nippon India Liquid Fund - Growth	809.35	808.63
		2,408.70	**2,406.47**
	Aggregate amount of Unquoted Investments and Market Value thereof	**2,408.70**	**2,406.47**
	Aggregate amount of impairment in value of Investments	**-**	**-**
9	**Trade Receivables**		
	Unsecured, Considered Good (Refer Note 9.5)	2,610.12	1,705.82
	Unsecured, Credit Impaired	270.12	238.84
		2,880.24	1,944.66
	Less: Allowances for Doubtful Receivables	(270.12)	(238.84)
		2,610.12	**1,705.82**

9.1 No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively, in which any director is a partner, a director or a member.

9.2 The Company has used practical expedient by computing expected credit loss allowance for trade receivables by taking into consideration historical credit loss experience and adjusted for forward looking information. The expected credit loss is based on ageing of the days the receivables are due and the expected credit loss rate. The Company has computed credit loss allowances based on Expected Credit Loss Model, which excludes transactions with subsidiaries. The Company is still pursuing the recovery of the receivables for which allowance is made for doubtful debts.

9.3 Trade receivables ageing schedule as at March 31, 2022 **(Amount in Lakhs)**

Particulars	**Outstanding for following periods from due date of payment**						**Total**
	Not Due	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables – considered good	555.09	959.68	445.64	634.34	10.76	4.61	**2,610.12**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired	0.83	13.41	12.26	68.12	50.11	71.58	**216.31**
(iv) Disputed Trade Receivables – considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired						53.81	**53.81**
Total	**555.92**	**973.09**	**457.9**	**702.46**	**60.87**	**130.00**	**2880.24**

Trade receivables ageing schedule as at March 31, 2021 **(Amount in Lakhs)**

Particulars	**Outstanding for following periods from due date of payment**						**Total**
	Not Due	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables – considered good	746.82	706.79	230.66	20.69	0.19	0.67	**1,705.82**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							**-**
(iii) Undisputed Trade Receivables – credit impaired	0.19	11.63	17.46	80.60	35.14	93.82	**238.84**
(iv) Disputed Trade Receivables – considered good							**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk							**-**
(vi) Disputed Trade Receivables – credit impaired							**-**
Total	**747.01**	**718.42**	**248.12**	**101.29**	**35.33**	**94.49**	**1944.66**

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
9.4	The movement in allowance for doubtful receivables is as follows:		
	Balance as at Beginning of the Year	**238.84**	**182.60**
	Add: Created during the Year	31.28	104.72
	Less: Amount Realised during the Year	-	48.48
	Balance as at end of the Year	**270.12**	**238.84**

9.5 Trade receivables includes receivables from related parties of Rs.1,877.72 lakhs (Previous Year: Rs.1,088.12 lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
10	**Cash and Cash Equivalents**		
a)	Balances with Banks in Current Accounts	3,067.87	2,652.30
b)	Cash on Hand^	-	0.09
	^ Current year Cash balance Rs. 75/-		
		3,067.87	**2,652.39**
11	**Other Current Financial Assets**		
	Unsecured, Considered Good		
	Security Deposits	6.97	3.85
	Contract Assets		
	Unbilled Revenue	1,787.52	1,540.27
		1,794.49	**1,544.12**

11.1 Contract assets include Unbilled Revenue from related parties of Rs.1,228.19 lakhs (Previous Year: Rs.1,359.12 lakhs)

		As at March 31, 2022	As at March 31, 2021
12	**Other Current Assets**		
(a)	Prepaid Expenses	75.11	65.55
(b)	Advance Payment to Suppliers & Others	186.53	103.48
(c)	Balance with Government Authorities	184.55	225.23
(d)	Others*	1.79	0.04
		447.98	**394.30**

* Others comprise of tour expenses and employee recoverables

		As at March 31, 2022	As at March 31, 2021
13	**Equity Share Capital**		
(a)	**Authorised:**		
	10,00,000 Equity Shares of Rs. 100/- each (Previous year 10,00,000 Equity Shares of Rs. 100/- each)	1,000.00	1,000.00
(b)	**Issued, Subscribed and Paid Up :**		
	9,700 Equity Shares of Rs. 100/- each, fully paid up (Previous year 9,700 Equity Shares of Rs. 100/- each, fully paid up)	9.70	9.70
		9.70	**9.70**

(c) Reconciliation of number of Shares and amount outstanding at the beginning and at the end of the Year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Outstanding at the beginning of the Year	9,700	9.70	9,700	9.70
Add: Addition during the year	-	-	-	-
Outstanding at the end of the Year	**9,700**	**9.70**	**9,700**	**9.70**

(d) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of shares having par value of INR 100 per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shareholding Information

(No. of Shares)

Equity Shares held by	As at March 31, 2022	As at March 31, 2021
Godrej & Boyce Mfg. Co. Ltd. (Holding Company)	5,050	5,050

(f) Details of Equity Shareholders holding more than 5% of the shares in the Company are given below :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Godrej & Boyce Mfg. Co. Ltd.	5,050	52.06%	5,050	52.06%
RKN Enterprises	930	9.59%	930	9.59%

(g) Shareholding of Promoters as at the end of the year and percentage change during the year

Promoter name	As at March 31, 2022		% Change during the year
	No. of Shares	% of total shares	
Godrej & Boyce Mfg Co Ltd	5,050	52.06%	-
Mr. Jamshyd Naoroji Godrej, Mrs Pheroza Jamshyd Godrej & Mr. Navroze Jamshyd Godrej (as trustees of the Raika Godrej Family Trust)	465	4.79%	-
Mr N J Godrej	465	4.79%	-
Mr P A Godrej	310	3.20%	-
Ms T A Dubhash	310	3.20%	-
Ms N A Godrej	310	3.20%	-
Mr B N Godrej	310	3.20%	-
Mr S N Godrej	310	3.20%	-
Mr H N Godrej	310	3.20%	-
Ms F C Bieri	465	4.79%	-
Ms Nyrika Holkar	465	4.79%	-
RKN Enterprises	930	9.59%	-

Promoter name	As at March 31, 2021		% Change during the year
	No. of Shares	% of total shares	
Godrej & Boyce Mfg Co Ltd	5,050	52.06%	-
Mr. Jamshyd Naoroji Godrej, Mrs Pheroza Jamshyd Godrej & Mr. Navroze Jamshyd Godrej (as trustees of the Raika Godrej Family Trust)	465	4.79%	-
Mr N J Godrej	465	4.79%	-
Mr P A Godrej	310	3.20%	-
Ms T A Dubhash	310	3.20%	-
Ms N A Godrej	310	3.20%	-
Mr B N Godrej	310	3.20%	-
Mr S N Godrej	310	3.20%	-
Mr H N Godrej	310	3.20%	-
Ms F C Bieri	465	4.79%	-
Ms Nyrika Holkar	465	4.79%	-
RKN Enterprises	930	9.59%	-

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
14	**Other Equity**		
(a)	**Securities Premium**		
	Securities Premium	190.00	190.00
(b)	**Retained Earnings**		
	Opening Balance	4,928.18	4,058.41
	Profit for the year	1,235.86	864.82
	Remeasurement of Defined Employee Benefit Plan	39.61	101.95
	Equity Dividend	(97.00)	(97.00)
	Closing Balance	**6,106.65**	**4,928.18**
		6,296.65	**5,118.18**

14.1 Nature and Purpose of Reserves

(a) Securities Premium

The securities premium account has been created to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the accumulated profits earned by the Company till date, less dividend to the shareholders

		As at March 31, 2022	As at March 31, 2021
15	**Non Current Provisions**		
	Provision for Employee Benefits		
	Provision for Unavailed Leave	216.08	289.26
		216.08	**289.26**
16	**Current Financial Liabilities - Trade Payables**		
	Payables for Goods & Services		
(a)	Total outstanding dues of micro enterprises and small enterprises;	17.61	18.29
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	582.22	484.24
		599.83	**502.53**

16.1 Trade Payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	14.13	3.48				17.61
(ii) Others	337.57	202.25	23.00	14.26	4.22	581.30
(iii) Disputed Dues - MSME						
(iv) Disputed Dues - Others				0.92		0.92
Total	**351.70**	**205.73**	**23.00**	**15.18**	**4.22**	**599.83**

Trade Payables ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	18.29					18.29
(ii) Others	267.44	190.88	17.53	3.44	4.95	484.24
(iii) Disputed Dues - MSME						
(iv) Disputed Dues - Others						
Total	**285.73**	**190.88**	**17.53**	**3.44**	**4.95**	**502.53**

16.2 For amounts due to the related parties - Refer Note No. 28

16.3 Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. The disclosures pursuant to MSMED Act based on the books of account are as under:

(Amount in Lakhs)

	Particulars	**As at March 31, 2022**	**As at March 31, 2021**
(a)	Dues remaining unpaid	17.61	18.29
	Principal	17.61	18.29
	Interest	-	-
(b)	Interest paid in terms of Section 16 of MSMED Act	-	-
(c)	Amount of payments made to supplier beyond the appointed day	-	-
(d)	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year without adding interest specified under MSMED Act.	-	-
(e)	Amount of interest accrued and remaining unpaid	-	-
(f)	Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act.	-	-
(g)	Balance as at the year end	17.61	18.29

16.4 There are no amounts due and outstanding to be credited to Investors Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end

17	**Other Current Financial Liabilities**		
(a)	Employee Benefit Payable	1,675.60	1,772.17
(b)	Derivative Liability	-	0.24
(c)	Other Financial Liabilities	1,366.41	1,055.24
	(Other Financial liabilities include accrued expenses, Gratuity etc.)		
		3,042.01	**2,827.65**
18	**Other Current Liabilities**		
(a)	Advance from customers	558.28	258.00
(b)	Income Received in Advance	297.80	354.78
(c)	Statutory Liabilities	425.07	467.04
		1,281.15	**1,079.82**
19	**Short Term Provisions**		
	Provision for Employee Benefits		
	Provision for Unavailed Leave	125.93	51.02
		125.93	**51.02**
20	**Revenue from Operations**		
(a)	Sale of Products and Licenses	667.98	696.28
(b)	Sale of Services	12,481.33	11,629.82
(c)	Other Operating Revenues:		
	Commission	98.17	111.05
	Total Revenue from Operations	**13,247.48**	**12,437.15**
21	**Other Income**		
(a)	**Interest Income**		
(i)	Interest on Income Tax Refund	-	0.09
(ii)	Other financial assets carried at amortised cost	-	0.61
		-	**0.70**
(b)	**Other Non Operating Income**		
(i)	Gain on Sale of Investments in Mutual Funds	5.89	17.33
(ii)	Net gain on fair value changes on financial instruments classified as FVTPL	70.32	38.82
(iii)	Profit on sale of assets	2.08	1.55
(iv)	Gain/(Loss) on derivative contracts	0.24	9.12
(v)	Miscellaneous Income	4.80	1.75
		83.33	**68.57**
	Total Other Income	**83.33**	**69.27**
22	**Cost of Sales/ Service**		
(a)	Purchase of Products and Licenses	520.48	529.50
(b)	Purchase of Services	1,128.45	932.14
	Total Cost of Sales/ Service	**1,648.93**	**1,461.64**
23	**Employee Benefits Expense**		
(a)	Salaries and Allowances	7,821.58	7,951.51
(b)	Contribution to Provident and other Funds	422.15	376.15
(c)	Contribution to Gratuity	134.22	157.40
(d)	Staff Welfare Expenses	91.69	93.16
	Total Employee Benefits Expense	**8,469.64**	**8,578.22**
23.1	**Details of Employee Benefit Plan**		
(a)	**Defined Contribution Plan:**		
	Amount contributed by the Company to the Employees' Provident Fund recognised as an expense and included under Employee Benefit Expense	325.77	294.60

(b) Defined Benefit Plan - Gratuity:

Contribution to Gratuity Fund

Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Amount in Lakhs)

	As at March 31, 2022	As at March 31, 2021
(i) Change in Defined Benefit Obligation:		
Liability at the beginning of the year	1,377.65	1,309.56
Interest Cost	83.49	75.43
Current Service Cost	132.94	137.03
Benefit Paid from the Fund	(154.73)	(49.37)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(370.05)	31.32
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	21.20	(21.17)
Actuarial (Gains)/Losses on Obligations - Due to Experience	310.24	(105.15)
Liability at the end of the year	**1,400.74**	**1,377.65**
(ii) Amount recognised in the Balance Sheet:		
Liability at the end of the year	(1,400.74)	(1,377.65)
Fair value of plan assets at the end of the year	1,319.44	1,356.49
Difference	(81.29)	(21.16)
Amount recognised in the Balance Sheet	**(81.29)**	**(21.16)**
(iii) Expense recognised in the Statement of Profit and Loss:		
Current Service cost	132.94	137.03
Interest cost	1.28	20.37
Total Expense recognised in the Statement of Profit and Loss	**134.22**	**157.40**
(iv) Expenses recognised in the Other Comprehensive Income (OCI)		
Actuarial (Gains)/Losses on Obligation For the Period	(38.61)	(95.00)
Return on Plan Assets, Excluding Interest Income	(14.32)	(41.24)
Net (Income)/Expense For the Period recognised in OCI	**(52.93)**	**(136.24)**

(v) The Principal assumptions used in determining the present value of defined benefit obligation for the Company's plan are given below:

Particulars	March 31, 2022	March 31, 2021
Discount Rate	5.15%	6.06%
Salary escalation rate	15.00%	15.00%
Attrition Rate	38.00%	17.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)

(vi) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumption as at March 31, 2022 is shown below:

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	(23.24)	24.46	(65.87)	73.38
Salary escalation rate (1% movement)	22.12	(21.48)	66.77	(61.50)
Attrition Rate (1% movement)	(9.16)	9.64	(29.57)	32.80

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

(vii) The expected future cash flows in respect of gratuity were as follows:

(Amount in Lakhs)

Maturity Analysis of Projected Benefit Obligation: From the Fund	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefits Payable in Future Years from the Reporting Date		
1st Following Year	465.69	173.46
2nd Following Year	350.67	151.32
3rd Following Year	274.26	196.99
4th Following Year	150.67	224.83
5th Following Year	101.64	140.98
Sum of Years 6 to 10	171.70	501.00
Sum of Years 11 and above	27.53	605.76

(c) Other Long Term Employment Benefits

The leave encashment benefit is payable to all the eligible employees of the Company at the rate of daily salary as per current accumulation of leave days.

The Privilege leave encashment liability and amount charged to Statement of Profit and Loss determined on actuarial valuation using basis projected unit credit method are as under:.

(Amount in Lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Provisions in Balance Sheet:		
Particulars		
Short term	125.93	51.02
Long Term	216.08	289.26
Total Provisions in Balance Sheet	**342.01**	**340.28**
(ii) Recognised in Statement of Profit and Loss:		
Expenses	54.21	81.99
Total Recognised in Statement of Profit and Loss	**54.21**	**81.99**

24 Other Expenses

(a)	Establishment Expenses and Other Expenses (Refer Note 24.1)	312.38	47.11
(b)	Travelling and Conveyance Expenses	29.10	105.10
(c)	Legal & Professional Expenses	509.08	405.12
(d)	Software Expenses	3.68	3.53
(e)	Communication Expenses	21.94	23.42
(f)	Auditor's Remuneration (Refer Note 24.2)	18.92	21.10
(g)	Provision for doubtful debts	31.26	56.24
(h)	Bad Debts / Other Balances Written Off	15.66	-
(i)	Repairs & Maintenance - Others	15.88	8.68
(j)	Commission Expenses	196.77	140.85
(k)	Bank Charges	15.99	13.23
(l)	Insurance	9.14	6.12
(m)	Director's Sitting Fees	10.25	10.75
(n)	Corporate Social Responsibility (Refer Note 24.3)	31.80	33.29
(o)	Rent (Refer Note 24.4)	240.19	376.96
(p)	Loss on Foreign Currency Transactions	9.90	14.43
(q)	General Expenses	0.27	0.10
Total Other Expenses		**1,472.21**	**1,266.03**

24.1	Establishment Expenses include the Company’s share of various expenses, incurred by the Holding Company, Godrej & Boyce Mfg. Co. Ltd., for use of common facilities, as reduced by the recoveries from the employees in previous year.	187.32	(36.09)

24.2 Auditor's Remuneration

(a)	Audit Fees	11.00	11.00
(b)	Tax Audit Fees	2.50	2.50
(c)	Certification	1.28	2.95
(d)	Reimbursement of Expenses	0.14	-
(e)	Taxation Matters	4.00	4.65
Total Auditor's Remuneration		**18.92**	**21.10**

24.3 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.

(Amount in Lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
(i) amount required to be spent by the company during the year,	31.80	32.41
(ii) amount of expenditure incurred,	20.95	33.29
(iii) shortfall at the end of the year,	10.85	-
(iv) total of previous years shortfall,	-	-
(v) reason for shortfall,	Pertains to Ongoing Projects	-
(vi) nature of CSR activities,	Promoting Education and Employment	Promoting Education and Employment
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	10.85	Nil

24.4 Rent

Expense relating to short-term leases amounts to Rs. 11.65 lakhs (Previous year Rs. 65.42 lakhs) and leases of low value assets amounts to 228.53 lakhs (Previous year Rs. 311.54 lakhs).

		For the year ended March 31, 2022	For the year ended March 31, 2021
25	**Earnings Per Share**		
(a)	Profit after Taxes attributable to Equity Shareholders	1,235.86	864.82
(b)	Number of Equity Shares of Rs. 100 each Issued and Outstanding:		
(i)	At the end of the Year	9,700	9,700
(ii)	Weighted Average number of Shares Outstanding during the Year	9,700	9,700
(c)	Basic and Diluted Earnings per Share (a/b)	**12,741**	**8,916**

26 Financial instruments - Fair values and risk management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Lakhs)

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Others - Security Deposits	-	-	2.73	2.73	-	-	-	-
Current								
Investments (Mutual Fund)	2,408.70	-	-	2,408.70	2,408.70	-	-	2,408.70
Trade Receivables	-	-	2,610.12	2,610.12	-	-	-	-
Cash and Cash Equivalents	-	-	3,067.87	3,067.87	-	-	-	-
Others	-	-	1,794.49	1,794.49	-	-	-	-
	2,408.70	**-**	**7,475.21**	**9,883.91**	**2,408.70**	**-**	**-**	**2,408.70**
Financial liabilities								
Current								
Trade Payables	-	-	599.83	599.83	-	-	-	-
Derivative Liability	-	-	-	-	-	-	-	-
Other Current Financial Liabilities	-	-	3,042.01	3,042.01	-	-	-	-
	-	**-**	**3,641.84**	**3,641.84**	**-**	**-**	**-**	**-**

As at March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Others - Security Deposits	-	-	13.20	13.20	-	-	-	-
Current								
Investments (Mutual Fund)	2,406.47	-	-	2,406.47	2,406.47	-	-	2,406.47
Trade Receivables	-	-	1,705.82	1,705.82	-	-	-	-
Cash and Cash Equivalents	-	-	2,652.39	2,652.39	-	-	-	-
Others	-	-	1,544.12	1,544.12	-	-	-	-
	2,406.47	**-**	**5,915.53**	**8,322.00**	**2,406.47**	**-**	**-**	**2,406.47**
Financial liabilities								
Current								
Trade Payables	-	-	502.53	502.53	-	-	-	-
Derivative Liability	0.24	-	-	0.24	-	0.24	-	0.24
Other Current Financial Liabilities	-	-	2,827.40	2,827.40	-	-	-	-
	0.24	**-**	**3,329.93**	**3,330.17**	**-**	**0.24**	**-**	**0.24**

FVTPL - Fair Value Through Profit and Loss
FVOCI - Fair Value Through Other Comprehensive Income

(b) Fair value hierarchy

The fair value of financial instruments as referred to in note (a) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 - Quoted prices (unadjusted) for identical assets and liabilities in an active markets.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(c) Measurement of Fair Value

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of mutual funds. Net asset value represents the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The Management assesses that fair values of Trade Receivables, Cash and Cash equivalents, Loans, Trade Payables, Other current liabilities and Other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

(iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(d) Risk Management Framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. Market risks comprise of currency risk and interest rate risk. The Company's Senior Management and Key Managerial Personnel have the ultimate responsibility for managing these risks. The Company has a process to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to these limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. Further, Audit Committee undertakes regular reviews of Risk Management

(i) Credit Risk

Credit risk is the risk of loss that counter party may not be able to settle their obligations as agreed. The Company's exposure to credit risk arises primarily from security deposit and other receivables which the Company minimises such risk by dealing exclusively with high credit rating counterparties.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, security deposits, cash and cash equivalents, bank deposits and other financial assets.

Exposure to credit risk:

The Carrying amount of financial assets represents maximum exposure to credit risk. The maximum exposure to credit risk was Rs. 7,475.21 lakhs and Rs. 5,915.53 lakhs as at March 2022 and March 2021 respectively, being the total of the carrying amount of balances with banks, security deposits,trade receivables and other financial assets.

Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows. The expected credit loss provision matrix at the end of the reporting period is as follows.

(Amount in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
More than 1 year	243.62	209.56
Less than 1 year	25.67	29.09
Total	**269.29**	**238.65**

(ii) Liquidity Risk

Liquidity and interest risk tables:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The following table detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount in Lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total	Carrying amount
As at March 31, 2022					
Non interest bearing (Trade payable, deposits etc.)					
Trade Payables	599.83	-	-	599.83	599.83
Others	3,042.01	-	-	3,042.01	3,042.01
As at March 31, 2021					
Non interest bearing (Trade payable, deposits etc.)					
Trade Payables	502.53	-	-	502.53	502.53
Others	2,827.65	-	-	2,827.65	2,827.65

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The company is not exposed to interest rate risk as there are no borrowings. The Company is mainly exposed to change in market rates of its investments in mutual fund units which is recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in Net Asset Value (NAV) of these instruments from the prices existing as at the reporting date is given below

(Amount in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
Particulars	**Profit or loss**		**Profit or loss**	
	Increase	Decrease	Increase	Decrease
Change in Net Asset Value by 5%	120.44	-120.44	120.32	-120.32

(iv) Currency Risk

Currency risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in foreign exchange rates. The company has trade receivables and trade payables in foreign currencies and are therefore exposed to foreign exchanged risk. The company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposure and hedging exposure using derivatives financial instruments like foreign exchange forward contracts. The exchanged rates have been volatile in the recent years and may continue to be volatile in the future. Hence, the operating results and financials of the company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March, 2022 and 31 March, 2021 are as below:

(Amount in Lakhs)

	Currency	Amount in Foreign Currency		Equivalent amount (Rupees)	
Financial assets		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade and other receivables	USD	12.81	13.00	976.86	955.20
	EURO	5.26	2.23	442.37	190.67
	AED	-	-	-	0.09
	GBP	0.49	0.10	48.59	9.91
	SGD	12.91	8.40	723.22	452.23
		31.47	**23.73**	**2,191.04**	**1,608.10**
Less: Hedged Exposures	USD	-	0.46	-	33.98
	EURO	-	-	-	-
		-	**0.46**	**-**	**33.98**
		31.47	**23.27**	**2,191.04**	**1,574.12**

(Amount in Lakhs)

	Currency	Amount in Foreign Currency		Equivalent amount (Rupees)	
Financial liabilities		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade and other payables (includes foreign currency	USD	8.50	6.21	648.19	456.01
	AED	0.94	0.69	19.52	13.77
	SAR	2.26	2.24	47.93	45.77
	SGD	14.82	8.91	830.22	479.82
		26.52	**18.05**	**1,545.86**	**995.37**

The following significant exchange rates have been applied during the year.

(Rupees)	Year-end spot rate 31-03-2022	Year-end spot rate 31-03-2021
USD	76.26	73.47
EUR	84.10	85.60
GBP	99.17	100.31
AED	20.76	20.01
SAR	21.21	20.43
SGD	56.02	53.83

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies as at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts as shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	As at March 31, 2022		As at March 31, 2021	
	Profit or loss		Profit or loss	
Effect in Rs.	Strengthening	Weakening	Strengthening	Weakening
USD - 3% movement	(9.86)	9.86	(13.96)	13.96
EUR - 3% movement	(13.27)	13.27	(5.72)	5.72
GBP - 3% movement	(1.46)	1.46	(0.30)	0.30
AED - 3% movement	0.59	(0.59)	0.41	(0.41)
SAR - 3% movement	1.44	(1.44)	1.37	(1.37)
SGD - 3% movement	3.21	(3.21)	0.83	(0.83)

(e) Capital Management

The primary objective of the Company's capital management is to maintain an efficient capital structure and to maximise shareholder’s value. The company has no borrowings during the year.

27 Contingent Liabilities and Commitments

A. Financial Guarantees

Guarantees given by the Company’s Bankers against counter-guarantees given by the Company and guarantees given by the Holding Company INR 22.00 lakhs (Previous Year INR 22.50 lakhs).

B. Claim against the Company not acknowledged as debt

1 The Company was issued Internet Service Provider (ISP) license on 17th April 2001, which was further amended to ISP-Internet Telephony licence on 11th October 2002. The intent of obtaining the license was to provide Internet services to customers – though the primary business was to provide services related to Information Technology. The said license was with Godrej Infotech till 7th September 2015 when it was submitted for cancellation.

During the financial year 2019-20, the Company had received demand letters from Department of Telecommunication (DoT) amounting to Rs. 12,115 lakhs (including interest and penalty up to the date of respective letters) for year 2005-06 to 2013-14 (except 2007-08) by adding non-telecom revenue i.e., revenue related to Sale of ERP and its Implementation and Support charges as “Miscellaneous income” in Adjusted Gross Revenue (AGR).

During the financial year 2020-21, the Company has received additional demand letters from DOT amounting to Rs. 4,278 lakhs (including interest and penalty up to the date of respective letters) for the year 2007-08 and 2014-15. The total amount of demand received as per letters from DOT now stand at Rs. 16,393 lakhs (including interest and penalty up to the date of respective letters).

The Company has contested the demands before DoT and requested for their withdrawal, as the same are not payable in terms of ISP license agreements and accordingly not considered in accounts

In the light of judgement dated 24.10.2019 of Hon’ble Supreme Court on the dispute between DoT and Telecom Service Operators (TSPs) regarding interpretation of AGR, DoT vide communication dated 05.12.2019 requested submission of a comprehensive representation since all the earlier demands are being re-examined w.r.t. the Hon’ble Supreme Court Judgement. In the opinion of the management and based upon legal opinion received, the said judgement dated 24.10.2019 of Hon’ble Supreme Court is not applicable to the Company as the nature of license in case of telecom service providers is different and distinct from the licenses given to the Company.

2 In respect of certain vendors, claims amounting to Rs. 14.20 lakhs were raised against the Company and were not acknowledged as debt as on March 31, 2022.

C. Commitments

The Company does not have any commitment relation to Capital expenditure as at year end (Previous Year INR 1.50 lakhs).

28 Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

A. Names of Related Parties and Nature of Relationships:

(a) Holding Company:
(i) Godrej & Boyce Mfg. Co. Ltd. (holds 52.06% of the equity share capital of the company)

(b) Subsidiaries:
(i) Godrej Infotech (Singapore) Pte Ltd.
(ii) LVD Godrej Infotech NV.
(iii) Godrej Infotech Americas, Inc.

(c) Fellow Subsidiaries & Sub Subsidiaries:
(i) Sheetak Inc.
(ii) Godrej (Singapore) Pte Ltd.
(iii) Godrej UEP (Singapore) Pte. Ltd. (a subsidiary of (ii) above)
(iv) Godrej UEP Pvt. Ltd. (a wholly owned subsidiary of (iii) above)
(v) JT Dragon Pte. Ltd. (a wholly owned subsidiary of (ii) above)
(vi) Godrej (Vietnam) Co. Ltd. (a wholly owned subsidiary of (v) above)
(vii) Veromatic International BV
(viii) Godrej Americas Inc

(d) Post-Employment Benefit Trusts where the holding company exercises significant influence
(i) Godrej & Boyce Mfg. Co. Ltd. Employee's Gratuity Fund
(ii) Godrej & Boyce Mfg. Co. Ltd. Managerial Superannuation Fund
(iii) Godrej & Boyce Mfg. Co. Ltd. Employee's Provident Fund

(e) Directors and Key Management Personnel
(i) Dr. K. A. Palia - Chairman & Non Executive Director
(ii) Mr. P.E. Fouzdar - Non Executive Director
(iii) Mr. K.K. Dastur - Non Executive & Independent Director
(iv) Mr. S.N. Irani - Non Executive Director
(v) Mr. R.D. Contractor - Non Executive Director
(vi) Mr. Manu Parpia - Non Executive & Independent Director
(vii) Mr. A.G. Verma - Non Executive Director
(viii) Mrs. Nyrika Holkar - Non Executive Director
(ix) Mr. Ajay. R. Pimparkar (CEO) - Key Managerial Personnel
(x) Ms. Ayushi Thakkar - Company Secretary - Key Managerial Personnel

B. The details of transactions with related parties during the year are given below:

(Amount in Lakhs)

		For the year ended March 31, 2022	**For the year ended March 31, 2021**
(a)	Common Expenses Shared (Gross)		
(i)	Godrej & Boyce Mfg.Co.Ltd	187.32	284.85
(b)	Purchase of Materials		
(i)	Godrej & Boyce Mfg. Co. Ltd.	2.96	17.46
(c)	Purchase of Fixed Assets		
(i)	Godrej & Boyce Mfg. Co. Ltd.	0.61	6.73
(d)	Services Taken		
(i)	Godrej & Boyce Mfg. Co. Ltd.	307.21	29.40
	(C.Y. includes Rs. 299.33 Lakhs pertaining to Employee recoveries towards facilites)		
(ii)	Godrej Infotech (Singapore) Pte. Ltd	366.85	536.76
(iii)	Godrej Infotech Americas, Inc.	200.43	88.36
(e)	Sales & Services Rendered		
(i)	Godrej & Boyce Mfg. Co. Ltd.	5,715.97	5,764.73
(ii)	LVD Godrej Infotech NV	973.26	893.43
(iii)	Godrej Infotech (Singapore) Pte. Ltd	349.48	541.77
(iv)	Godrej Infotech Americas, Inc.	816.33	390.42
(f)	Dividend Paid		
(i)	Godrej & Boyce Mfg. Co. Ltd.	50.50	50.50
(g)	Key Managerial Personnel Remuneration	119.19	109.01
(h)	Sitting Fees to Non-Executive Directors		
(i)	Dr. K. A. Palia	2.75	2.75
(ii)	Manu Parpia	2.50	3.00
(iii)	K. K. Dastur	3.00	3.50
(iv)	S. N. Irani	2.00	1.50

C. The details of outstanding with related parties as at year end are given below:

		As at March 31, 2022	**As at March 31, 2021**
(a)	Guarantees Taken		
(i)	Godrej & Boyce Mfg. Co. Ltd.	22.00	22.50
(b)	Trade and other Receivables		
(i)	Godrej & Boyce Mfg. Co. Ltd.	1,185.48	1,184.12
(ii)	LVD Godrej Infotech NV	406.95	278.23
(iii)	Godrej Infotech (Singapore) Pte. Ltd	954.37	577.40
(iv)	Godrej Infotech Americas, Inc.	613.77	403.54
(b)	Trade and other Payables		
(i)	Godrej & Boyce Mfg. Co. Ltd.	29.92	305.32
(ii)	Godrej Infotech (Singapore) Pte. Ltd	829.98	479.82
(iii)	Godrej Infotech Americas, Inc.	235.00	70.69

D. Contribution to Post Employment Benefit Trusts, where the holding company exercises significant influence

(a)	Godrej & Boyce Mfg. Co. Ltd. Employee's Gratuity Fund Contribution during the year	81.29	21.16
(b)	Godrej & Boyce Mfg. Co. Ltd. Managerial Superannuation Fund Contribution during the year	96.15	81.45
(c)	Godrej & Boyce Mfg. Co. Ltd. Employee's Provident Fund Contribution during the year	325.77	294.60

29 Segment Reporting

Ind AS 108 "Operating Segment" requires an entity to disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. The Company is managed as a single operating unit that provides IT Products and Services, mainly ERP Consultancy and Software Services & Solutions and therefore, has only one reportable business segment. As per the requirements of Ind AS 108 on "Operating Segments", segment information has been provided under the Notes to Consolidated Financial Statements.

30 Revenue from contracts with customers

Revenue from Operations	**(Amount in Lakhs)**
(a) Sale of Products and Licenses	667.98
(b) Sale of Services	12,481.33
(c) Other Operating Revenues	98.17
	13,247.48

A. Contracts with customers

Disclosure of amount recognised as revenue from contracts with customers and impairment loss recognised in accordance with Ind AS 109 is as under:

	(Amount in Lakhs)
(a) revenue recognised from contracts with customers	13,247.48
(b) any impairment losses recognised (in accordance with Ind AS 109) on any receivables or contract assets arising from an entity's contracts with customers	270.12

B. Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 based on the operation, geographical market and contract-type. The Company believes that this disaggregation best depict how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(Amount in Lakhs)

Particulars	**Contract Type**		
Revenue by operation	**At a point in time**	**Over time**	**Total**
Sale of Products and Licenses			
Licenses	183.69	-	183.69
BREP	484.29	-	484.29
	667.98	-	667.98
Sale of Services			
Consultancy & Implementation Services	-	10,538.50	10,538.50
Cloud Services	729.88	-	729.88
AMC Services	-	1,212.95	1,212.95
	729.88	11,751.45	12,481.33
Other Operating Revenues			
Commission	98.17	-	98.17
	98.17	-	98.17

The Company has identified a single reportable segment namely "IT Product and Services" as disclosed in Note 1.(E) (o)- "Segment Reporting" to the Financial Statements. There is a further disclosure of revenue generated by geographical market which is provided only as per the specific requirement of Ind AS 108 for a single reportable segment.

(Amount in Lakhs)

Particulars	Contract Type		
Revenue by geographical market	**At a point in time**	**Over time**	**Total**
Domestic			
Product	194.61	-	194.61
Services	-	6,902.87	6,902.87
Commission	50.94	-	50.94
Cloud	247.98	-	247.98
Total	493.53	6,902.87	7,396.40
Export			
Product	473.37	-	473.37
Services	-	4,848.58	4,848.58
Commission	47.23	-	47.23
Cloud	481.90	-	481.90
Total	1,002.50	4,848.58	5,851.08
Total (A+B)	1,496.03	11,751.45	13,247.48

C. Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including adjustments for currency.

(Amount in Lakhs)

Changes in contract asset are as follows:	
Balance at the beginning of the year	1,540.27
Revenue recognised during the year of the opening balance	(1,540.27)
Revenue reversed during the year of the opening balance	-
Revenue recognised during the year	14,432.98
Invoices raised during the year post Deferred Revenue	297.80
Balance at the end of the year	**1,787.52**
Changes in deferred revenue are as follows :	
Balance at the beginning of the year	354.78
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(354.78)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**297.80**

Use of significant judgements in revenue recognition

The Company’s contracts with customers includes promise to transfer products / services to the customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price is the fixed amount charged to the customer. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

The Company uses judgement to determine an appropriate standalone selling price for each performance obligation. The Company allocates the transaction price to each performance obligation on the basis of standalone selling price of each product or service as mentioned in the contract. Where standalone selling price is not available, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The revenue for fixed-price contract is recognised using Percentage-Of-Completion Method (POCM). The Company uses judgement to estimate the future cost to complete the contracts which is used to determine the percentage of completion of the performance obligation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

31 Financial Ratios :

Ratio	Formula	As at March 31, 2022	As at March 31, 2021	Variance
Current Ratio	Current Assets / Current Liabilities	2.05	1.95	4.86%
Debt – Equity Ratio	Debt / Equity	NA	NA	NA
Debt Service Coverage Ratio	Earnings Available For Debt Service / Debt Service	NA	NA	NA
Return on Equity (ROE):	Net Profits After Taxes / Average Shareholder’S Equity	21.62%	18.43%	17.30%
Inventory Turnover Ratio	Cost Of Goods Sold Or Sales / Average Inventory	NA	NA	NA
Trade Receivables Turnover Ratio	Revenue / Avg. Accounts Receivable	6.14	5.71	7.46%
Trade Payable Turnover Ratio	Purchases Of Services & Other Exp. / Average Trade Payables	5.66	6.24	-9.18%
Net Capital Turnover Ratio	Revenue / Working Capital	2.51	2.93	-14.43%
Net Profit Ratio*	Net Profit After Taxes / Revenue	9.33%	6.95%	34.16%
Return on Capital Employed (ROCE)	Earning Before Interest And Taxes / Capital Employed	27.25%	22.99%	18.51%
Return on Investment**	Income Generated From Investments / Average Investments	3.17%	2.38%	33.27%

* Revenue growth along with better control on costs has resulted in an improvement in the ratio
** Higher returns due to increased investments during the year has resulted in an improvement in the ratio

32 During the year Company has not entered in to any transactions with struck-off Companies.
As at year end Company does not have:
i) Investments in shares / securities of Struck-off Companies.
ii) Receivables / Payables /outstanding balances from Struck-off Companies.

33 Previous years' figures have been regrouped / restated wherever necessary to conform to current year’s classification.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GODREJ INFOTECH LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **GODREJ INFOTECH LIMITED** ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2022, of consolidated profit, (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 28.B.1 to the Consolidated Financial Statements, whereby in addition to the existing demand letter from the Department of Telecommunication (DoT) amounting to Rs. 12,115 lakhs for the financial year 2005-06 to 2013-14 (except 2007-08), during the financial year additional demand letters amounting to Rs. 4,278 Lakhs for the financial year 2007-08 and 2014-15 is received by the Holding Company. DoT has considered as "Miscellaneous Income" the Non – Telecom Revenue of the Holding Company i.e. the revenue generated by the Holding Company from its mainstream businesses of implementation, consultancy and support services of ERP software including trading of software licenses as part of Adjusted Gross Revenue (AGR). The Holding Company has contested the demands before DoT and requested for their withdrawal, as in the opinion of the management the same are not payable in terms of its ISP License agreements.

Our opinion is not modified in respect of this matter.

Information other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, namely Director's Report including annexures to Director's Report, but does not include the Consolidated Financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

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

(a) Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and subsidiary companies have adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

(d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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

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

Other Matters:

1. We did not audit the financial statements of three subsidiaries incorporated outside India included in the Consolidated Financial Statements, whose financial statements reflect total asset of Rs. 3,701.88 lakhs as at March 31, 2022; total revenue of Rs. 3,032.71 lakhs and net cash flows amounting to Rs. 827.52 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

2. These subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India (Indian Accounting Standards 'Ind AS'). We have audited these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of the other auditors and the conversion adjustments made by the Holding Company’s management and audited by us. Our report on the statement is not modified in respect of these matters.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant Rules of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) As there are no subsidiaries incorporated in India, this report does not contain a separate report on the internal financial controls with reference to financial statements of the Group under Clause(i) of Sub-section 3 of Section 143 of the Act.

   (g) According to information and explanation given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and hence, the provisions of Section 197(16) of the Act is not applicable.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group does not have any pending litigations to be disclosed in its Consolidated Financial Statements except as referred in Note 30.B to the Consolidated Financial Statements.

      ii. The Group did not have any long-term contracts during the year ended March 31, 2022, for which there were any material foreseeable losses. Derivative contracts are appropriately dealt with in the books of account.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2022.

iv. (a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared and paid by the Holding Company during the year and until the date of this report is in compliance with Section 123 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) of the Companies (Auditor’s Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s Consolidated Financial Statements report, according to the information and explanations given to us, we report that CARO is applicable only to the Holding company as none of the companies included in the Consolidated Financial Statements are Indian Subsidiaries to whom CARO is applicable. We have not reported any qualification or adverse remark in the CARO report of the Holding Company.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W/W100166

Sd/-

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 22127355AJDJRA9080
Place: Chennai
Date: May 17, 2022

GODREJ INFOTECH LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Amount in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	2	78.25	94.32
(b) Capital Work-in-Progress		-	1.00
(c) Goodwill		54.49	54.49
(d) Financial Assets			
Other Non-Current Financial Assets	3	2.73	13.20
(e) Deferred Tax Assets (Net)	4	95.50	94.09
(f) Income Tax Assets (Net)	5	826.82	703.73
(g) Other Non - Current Assets	6	107.82	108.17
Total Non-current Assets		**1,165.61**	**1,069.00**
2. Current Assets			
(a) Financial Assets			
(i) Investments	7	2,408.70	2,406.47
(ii) Trade Receivables	8	1,344.92	1,582.00
(iii) Cash and Cash Equivalents	9	4,970.58	4,143.06
(iv) Other Current Financial Assets	10	1,874.29	1,536.82
(b) Other Current Assets	11	455.02	403.32
Total Current Assets		**11,053.51**	**10,071.67**
TOTAL ASSETS		**12,219.12**	**11,140.67**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	9.70	9.70
(b) Other Equity	13	7,481.08	6,113.31
(c) Non-Controlling Interest	14	80.73	57.15
TOTAL EQUITY		**7,571.51**	**6,180.16**
LIABILITIES			
1. Non Current Liabilities			
Provisions	15	216.08	289.26
Total Non Current Liabilities		**216.08**	**289.26**
2. Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	16		
(A) total outstanding dues of micro enterprises and small enterprises		17.61	18.29
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		631.65	439.01
(ii) Others	17	1,993.92	2,916.21
(b) Other Current Liabilities	18	1,658.90	1,244.44
(c) Provisions	19	125.93	51.02
(d) Current Tax Liabilities (Net)	20	3.52	2.28
Total Current Liabilities		**4,431.53**	**4,671.25**
TOTAL EQUITY AND LIABILITIES		**12,219.12**	**11,140.67**
Significant accounting policies	1		

The accompanying notes 1 to 36 form an integral part of the Consolidated Financial Statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACOUNTANTS
Firm Registration Number 104607W/W100166

For and on behalf of the Board of Directors

FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Chennai

K.A. PALIA
Chairman
(DIN: 00281971)
Place: Mumbai

M.M. PARPIA
Director
(DIN: 00118333)
Place: Mumbai

Date: May 17, 2022

AJAY PIMPARKAR
Chief Executive Officer
Place: Mumbai

Ayushi Thakker
Company Secretary
(M. No.: A64098)
Place: Mumbai

GODREJ INFOTECH LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
1.	Revenue from Operations	21	13,506.23	12,695.05
2.	Other Income	22	96.29	89.35
	TOTAL INCOME		**13,602.52**	**12,784.40**
II	**EXPENSES**			
1.	Cost of Sales/ Services	23	1,178.51	969.95
2.	Employee Benefits Expense	24	8,711.87	8,879.29
3.	Depreciation and Amortization Expense	2	22.37	22.64
4.	Other Expenses	25	1,575.20	1,432.99
	TOTAL EXPENSES		**11,487.95**	**11,304.87**
III	**PROFIT BEFORE TAX**		**2,114.57**	**1,479.53**
IV	**TAX EXPENSE**			
	Current Tax	4(b)	690.18	382.41
	Deferred Tax	4(b)	(14.42)	(7.03)
	TOTAL TAX EXPENSE		**675.76**	**375.38**
V	**PROFIT FOR THE YEAR**		**1,438.81**	**1,104.15**
VI	**OTHER COMPREHENSIVE INCOME FOR THE YEAR**			
	Items that will not be subsequently reclassified to Statement of Profit and Loss			
1.	Remeasurement of defined employee benefit plans		52.93	136.24
2.	Income Tax relating to items that will not be reclassified to Statement of Profit and Loss		(13.32)	(34.29)
	Total (A)		**39.61**	**101.95**
	Items that will be subsequently reclassified to Statement of Profit and Loss			
1.	Exchange differences in translating the financial statements of foreign operations		9.93	22.48
2.	Income Tax relating to items that will be reclassified to Statement of Profit and Loss		-	-
	Total (B)		**9.93**	**22.48**
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**49.54**	**124.43**
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**1,488.35**	**1,228.58**
	Profit for the Year attributable to:			
	Owners of the Company		1,413.89	1,088.52
	Non-Controlling Interests		24.92	15.63
	Total Other Comprehensive Income for the Year attributable to:			
	Owners of the Company		50.88	123.44
	Non-Controlling Interests		(1.34)	0.99
	Total Comprehensive Income for the Year attributable to:			
	Owners of the Company		1,464.77	1,211.96
	Non-Controlling Interests		23.58	16.62
VII	**EARNINGS PER EQUITY SHARE**			
	Basic & Diluted	26	14,833	11,383
	Significant accounting policies	1		

The accompanying notes 1 to 36 form an integral part of the Consolidated Financial Statements.

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Firm Registration Number 104607W/W100166

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Place: Mumbai

Date: May 17, 2022

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Chief Executive Officer
Place: Mumbai

Ayushi Thakker
Company Secretary
(M. No.: A64098)
Place: Mumbai

GODREJ INFOTECH LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities		
Profit Before Tax	2,114.57	1,479.53
Adjustments for :		
Depreciation and amortisation expense	22.37	22.64
Gain on Disposal of Property, Plant and Equipment	(2.08)	(1.55)
Bad Debts Written Off	15.66	0.46
Provision for Doubtful Debts	31.26	50.42
Interest on Other financial assets carried at amortised cost	(0.09)	(0.09)
Gain on Sale of Investments in Mutual Funds	(5.89)	(17.33)
Net gain on fair value changes on financial instruments classified as FVTPL	(70.32)	(38.82)
Interest on Income Tax Refund	-	(0.09)
Foreign Exchange Difference Loss/ (Gain) (Unrealised)	(19.51)	38.62
Foreign Currency Translation Effect	9.93	22.48
Operating Profit before Working Capital Changes	**2,095.90**	**1,556.27**
Adjustments for :		
Trade Receivables	209.67	840.77
Other Assets/ Receivables	(378.25)	(1,403.55)
Trade payable and Other liabilities	(260.05)	1,228.05
Cash Generated from Operations	**1,667.27**	**2,221.54**
Direct Taxes Paid (Incl. Tax Deducted at Source) Net of Refund	(813.58)	(560.53)
Net Cash Flow from/(used in) Operating Activities	**853.69**	**1,661.01**
B. Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment	(5.53)	(7.36)
Sales of Property, Plant and Equipment	2.39	2.17
Sale/(Purchase) of Mutual Funds (Net)	73.98	(29.02)
Net Cash Flow from/(used in) Investing Activities	**70.84**	**(34.21)**
C. Cash Flow From Financing Activities		
Dividend Paid	(97.00)	(97.00)
Net Cash Flow from/(used in) Financing Activities	**(97.00)**	**(97.00)**
Net Increase/(Decrease) in Cash and Cash Equivalent	**827.53**	**1,529.80**
Cash & Cash Equivalents at the beginning of the year	4,143.06	2,613.26
Cash & Cash Equivalents at the end of the year	**4,970.58**	**4,143.06**

Note:

The above Statement of Cash Flow includes INR 31.80 lakhs (Previous Year 2021: INR 33.29 lakhs) towards Corporate Social Responsibility (CSR) activities.

The accompanying notes 1 to 36 form an integral part of the Consolidated Financial Statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACOUNTANTS
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Place: Mumbai

Date: May 17, 2022

AJAY PIMPARKAR
Chief Executive Officer
Place: Mumbai

Ayushi Thakker
Company Secretary
(M. No.: A64098)
Place: Mumbai

GODREJ INFOTECH LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	No. of Shares	Amount (in Lakhs)	No. of Shares	Amount (in Lakhs)
Balance at the beginning of the reporting year	9,700	9.70	9,700	9.70
Changes in Equity Share Capital during the year	-	-	-	-
Balance at the end of the reporting year	**9,700**	**9.70**	**9,700**	**9.70**

B. Other Equity

(Amount in Lakhs)

Particulars	Reserves & Surplus			Foreign Currency Translation Reserve (FCTR)	Attributable to Owners of the Parent	Non-Controlling Interest	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings				
Balance as at April 01, 2020	**190.00**	**2.22**	**4,749.50**	**56.63**	**4,998.35**	**40.53**	**5,038.88**
Total Comprehensive Income for the Year							
Profit for the Year	-	-	1,088.52	-	1,088.52	15.63	**1,104.15**
Remeasurement of Defined Employee Benefit Plan	-	-	101.95	-	101.95	-	**101.95**
Exchange differences in translating the financial statements of foreign operations	-	-	-	21.49	21.49	0.99	**22.48**
Total	**190.00**	**2.22**	**5,939.97**	**78.12**	**6,210.31**	**57.15**	**6,267.46**
Contributions and Distributions							
Dividend on Equity Shares	-	-	(97.00)	-	(97.00)	-	**(97.00)**
Total	**-**	**-**	**(97.00)**	**-**	**(97.00)**	**-**	**(97.00)**
Balance as at March 31, 2021	**190.00**	**2.22**	**5,842.97**	**78.12**	**6,113.31**	**57.15**	**6,170.46**
Total Comprehensive Income for the Year							
Profit for the Year	-	-	1,413.89	-	1,413.89	24.92	**1,438.81**
Remeasurement of Defined Employee Benefit Plan	-	-	39.61	-	39.61	-	**39.61**
Exchange differences in translating the financial statements of foreign operations	-	-	-	11.27	11.27	(1.34)	**9.93**
Total	**190.00**	**2.22**	**7,296.47**	**89.39**	**7,578.08**	**80.73**	**7,658.81**
Contributions and Distributions							
Equity Dividend	-	-	(97.00)	-	(97.00)	-	(97.00)
Total	**-**	**-**	**(97.00)**	**-**	**(97.00)**	**-**	**(97.00)**
Balance as at March 31, 2022	**190.00**	**2.22**	**7,199.47**	**89.39**	**7,481.08**	**80.73**	**7,561.81**

The accompanying notes 1 to 36 form an integral part of the Consolidated Financial Statements.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACOUNTANTS
Firm Registration Number 104607W/W100166

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Chief Executive Officer
Place: Mumbai

Ayushi Thakker
Company Secretary
(M. No.: A64098)
Place: Mumbai

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1 Significant Accounting Policies

A. Group overview

Godrej Infotech Limited ('the Holding Company') including its subsidiaries collectively referred to as ("the Group") is a leading provider in consulting, technology, outsourcing and next-generation services. Along with its subsidiaries, the Company provides Business IT services; Consulting and systems integration & implementation, and support services; Products, business platforms and solutions to accelerate intellectual property-led innovation; and offerings in the areas of Analytics, Cloud, and Digital Transformation.

The Holding Company is a public limited company incorporated and domiciled in India and has its registered office at Pirojshanagar, Vikhroli (West), Mumbai - 400 079.

B. Basis of preparation of consolidated financial statements

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Group’s Financial Statements for the year ended March 31, 2022 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and Notes to Consolidated Financial Statements.

a Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

b Functional and Presentation Currency

The financial statements are presented in Indian rupee, which is the functional currency of the Holding Company. All financial information has been rounded to the nearest lakhs, unless otherwise indicated.

c Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for certain financial assets and liabilities, including financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured on the basis of actuarial valuation as required by relevant Ind AS.

d Use of Estimates, Judgements & Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities, are included in the following notes:

(i) Determination of the estimated useful lives of property, plant and equipment and intangible assets.
(ii) Recognition and measurement of defined benefit obligations, key actuarial assumptions.
(iii) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
(iv) Recognition of deferred tax assets.
(v) Fair value of financial instruments.
(vi) Applicable discount rate.

e Impact of Covid-19 pendamic

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements, including but not limited to liquidity and going concern assumption and carrying amount of financial and non-financial assets. In developing the assumptions, relating to the possible future uncertainties in the global economic condition because of this pandemic, the Company has at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from the estimates as at the date of approval of the financial statement.

f Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

g Recent accounting pronouncements

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

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced (while bringing the asset to that location and condition) over the cost of testing the asset, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

h Measurement of fair values

The Group's accounting policies and disclosures require the financial instruments to be measured at fair values.

The Group has an established control framework with respect to measurement of fair values. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusions that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

C Critical Accounting Estimates

a. Revenue recognition

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Income taxes

The Group's major tax jurisdictions are in India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

D Significant Accounting Policies

a. Business Combination

The Group accounts for each business combination (other than common control transactions) by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Group measures goodwill as of the applicable acquisition date at excess of the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (measured at fair value) of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve on consolidation.

Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

b. Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of profit or loss. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

c. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee.

d. Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest (“NCI”) is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recognized as goodwill. The associated cash flows are classified as financing activities.

e. Basis of Consolidation

(i) The consolidated financial statements relate to Godrej Infotech Limited and its subsidiaries.

(ii) Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over a subsidiary.

(iii) The financial statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intragroup balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are fully eliminated while preparing these consolidated financial statements.

(iv) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company except for LVD Godrej Infotech NV whose reporting period is calendar year.

(v) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their policies in line with the Group’s accounting policies.

f. Property, Plant & Equipment

(i) Recognition and Measurement

Property, plant and equipment is initially measured at cost net of tax credit availed less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

When significant parts of Property, Plant and Equipment are required to be replaced, the Group derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly.

(ii) Depreciation

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value.

Depreciation is provided on Straight Line Method over the estimated useful lives of the property, plant and equipment prescribed under Schedule II to the Companies Act, 2013 on pro rata basis. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation.

Leasehold land is amortised equally over the period of lease.

The estimated useful lives, residual values and depreciation methods are reviewed by the management at each reporting date and adjusted if appropriate.

(iii) Disposal or Retirement

Property, plant and equipment are derecognised either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised in the Statement of Profit and Loss in the year of occurrence.

g. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the 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).

If the recoverable amount of asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expenses in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, 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 in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h Financial Instruments

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

I. Financial Assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

(i) Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

(ii) Subsequent measurement and classification

For the purpose of subsequent measurement, the financial assets are classified into three categories:

- Financial assets at amortised cost
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

on the basis of its business model for managing the financial assets

(iii) Financial assets 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 assets for collecting contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment, if any. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial asset at Fair Value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income (FVTOCI) 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to ‘other income’ in the Statement of Profit and Loss.

(v) Financial asset at Fair Value through profit or loss (FVTPL)

A financial asset which are not classified in any of the above categories are measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as ‘other income’ in the Statement of Profit and Loss.

(vi) Financial assets as Equity Investments

All equity instruments other than investment in subsidiaries and associate are initially measured at fair value; the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as ‘other income’ in the Statement of Profit and Loss.

(vii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(viii) Impairment of financial assets

The Group applies 'Simplified Approach' for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- Financial assets that are debt instruments and are measured at amortised cost e.g. loans, deposits and bank balance
- Trade receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

(i) Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

(ii) Initial recognition and measurement

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

(iii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

(iv) Derecognition

A financial liability is derecognized 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 and Loss.

III. 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 or to realize the assets and settle the liabilities simultaneously.

i Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

j Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ii) Contingent Liabilities

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

(iii) Contingent Assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

k Revenue recognition

The Group derives revenues mainly from software development and related services and from trading of third party licenses.

(i) Sale of software products / licenses

Revenue from the sale of third party software products / licenses which do not require any significant modification is recognised upon delivery i.e. "point in time", which is when the absolute right to use passes to the customer and the Group does not have any material remaining service obligations.

(ii) Sale of service – implementation (Fixed Price contracts)

Revenue from third party software implementation contracts which does not requires any significant customisation, which are generally time bound fixed price contracts, is recognised over the life of the contract using the percentage-of-completion method, with the contract milestone determining the degree of completion.

Revenue in excess of billings i.e. the Group's right to consideration in exchange of products or services that the Group has transferred to a customer is recognised as contract asset in the balance sheet;

To the extent billings are in excess of revenue recognised i.e. there is obligation on the Group to transfer products or services to a customer, the excess is reported as unearned i.e. contract liability in the balance sheet.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or cost expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

(iii) Sale of service – consultancy (Time & Material)

Revenue from contracts priced on a time and material basis is recognised as services are rendered and as related costs are incurred.

(iv) After sale service – consultancy (Time & Material)

Revenue from maintenance contracts is recognised on a pro-rata basis over the period of the contract.

(v) Commission

When (or as) the Group as an agent satisfies a performance obligation, the Group recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

(vi) Other income

Interest income is recognised using the effective interest method.
Dividend income is recognised when the right to receive payment is established.

l Employee Benefits

i. Short term employee benefits (payable wholly within twelve months of rendering the service)

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Post-employment benefits:

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Group's contributions paid/payable to Managerial Superannuation Fund, Employees' State Insurance Scheme, Employees' Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes, and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

However, the Rules of the Holding Company's Provident Fund (PF) administered by an approved Trust, require that if the Board of Trustees is unable to pay interest at the rate declared for the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952, for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Group.

iii. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in profit or loss in the period in which they arise. Other employee benefits include leave encashment/long-term compensated absences schemes.

m Borrowing Cost

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset are capitalized upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready to its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

n Foreign currency transactions / translations

Foreign currency transactions are accounted for at exchange rates prevailing at the date of the transaction. Gains or losses, resulting from the settlement (actual realization /payment) of such transactions and from the translation of monetary current assets and monetary liabilities denominated in foreign currencies into rupees at the year-end exchange rates, are recognised in the Statement of Profit and Loss. Non-monetary items like fixed assets, inventories and investments in equity shares, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. The Group's forward exchange contracts are not held for trading or speculation; the discount or premium arising from the difference between the forward rate and the spot rate at the inception of such a contract is amortized as income or expense over the period of the contract. Any profit or loss arising from such contracts is recognised in the Statement of Profit and Loss.

o Leases

The Group assesses whether a contract contains a lease at the inception of the contract. Leases of assets (other than short term leases or leases for which the underlying asset is of low value) are recognised if the lease contract conveys the right to the Group to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control the used of an identified asset for a period of time, if throughout the period of lease, the Group has both of the following:

(i) The right to obtain substantially all of the economic benefits from use of the identified asset.
(ii) The right to direct the use of the identified asset.

At the date of commencement of lease, the Group recognises a Right-Of-Use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases for a term of twelve months or less (short term leases) and low value leases. For short term leases and low value leases, the Group recognises the lease payments as an expense on a straight-line basis over the lease term. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the the incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments or if Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero

p Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

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

(i) has a legally enforceable right to set off the recognised amounts; and
(ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

(i) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
(ii) temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

a. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that there is virtual certainty supported by convincing evidence of their realisation and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum Alternate Tax (MAT) Credit Entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period in which such credit can be carried forward for set-off. The carrying amount of MAT Credit Entitlement is reviewed at each balance sheet date.

q Earnings Per Share

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

r Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) which is a single business segment in IT products and services. The CODM, being the Chief Executive Officer assesses the financial performance and position of the Company and makes strategic decisions.

2. Property, Plant and Equipment

Particulars	Furniture and Fixtures	Office Equipment	Computer	Vehicle	Total
As at March 31, 2022					
As at April 01, 2021	123.05	34.10	28.60	0.09	185.84
Additions	1.67	1.37	3.49	-	6.53
Disposals	0.44	4.10	4.63	-	9.17
Other Adjustments (including foreign exchange on translation)	0.01	-	0.32	-	0.33
As at March 31, 2022	**124.29**	**31.38**	**27.79**	**0.09**	**183.53**
Accumulated Depreciation					
Upto April 01, 2021	50.06	20.36	21.08	0.02	91.52
For the year	12.39	5.07	4.90	0.01	22.37
Disposals	0.19	4.10	4.57	-	8.86
Other Adjustments (including foreign exchange on translation)	-	-	0.25	-	0.25
Upto March 31, 2022	**62.26**	**21.33**	**21.66**	**0.03**	**105.28**
Net Block as at March 31, 2022	**62.03**	**10.05**	**6.13**	**0.06**	**78.25**
Capital Work-in-Progress as at March 31, 2022	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021					
Upto April 01, 2020	102.07	29.79	31.02	0.09	162.97
Additions	22.04	6.13	0.23	-	28.40
Disposals	1.07	1.82	2.86	-	5.75
Other Adjustments (including foreign exchange on translation)	0.01	-	0.21	-	0.22
As at March 31, 2021	**123.05**	**34.10**	**28.60**	**0.09**	**185.84**
Accumulated Depreciation					
Upto April 01, 2020	38.34	16.96	18.58	0.01	73.89
For the year	12.19	5.21	5.23	0.01	22.64
Disposals	0.47	1.81	2.86	-	5.14
Other Adjustments (including foreign exchange on translation)	-	-	0.13	-	0.13
Upto March 31, 2021	**50.06**	**20.36**	**21.08**	**0.02**	**91.52**
Net Block as at March 31, 2021	**72.99**	**13.74**	**7.52**	**0.07**	**94.32**
Capital Work-in-Progress as at March 31, 2021	**-**	**-**	**-**	**-**	**1.00**

Note:

a. Refer Note 29(C) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in Lakhs)

	As at March 31, 2022	As at March 31, 2021
3 Other Non-Current Financial Assets		
Unsecured, Considered Good		
Security Deposits	2.73	13.20
	2.73	**13.20**

4 Deferred Tax Asset and Tax Expense

(a) Movement in Deferred Tax Balances

(i)

Particulars	Net Balance as at March 31, 2021	Movement during the year		As at March 31, 2022
		Recognised in Profit or Loss	Recognised in OCI	
Deferred Tax Asset/(Liabilities)				
Property, Plant and Equipment	9.78	0.95	-	10.73
Employee Benefits	33.07	18.41	(13.32)	38.16
Fair valuation of financial instruments	(9.71)	(12.81)	-	(22.52)
Other Items	60.95	8.18	-	69.13
Deferred Tax Assets/(Liabilities)	**94.09**	**14.73**	**(13.32)**	**95.50**

(ii)

Particulars	Net Balance as at April 01, 2020	Movement during the year		As at March 31, 2021
		Recognised in Profit or Loss	Recognised in OCI	
Deferred Tax Asset/(Liabilities)				
Property, Plant and Equipment	3.66	6.12	-	9.78
Employee Benefits	70.90	(3.54)	(34.29)	33.07
Fair valuation of financial instruments	-	(9.71)	-	(9.71)
Other Items	46.79	14.16	-	60.95
Deferred Tax Assets/(Liabilities)	**121.35**	**7.03**	**(34.29)**	**94.09**

(b) Tax expense recognised in Consolidated Statement of Profit and Loss (Amount in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current Tax		
In respect of Current Year	531.05	411.56
In respect of Withholding Taxes Adjustments	152.89	12.41
Prior period tax adjustments	6.24	(41.56)
	690.18	**382.41**
Deferred Tax		
Origination and reversal of Tax on Temporary differences	(14.42)	(7.03)
	(14.42)	**(7.03)**
Tax Expense for the year	**675.76**	**375.38**

(c) Amounts recognised in Other Comprehensive Income (Amount in Lakhs)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before Tax	Tax (Expense) Benefit	Net of Tax	Before Tax	Tax (Expense) Benefit	Net of Tax
Remeasurements of Defined Benefit Liability/ (Asset)	52.93	(13.32)	39.61	136.24	(34.29)	101.95
Exchange differences in translating the financial statements of foreign operations	9.93	-	9.93	22.48	-	22.48
Total	**62.86**	**(13.32)**	**49.54**	**158.72**	**(34.29)**	**124.43**

(d) Reconciliation of Effective Tax Rate (Amount in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Profit Before Tax	2,114.57	1,479.53
Tax rate	25.17%	25.17%
Expected Income Tax Expense	532.19	372.37
Tax effect of:		
Prior period tax adjustments	6.24	(41.56)
Allowable Deductions	(1.58)	(1.58)
Effect of tax provision at subsidiaries	679.56	61.24
Difference in tax rate	4.36	4.36
Property, Plant and Equipment	(6.12)	(6.12)
Employee Benefits	3.54	3.54
Non-Deductible expenses	56.57	56.57
Withholding Taxes Adjustments	152.89	12.41
Impact of Consolidation Adjustments	(745.12)	(79.08)
Provision for Doubtful Debts	(4.45)	(4.45)
Impact of Fair Value Adjustments	(2.32)	(2.32)
Tax expense recognised	**675.76**	**375.38**

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
5	**Income Tax Assets (Net)**		
	Advance Tax and Tax Deducted at Source (Net)	826.82	703.73
		826.82	**703.73**
6	**Other non - current assets**		
	a) Prepaid Expenses	0.45	0.80
	b) Balance with Government Authorities	107.37	107.37
		107.82	**108.17**
7	**Investments**		
	Unquoted, carried at Fair Value Through Profit or Loss		
	Investments in Mutual funds		
	(a) 2,37,676.77 (P.Y.: 2,45,406.27) Units of Aditya Birla Sun Life Liquid Fund-Regular-Growth	809.14	808.15
	(b) 2,52,348.63 (P.Y.: 2,60,585) Units of ICICI Prudential Liquid Fund-Reg-Growth	790.21	789.69
	(c) 15,671.68 (P.Y.: 16,180.94) Units of Nippon India Liquid Fund - Growth	809.35	808.63
		2,408.70	**2,406.47**
	Aggregate amount of Unquoted Investments and Market Value thereof	**2,408.70**	**2,406.47**
	Aggregate amount of impairment in value of Investments	**-**	**-**
8	**Trade Receivables**		
	Unsecured, Considered Good (Refer Note 8.4)	1,344.92	1,581.98
	Unsecured, Credit Impaired	270.12	238.86
		1,615.04	1,820.84
	Less: Allowances for Doubtful Receivables	(270.12)	(238.84)
		1,344.92	**1,582.00**

8.1 No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively, in which any director is a partner, a director or a member.

8.2 The Company has used practical expedient by computing expected credit loss allowance for trade receivables by taking into consideration historical credit loss experience and adjusted for forward looking information. The expected credit loss is based on ageing of the days the receivables are due and the expected credit loss rate. The Company is still pursuing the recovery of the receivables for which allowance is made for doubtful debts.

8.3 Trade receivables ageing schedule as at March 31, 2022

Particulars	**Outstanding for following periods from due date of payment**						**Total**
	Not Due	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables – considered good	646.40	570.23	89.93	26.72	7.03	4.61	**1,344.92**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired	0.83	13.41	12.26	68.12	50.11	71.58	**216.31**
(iv) Disputed Trade Receivables – considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired						53.81	**53.81**
Total	**647.23**	**583.64**	**102.19**	**94.84**	**57.14**	**130.00**	**1,615.04**

Trade receivables ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,103.13	418.42	59.37	0.18	0.19	0.70	**1,581.99**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired	0.20	11.64	17.47	80.61	35.14	39.98	**185.04**
(iv) Disputed Trade Receivables – considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired						53.81	**53.81**
Total	**1103.33**	**430.06**	**76.84**	**80.79**	**35.33**	**94.49**	**1,820.84**

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
8.4	The movement in allowance for doubtful receivables is as follows:		
	Balance as at Beginning of the Year	**238.84**	**188.22**
	Add: Created during the Year	31.28	99.10
	Less: Amount Realised during the Year	-	48.48
	Balance as at end of the Year	**270.12**	**238.84**
9	**Cash and Cash Equivalents**		
a)	Balances with Banks in Current Accounts	4,970.58	4,142.97
b)	Cash on Hand^	-	0.09
	^ Current year Cash balance Rs. 75/-		
		4,970.58	**4,143.06**
10	**Other Current Financial Assets**		
	Unsecured, Considered Good		
	Security Deposits	16.17	12.69
	Contract Asset		
	Unbilled Revenue	1,858.12	1,524.13
		1,874.29	**1,536.82**

10.1 Contract assets include Unbilled Revenue from related parties of Rs. 1,228.19 lakhs (Previous Year: Rs.1,184.12 lakhs)

		As at March 31, 2022	As at March 31, 2021
11	**Other Current Assets**		
(a)	Prepaid Expenses	77.73	67.29
(b)	Advance Payment to Suppliers & Others	186.55	109.21
(c)	Balance with Government Authorities	184.55	225.23
(c)	Others*	6.19	1.59
		455.02	**403.32**

* Others comprise of tour expenses and employee recoverables

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2022	As at March 31, 2021
		(Amount in Lakhs)
12 Equity Share Capital		
(a) Authorised:		
10,00,000 Equity Shares of Rs. 100/- each (Previous year 10,00,000 Equity Shares of Rs. 100/- each)	1,000.00	1,000.00
(b) Issued, Subscribed and Paid Up :		
9,700 Equity Shares of Rs. 100/- each, fully paid up (Previous year 9,700 Equity Shares of Rs. 100/- each, fully paid up)	9.70	9.70
	9.70	**9.70**

(c) Reconciliation of number of Shares and amount outstanding at the beginning and at the end of the Year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Outstanding at the beginning of the Year	9,700	9.70	9,700	9.70
Add: Addition during the year	-	-	-	-
Outstanding at the end of the Year	**9,700**	**9.70**	**9,700**	**9.70**

(d) Rights, preferences and restrictions attached to Equity Shares

The Holding Company has only one class of shares having par value of INR 100 per share. Each holder of Equity Shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shareholding Information

(No. of Shares)

Equity Shares held by	As at March 31, 2022	As at March 31, 2021
Godrej & Boyce Mfg. Co. Ltd. (Holding Company)	5,050	5,050

(f) Details of Equity Shareholders holding more than 5% of the shares in the Company are given below :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Godrej & Boyce Mfg. Co. Ltd.	5,050	52.06%	5,050	52.06%
RKN Enterprises	930	9.59%	930	9.59%

(g) Shareholding of Promoters:

Promoter name	As at March 31, 2022		% Change during the year
	No. of Shares	% of total shares	
Godrej & Boyce Mfg Co Ltd	5,050	52.06%	-
Mr. Jamshyd Naoroji Godrej, Mrs Pheroza Jamshyd Godrej & Mr. Navroze Jamshyd Godrej (as trustees of the Raika Godrej Family Trust)	465	4.79%	-
Mr N J Godrej	465	4.79%	-
Mr P A Godrej	310	3.20%	-
Ms T A Dubhash	310	3.20%	-
Ms N A Godrej	310	3.20%	-
Mr B N Godrej	310	3.20%	-
Mr S N Godrej	310	3.20%	-
Mr H N Godrej	310	3.20%	-
Ms F C Bieri	465	4.79%	-
Ms Nyrika Holkar	465	4.79%	-
RKN Enterprises	930	9.59%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2021		
Promoter name	**No. of Shares**	**% of total shares**	**% Change during the year**
Godrej & Boyce Mfg Co Ltd	5,050	52.06%	-
Mr. Jamshyd Naoroji Godrej, Mrs Pheroza Jamshyd Godrej & Mr. Navroze Jamshyd Godrej (as trustees of the Raika Godrej Family Trust)	465	4.79%	-
Mr N J Godrej	465	4.79%	-
Mr P A Godrej	310	3.20%	-
Ms T A Dubhash	310	3.20%	-
Ms N A Godrej	310	3.20%	-
Mr B N Godrej	310	3.20%	-
Mr S N Godrej	310	3.20%	-
Mr H N Godrej	310	3.20%	-
Ms F C Bieri	465	4.79%	-
Ms Nyrika Holkar	465	4.79%	-
RKN Enterprises	930	9.59%	-

(Amount in Lakhs)

	As at March 31, 2022	**As at March 31, 2021**
13 Other Equity		
(a) Securities Premium		
As per previous Balance Sheet	190.00	190.00
	190.00	**190.00**
(b) General Reserve		
Securities Premium - Opening Balance	2.22	2.22
	2.22	**2.22**
(d) Retained Earnings		
Opening Balance	5,842.97	4,749.50
Profit for the year	1,413.89	1,088.52
Remeasurement of Defined Benefit Liability/ (Assets)	39.61	101.95
Dividend including Dividend Distribution Tax	(97.00)	(97.00)
Closing Balance	**7,199.47**	**5,842.97**
(c) Foreign Currency Translation Reserve		
Opening Balance	78.12	56.63
Additions during the year	11.27	21.49
	89.39	**78.12**
	7,481.08	**6,113.31**

13.1 Nature and Purpose of Reserves

(a) Securities Premium

The securities premium account has been created to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the accumulated profits earned by the Company till date, less dividend to the shareholders

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

14 Non-Controlling Interests

14.1 The details of Non-Controlling Interests in Subsidiaries are provided below:

(Amount in Lakhs)

Name	Profit / (Loss) allocated to Non-Controlling Interests		Accumulated Non-Controlling Interests	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
LVD Godrej Infotech NV (Country of Incorporation - Belgium) (Share of Non- Controlling Interests - 10%)	24.92	15.63	80.73	57.15
	24.92	**15.63**	**80.73**	**57.15**

14.2 Movement of Non-Controlling Interests

(Amount in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	57.15	40.53
Share of Profit / (Loss) for the year	24.92	15.63
Effect of foreign currency exchange differences during the year	(1.34)	0.99
Balance at the end of the year	**80.73**	**57.15**

14.3 The summarised financial information of subsidiary with non-controlling interest are as follows:

The summarised financial information of subsidiary - LVD Godrej Infotech NV below represents amounts before intra group eliminations

(Amount in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets	-	-
Current assets	1,096.35	824.61
Non-current liabilities	-	-
Current liabilities	289.05	253.12
Equity attributable to the owners	726.57	514.34
Non-controlling interests	80.73	57.15
Total income	1,419.05	1,273.95
Total expenses	1,085.00	1,064.11
Profit / (loss) for the year	249.24	156.29
Profit / (loss) attributable to owners of the Company	224.32	140.66
Profit / (loss) attributable to non-controlling interests	24.92	15.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		As at March 31, 2022	As at March 31, 2021
			(Amount in Lakhs)
15	**Non Current Provisions**		
	Provision for Employee Benefits		
	Provision for Unavailed Leave	216.08	289.26
		216.08	**289.26**
16	**Current Financial Liabilities - Trade Payables**		
	Payables for Goods & Services		
(a)	Total outstanding dues of micro enterprises and small enterprises;	17.61	18.29
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	631.65	439.01
		649.26	**457.30**

16.1 Trade Payables ageing schedule as at March 31, 2022

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	14.13	3.48				17.61
(ii) Others	337.57	251.68	23.00	14.26	4.22	630.73
(iii) Disputed Dues - MSME						
(iv) Disputed Dues - Others				0.92		0.92
Total	**351.70**	**255.16**	**23.00**	**15.18**	**4.22**	**649.26**

Trade Payables ageing schedule as at March 31, 2021

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	18.29					18.29
(ii) Others	267.44	145.65	17.53	3.44	4.95	439.01
(iii) Disputed Dues - MSME						
(iv) Disputed Dues - Others						
Total	**285.73**	**145.65**	**17.53**	**3.44**	**4.95**	**457.30**

16.2 For amounts due to the related parties - Refer Note No. 29

16.3 Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. The disclosures pursuant to MSMED Act based on the books of account are as under:

	Particulars	**As at March 31, 2022**	**As at March 31, 2021**
			(Amount in Lakhs)
(a)	Dues remaining unpaid	17.61	18.29
	Principal	17.61	18.29
	Interest	-	-
(b)	Interest paid in terms of Section 16 of MSMED Act	-	-
(c)	Amount of payments made to supplier beyond the appointed day	-	-
(d)	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year without adding interest specified under MSMED Act.	-	-
(e)	Amount of interest accrued and remaining unpaid	-	-
(f)	Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act.	-	-
(g)	Balance as at the year end	17.61	18.29

16.4 There are no amounts due and outstanding to be credited to Investors Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end

17	**Other Current Financial Liabilities**		
(a)	Employee Benefit Payable	1,682.77	1,781.76
(b)	Derivative Liability	-	0.24
(c)	Other Financial Liabilities	311.15	1,134.21
	(Other Financial liabilities include other payables and accrued expenses)		
		1,993.92	**2,916.21**
18	**Other Current Liabilities**		
(a)	Advance from customers	566.59	265.33
(b)	Income Received in Advance	608.93	459.05
(c)	Statutory Liabilities	483.38	520.06
		1,658.90	**1,244.44**
19	**Short Term Provisions**		
	Provision for Employee Benefits		
	Provision for Unavailed Leave	125.93	51.02
		125.93	**51.02**
20	**Current Tax Liabilities (Net)**		
	Provision for Tax		
	Provision for Tax (Net)	3.52	2.28
		3.52	**2.28**

(Amount in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
21	**Revenue from Operations**		
	(a) Sale of Products	667.98	743.38
	(b) Sale of Services	12,727.66	11,828.30
	(c) Other Operating Revenues:		
	Commission	110.59	123.37
	Total Revenue from Operations	**13,506.23**	**12,695.05**
22	**Other Income**		
	(a) Interest Income		
	(i) Interest on Income Tax Refund	-	0.09
	(ii) Other financial assets carried at amortised cost	-	0.61
		-	0.70
	(b) Other Non Operating Income		
	(i) Gain on Sale of Investments in Mutual Funds	5.89	17.33
	(ii) Net gain on fair value changes on financial instruments classified as FVTPL	70.32	38.82
	(iii) Profit on sale of assets	2.08	1.55
	(iv) Gain/(Loss) on derivative contracts	0.24	9.12
	(v) Miscellaneous Income	17.76	21.83
		96.29	88.65
	Total Other Income	**96.29**	**89.35**
23	**Cost of Sales/ Service**		
	(a) Purchase of Product & Licenses	520.48	576.59
	(b) Purchase of Services	658.03	393.36
	Total Cost of Sales/ Service	**1,178.51**	**969.95**
24	**Employee Benefits Expense**		
	(a) Salaries and Allowances	8,034.29	8,223.62
	(b) Contribution to Provident and other Funds	441.29	390.38
	(c) Contribution to Gratuity	134.22	157.40
	(d) Staff Welfare Expenses	102.07	107.89
	Total Employee Benefits Expense	**8,711.87**	**8,879.29**
24.1	**Details of Employee Benefit Plan**		
	(a) Defined Contribution Plan:		
	Amount contributed by the Holding Company to the Employees' Provident Fund recognised as an expense and included under Employee Benefit Expense	325.77	294.60

(b) Defined Benefit Plan - Gratuity:

Contribution to Gratuity Fund

Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the Payment of Gratuity Act or as per the Group's policy whichever is beneficial to the employees.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Change in Defined Benefit Obligation:		
Liability at the beginning of the year	1,377.65	1,309.56
Interest Cost	83.48	75.43
Current Service Cost	132.94	137.03
Benefit Paid from the Fund	(154.73)	(49.37)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(370.05)	31.32
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	21.20	(21.17)
Actuarial (Gains)/Losses on Obligations - Due to Experience	310.24	(105.15)
Liability at the end of the year	**1,400.73**	**1,377.65**
(ii) Amount recognised in the Balance Sheet:		
Liability at the end of the year	(1,400.73)	(1,377.65)
Fair value of plan assets at the end of the year	1,319.44	1,356.49
Difference	(81.29)	(21.16)
Amount recognised in the Balance Sheet	**(81.29)**	**(21.16)**
(iii) Expense recognised in the Statement of Profit and Loss:		
Current Service cost	132.94	137.03
Interest cost	1.28	20.37
Total Expense recognised in the Statement of Profit and Loss	**134.22**	**157.40**

(Amount in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
(iv)	**Expenses recognised in the Other Comprehensive Income (OCI)**		
	Actuarial (Gains)/Losses on Obligation For the Period	(38.61)	(95.00)
	Return on Plan Assets, Excluding Interest Income	(14.32)	(41.24)
	Net (Income)/Expense For the Period recognised in OCI	**(52.93)**	**(136.24)**

(v) The Principal assumptions used in determining the present value of defined benefit obligation for the Group's plan are given below:

Particulars	March 31, 2022	March 31, 2021
Discount Rate	5.15%	6.06%
Salary escalation rate	15.00%	15.00%
Attrition Rate	38.00%	17.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)

(vi) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumption as at March 31, 2022 is shown below:

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	(23.24)	24.46	(65.87)	73.38
Salary escalation rate (1% movement)	22.12	(21.48)	66.77	(61.50)
Attrition Rate (1% movement)	(9.16)	9.64	(29.57)	32.80

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

(vii) The expected future cash flows in respect of gratuity were as follows:

(Amount in Lakhs)

Maturity Analysis of Projected Benefit Obligation: From the Fund	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefits Payable in Future Years from the Reporting Date		
1st Following Year	465.68	173.46
2nd Following Year	350.67	151.32
3rd Following Year	274.26	196.99
4th Following Year	150.67	224.83
5th Following Year	101.64	140.98
Sum of Years 6 to 10	171.70	501.00

(c) Other Long Term Employment Benefits

The leave encashment benefit is payable to all the eligible employees of the Group at the rate of daily salary as per current accumulation of leave days.

The Privilege leave encashment liability and amount charged to Statement of Profit and Loss determined on actuarial valuation using basis projected unit credit method are as under:.

(i)	**Provisions in Balance Sheet:**		
	Particulars		
	Short term	125.93	51.02
	Long Term	216.08	289.26
	Total Provisions in Balance Sheet	**342.01**	**340.28**
(ii)	**Recognised in Statement of Profit and Loss:**		
	Expenses	54.21	81.99
	Total Recognised in Statement of Profit and Loss	**54.21**	**81.99**

(Amount in Lakhs)

			For the year ended March 31, 2022	For the year ended March 31, 2021
25	**Other Expenses**			
	(a)	Establishment Expenses and Other Expenses	326.80	55.66
	(b)	Travelling and Conveyance Expenses	29.11	140.58
	(c)	Rent (Refer Note 25.1)	260.41	427.41
	(d)	Legal & Professional Expenses	569.25	447.74
	(e)	Software Expenses	3.82	3.67
	(f)	Communication Expenses	22.89	25.38
	(g)	Auditor's Remuneration	18.92	21.10
	(h)	Provision for doubtful debts	31.26	50.42
	(i)	Repairs & Maintenance - Others	15.88	8.68
	(j)	Commission Expenses	196.77	140.85
	(k)	Bank Charges	18.48	16.45
	(l)	Insurance	11.74	7.68
	(m)	Director's Sitting Fees	10.25	13.58
	(n)	Corporate Social Responsibility	31.80	33.29
	(o)	Loss on Foreign Currency Transactions	8.26	36.12
	(p)	General Expenses	3.90	3.92
	(q)	Bad Debts / Other Balances Written Off	15.66	0.46
	Total Other Expenses		**1,575.20**	**1,432.99**

25.1 Rent

Expense relating to short-term leases amounts to Rs. 31.88 lakhs (Previous year Rs. 115.87 lakhs) and leases of low value assets amounts to Rs. 228.53 lakhs (Previous year Rs. 311.54 lakhs).

			For the year ended March 31, 2022	For the year ended March 31, 2021
26	**Earnings Per Share**			
	(a)	Profit after Taxes attributable to Equity Shareholders (Amount in lakhs)	1,438.81	1,104.15
	(b)	Number of Equity Shares of Rs. 100 each Issued and Outstanding:		
	(i)	At the end of the Year	9,700	9,700
	(ii)	Weighted Average number of Shares Outstanding during the Year	9,700	9,700
	(c)	Basic and Diluted Earnings per Share (a/b) (Amount in Rs.)	**14,833**	**11,383**

27 Financial instruments - Fair values and risk management

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Lakhs)

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Loans - Security Deposits	-	-	2.73	2.73	-	-	-	-
Current								
Investments (Mutual Fund)	2,408.70	-	-	2,408.70	2,408.70	-	-	2,408.70
Trade receivables	-	-	1,344.92	1,344.92	-	-	-	-
Cash and cash equivalents	-	-	4,970.58	4,970.58	-	-	-	-
Others	-	-	1,874.29	1,874.29	-	-	-	-
	2,408.70	**-**	**8,192.52**	**10,601.22**	**2,408.70**	**-**	**-**	**2,408.70**
Financial liabilities								
Current								
Trade Payables	-	-	649.26	649.26	-	-	-	-
Derivative Liability	-	-	-	-	-	-	-	-
Other Current Financial Liabilities	-	-	1,993.92	1,993.92	-	-	-	-
	-	**-**	**2,643.18**	**2,643.18**	**-**	**-**	**-**	**-**

As at March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Loans - Security Deposits	-	-	13.20	13.20	-	-	-	-
Current								
Investments (Mutual Fund)	2,406.47	-	-	2,406.47	2,406.47	-	-	2,406.47
Trade receivables	-	-	1,582.00	1,582.00	-	-	-	-
Cash and cash equivalents	-	-	4,143.06	4,143.06	-	-	-	-
Others	-	-	1,536.82	1,536.82	-	-	-	-
	2,406.47	**-**	**7,275.08**	**9,681.55**	**2,406.47**	**-**	**-**	**2,406.47**
Financial liabilities								
Current								
Trade Payables	-	-	457.30	457.30	-	-	-	-
Derivative Liability	0.24	-	-	0.24	-	0.24	-	0.24
Other Current Financial Liabilities	-	-	2,916.21	2,916.21	-	-	-	-
	0.24	**-**	**3,373.51**	**3,373.75**	**-**	**0.24**	**-**	**0.24**

FVTPL - Fair Value Through Profit and Loss
FVOCI - Fair Value Through Other Comprehensive Income

(b) Fair value hierarchy

The fair value of financial instruments as referred to in note (a) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 - Quoted prices (unadjusted) for identical assets and liabilities in an active markets.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(c) Measurement of Fair Value

The fair values of financial assets and liabilities are included at the amount 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. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of mutual funds. Net asset value represents the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The Management assesses that fair values of Trade Receivables, Cash and Cash equivalents, Loans, Trade Payables, Other current liabilities and Other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments.

(iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(d) Risk Management Framework

The Group's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. Market risks comprise of currency risk and interest rate risk. The Group's Senior Management and Key Managerial Personnel have the ultimate responsibility for managing these risks. The Group has a process to identify and analyse the risks faced by the Group, to set appropriate risk limits and to control and to monitor risks and adherence to these limits. Risk Management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. Further, Audit Committee undertakes regular reviews of Risk Management Controls and Procedures.

(i) Credit Risk

Credit risk is the risk of loss that counter party may not be able to settle their obligations as agreed. The Group's exposure to credit risk arises primarily from security deposit and other receivables which the Group minimises such risk by dealing exclusively with high credit rating counterparties.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, security deposits, cash and cash equivalents, bank deposits and other financial assets.

Exposure to credit risk:

The Carrying amount of financial assets represents maximum exposure to credit risk. The maximum exposure to credit risk was Rs. 8,192.52 Lakhs and Rs. 7,275.08 Lakhs as at March 2022 and March 2021 respectively, being the total of the carrying amount of balances with banks, security deposits,trade receivables and other financial assets.

Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows. The expected credit loss provision matrix at the end of the reporting period is as follows.

(Amount in Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
More than 1 year	243.62	209.54
Less than 1 year	26.50	29.11
Total	**270.12**	**238.65**

(ii) Liquidity Risk

Liquidity and interest risk tables:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The following table detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The Group monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

(Amount in Lakhs)

Particulars	**Less than 1 year**	**1 to 5 years**	**5 years and above**	**Total**	**Carrying amount**
As at March 31, 2022					
Trade Payables	649.26	-	-	649.26	649.26
Others	1,993.92	-	-	1,993.92	1,993.92
As at March 31, 2021					
Trade Payables	457.30	-	-	457.30	457.30
Others	2,916.21	-	-	2,916.21	2,916.21

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The group is not exposed to interest rate risk as there are no borrowings. The Group is mainly exposed to change in market rates of its investments in mutual fund units which is recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in Net Asset Value (NAV) of these instruments from the prices existing as at the reporting date is given below

(Amount in Lakhs)

	As at March 31, 2022		**As at March 31, 2021**	
Particulars	**Profit or loss**		**Profit or loss**	
	Increase	Decrease	Increase	Decrease
Change in Net Asset Value by 5%	120.44	-120.44	120.32	-120.32

(iv) Currency Risk

Currency risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade receivables and is therefore exposed to foreign exchanged risk. The company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposure and hedging exposure using derivatives financial instruments like foreign exchange forward contracts. The exchanged rates have been volatile in the recent years and may continue to be volatile in the future. Hence, the operating results and financials of the company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31 March, 2022 and 31 March, 2021 are as below:

(Amount in Lakhs)

	Currency	**Amount in Foreign Currency**		**Equivalent amount (Rupees)**	
Financial assets		**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
Trade and other receivables	USD	13.25	7.37	1,010.43	541.84
	EURO	9.27	0.20	780.02	17.41
	AED	-	-	-	0.09
	GBP	0.49	0.10	48.59	9.91
	SGD	28.48	-	1,595.34	-
		51.49	**7.67**	**3,434.38**	**569.25**
Less: Hedged Exposures	USD	-	0.46		33.98
	EURO	-	-		-
		-	**0.46**	**-**	**33.98**
		51.49	**7.21**	**3,434.38**	**535.27**

(Amount in Lakhs)

	Currency	**Amount in Foreign Currency**		**Equivalent amount (Rupees)**	
Financial liabilities		**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
Trade and other payables	USD	16.49	5.24	1,257.49	385.32
(includes foreign currency)	AED	0.94	0.69	19.52	13.77
	SAR	2.26	2.24	47.93	45.77
	SGD	31.68	-	1,774.71	-
		51.37	8.17	3,099.65	444.86

The following significant exchange rates have been applied during the year.

(Rupees)	Year-end spot rate 31-03-2022	Year-end spot rate 31-03-2021
USD	76.26	73.47
EUR	84.10	85.60
GBP	99.17	100.31
AED	20.76	20.01
SAR	21.21	20.43
SGD	56.02	53.83

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies as at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	As at March 31, 2022 Profit or loss		As at March 31, 2021 Profit or loss	
Effect in Rs.	Strengthening	Weakening	Strengthening	Weakening
USD - 3% movement	7.41	-7.41	-3.68	3.68
EUR - 3% movement	-23.40	23.40	-0.52	0.52
GBP - 3% movement	-1.46	1.46	-0.30	0.30
AED - 3% movement	0.59	(0.59)	0.41	(0.41)
SAR - 3% movement	1.44	(1.44)	1.37	(1.37)
SGD - 3% movement	5.38	(5.38)	-	-

(e) Capital Management

The primary objective of the Group's capital management is to maintain an efficient capital structure and to maximise shareholder’s value. The Group has no borrowings during the year.

28 Contingent Liabilities and Commitments

A. Financial Guarantees

Guarantees given by the Holding Company's Bankers against counter-guarantees given by the Holding Company and guarantees given by Parent of the Holding Company Rs. 22.00 lakhs (as at 31 March, 2021. Rs. 22.50 lakhs).

B. Claim against the Company not acknowledged as debt

1 The Holding Company was issued Internet Service Provider (ISP) license on 17th April 2001, which was further amended to ISP-Internet Telephony licence on 11th October 2002. The intent of obtaining the license was to provide Internet services to customers – though the primary business was to provide services related to Information Technology. The said license was with Godrej Infotech till 7th September 2015 when it was submitted for cancellation.

During the financial year 2019-20, the Holding Company had received demand letters from Department of Telecommunication (DoT) amounting to Rs. 12,115 lakhs (including interest and penalty up to the date of respective letters) for year 2005-06 to 2013-14 (except 2007-08) by adding non-telecom revenue i.e., revenue related to Sale of ERP and its Implementation and Support charges as "Miscellaneous income" in Adjusted Gross Revenue (AGR).

During the financial year 2020-21, the Holding Company has received additional demand letters from DOT amounting to Rs. 4,278 lakhs (including interest and penalty up to the date of respective letters) for the year 2007-08 and 2014-15. The total amount of demand received as per letters from DOT now stand at Rs. 16,393 lakhs (including interest and penalty up to the date of respective letters).

The Holding Company has contested the demands before DoT and requested for their withdrawal, as the same are not payable in terms of ISP license agreements and accordingly not considered in accounts

In the light of judgement dated 24.10.2019 of Hon'ble Supreme Court on the dispute between DoT and Telecom Service Operators (TSPs) regarding interpretation of AGR, DoT vide communication dated 05.12.2019 requested submission of a comprehensive representation since all the earlier demands are being re-examined w.r.t. the Hon'ble Supreme Court Judgement. In the opinion of the management and based upon legal opinion received, the said judgement dated 24.10.2019 of Hon'ble Supreme Court is not applicable to the Holding Company as the nature of license in case of telecom service providers is different and distinct from the licenses given to the Holding Company.

2 In respect of certain vendors, claims amounting to Rs. 14.20 lakhs were raised against Holding Company and were not acknowledged as debt as on March 31, 2022.

C. Commitments

The Group does not have any commitments in relation to Capital expenditure as at year end (Previous Year INR 1.50 lakhs)

29 Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

A. Names of Related Parties and Nature of Relationships:

(a) Holding Company:
Godrej & Boyce Mfg. Co. Ltd. (holds 52.06% of the equity share capital of the company)

(b) Fellow Subsidiaries & Sub Subsidiaries:
(i) Sheetak Inc.
(ii) Godrej (Singapore) Pte Ltd.
(iii) Godrej UEP (Singapore) Pte. Ltd. (a subsidiary of (ii) above)
(iv) Godrej UEP Pvt. Ltd. (a wholly owned subsidiary of (iii) above)
(v) JT Dragon Pte. Ltd. (a wholly owned subsidiary of (ii) above)
(vi) Godrej (Vietnam) Co. Ltd. (a wholly owned subsidiary of (v) above)
(vii) Veromatic International BV
(viii) Godrej Americas Inc

(c) Post-Employment Benefit Trusts where the holding company exercises significant influence
(i) Godrej & Boyce Mfg. Co. Ltd. Employee's Gratuity Fund
(ii) Godrej & Boyce Mfg. Co. Ltd. Managerial Superannuation Fund
(iii) Godrej & Boyce Mfg. Co. Ltd. Employee's Provident Fund

(d) Directors and Key Management Personnel
(i) Dr. K. A. Palia - Chairman & Non Executive Director
(ii) Mr. P.E. Fouzdar - Non Executive Director
(iii) Mr. K.K. Dastur - Non Executive & Independent Director
(iv) Mr. S.N. Irani - Non Executive Director
(v) Mr. R.D. Contractor - Non Executive Director
(vi) Mr. Manu Parpia - Non Executive & Independent Director
(vii) Mr. A.G. Verma - Non Executive Director
(viii) Mrs. Nyrika Holkar - Non Executive Director
(ix) Mr. Ajay. R. Pimparkar (CEO) - Key Managerial Personnel
(x) Ms. Ayushi Thakkar - Company Secretary

B. The details of transactions with related parties during the year are given below:

(Amount in Lakhs)

		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Common Expenses Shared (Gross)		
	Godrej & Boyce Mfg. Co. Ltd	187.32	284.85
(b)	Purchase of Materials		
	Godrej & Boyce Mfg. Co. Ltd.	2.96	17.46
(c)	Purchase of Fixed Assets		
	Godrej & Boyce Mfg. Co. Ltd.	0.61	6.73
(d)	Services Taken		
	Godrej & Boyce Mfg. Co. Ltd.	307.21	29.40
(e)	Sales & Services Rendered		
	Godrej & Boyce Mfg. Co. Ltd.	5,715.97	5,764.73
(f)	Dividend Paid		
	Godrej & Boyce Mfg. Co. Ltd.	50.50	50.50
(g)	Key Managerial Personnel Remuneration:	119.19	109.01
(h)	Sitting Fees to Non-Executive Directors		
(i)	Dr. K. A. Palia	2.75	2.75
(ii)	Manu Parpia	2.50	3.00
(iii)	K. K. Dastur	3.00	3.50
(iv)	S. N. Irani	2.00	1.50

(i) Inter company deposit from a company in which a director of the company is able to exercised significant influence taken and repaid - Nil (P.Y: Nil)

C. The details of outstanding with related parties as at year end are given below:

(Amount in Lakhs)

		As at March 31, 2022	As at March 31, 2021
(a)	Guarantees Taken		
	Godrej & Boyce Mfg. Co. Ltd.	22.00	22.50
(b)	Trade and other Receivables		
	Godrej & Boyce Mfg. Co. Ltd.	1,185.48	1,184.12
(c)	Trade and other Payables		
(i)	Godrej & Boyce Mfg. Co. Ltd.	29.92	305.32
D.	**Contribution to Post Employment Benefit Trusts, where the holding company exercises significant influence**		
(a)	Godrej & Boyce Mfg. Co. Ltd. Employee's Gratuity Fund		
	Contribution during the year	81.29	21.16
(b)	Godrej & Boyce Mfg. Co. Ltd. Managerial Superannuation Fund		
	Contribution during the year	96.15	81.45
(c)	Godrej & Boyce Mfg. Co. Ltd. Employee's Provident Fund		
	Contribution during the year	325.77	294.60

30 Segment Reporting

(a) General Information

Factors used to identify the entity's reportable segments, including the basis of organisation

The Group is managed as a single operating unit that provides IT Products and Services, mainly ERP Consultancy and Software Services & Solutions and therefore, has only one reportable business segment.

(b) Information about products and services

The Group has revenues from external customers to the extent of Rs. 7,790.26 lakhs (Previous Year: Rs. 6,930.32 lakhs)

(c) Information about geographical areas

The geographic information analyses the Group's revenue and non-current assets by the Group's country of domicile and other countries. In presenting the geographical information, revenue in the disclosure below is based on the location of the product and service. Assets in the disclosure are based on the geographic location of the respective non current assets.

The revenue from India is Rs. 7,396.39 lakhs (Previous Year: Rs. 7,500.85 lakhs) and from outside India is Rs. 6,129.08 lakhs (Previous Year: Rs. 5,194.20). Non-current assets other than financial instruments and deferred tax assets from India are Rs. 1001.88 lakhs (Previous Year: Rs.900 lakhs) and from outside India are Rs. 64.08 lakhs (Previous Year: Rs. 60.16 lakhs).

31 Revenue from contracts with customers

Revenue from Operations	**(Amount in Lakhs)**
(a) Sale of Products	667.98
(b) Sale of Services	12,727.66
(c) Other Operating Revenues	110.59
	13,506.23

A. Contracts with customers

Disclosure of amount recognised as revenue from contracts with customers and impairment loss recognised in accordance with Ind AS 109 is as under:

	(Amount in Lakhs)
customers	13,506.23
(b) any impairment losses recognised (in accordance with Ind AS 109) on any receivables or contract assets arising from an entity's contracts with customers	270.12

B. Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 based on the operation, geographical market and contract-type. The Company believes that this disaggregation best depict shows the nature, amount, timing and uncertainty of our revenues and cash flows that are affected by industry, market and other economic factors.

(Amount in Lakhs)

Particulars	**Contract Type**		
Revenue by operation	**At a point in time**	**Over time**	**Total**
Product			
Licenses	183.69	-	183.69
BREP	484.29	-	484.29
	667.98	**-**	**667.98**
Services			
Consultancy & Implementation Services	-	10,784.83	10,784.83
Cloud Services	729.88	-	729.88
AMC Services	-	1,212.95	1,212.95
	729.88	**11,997.78**	**12,727.66**
Commission	110.59	-	110.59
	110.59	**-**	**110.59**

The Group has identified a single reportable segment namely "IT Product and Services" as disclosed in Note 1.(E) (n)- "Segment Reporting" to the Financial Statements. There is a further disclosure of revenue generated by geographical market which is provided only as per the specific requirement of Ind AS 108 for a single reportable segment.

Particulars	**Contract Type**		
Revenue by geographical market	**At a point in time**	**Over time**	**Total**
India			
Product	194.61	-	194.61
Services	-	6,902.87	6,902.87
Commission	50.93	-	50.93
Cloud	247.97	-	247.97
Total	**493.51**	**6,902.87**	**7,396.38**
Outside India			
Product	473.37	-	473.37
Services	-	5,094.91	5,094.91
Commission	59.66	-	59.66
Cloud	481.91	-	481.91
Total	**1,014.94**	**5,094.91**	**6,109.85**
Total (A+B)	**1,508.45**	**11,997.78**	**13,506.23**

C. Information about major customers

The Group does not have revenue from transactions with a single external customer of 10 per cent or more of an entity's revenues for the year ended March 31, 2022.

D. Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including adjustments for currency.

Changes in contract asset are as follows:	**(Amount in Lakhs)**
Balance at the beginning of the year	1,524.13
Revenue recognised during the year of the opening balance	(1,524.13)
Revenue reversed during the year of the opening balance	-
Revenue recognised during the year	13,792.75
Invoices raised during the year post Deferred Revenue	608.93
Balance at the end of the year	**1,858.12**

Changes in deferred revenue are as follows :	
Balance at the beginning of the year	459.05
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(459.05)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	**608.93**

Use of significant judgements in revenue recognition

The Group's contracts with customers includes promise to transfer products / services to the customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price is the fixed amount charged to the customer. Any consideration payable to the Group is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

The Group uses judgement to determine an appropriate standalone selling price for each performance obligation. The Group allocates the transaction price to each performance obligation on the basis of standalone selling price of each product or service as mentioned in the contract. Where standalone selling price is not available, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The revenue for fixed-price contract is recognised using Percentage-Of-Completion Method (POCM). The Group uses judgement to estimate the future cost to complete the contracts which is used to determine the percentage of completion of the performance obligation.

32 Group Information

The following entities have been consolidated in the preparation of Consolidated Financial Statements.

Sr. No.	**Name of the Entity**	**Country of Incorporation**	**% of ownership interest either directly or indirectly through Subsidiaries**	
			As at March 31, 2022	**As at March 31, 2021**
(a)	**Direct Subsidiaries**			
(i)	Godrej Infotech (Singapore) Pte Ltd.	Singapore	100%	100%
(ii)	LVD Godrej Infotech NV.	Belgium	90%	90%
(iii)	Godrej Infotech Americas, Inc.	United States of America	100%	100%

33 Ratios

Ratio	Formula	As at March 31, 2022	As at March 31, 2021	Variance
Current Ratio	Current Assets / Current Liabilities	2.49	2.16	15.69%
Debt – Equity Ratio	Debt / Equity	NA	NA	NA
Debt Service Coverage Ratio	Earnings Available For Debt Service / Debt Service	NA	NA	NA
Return on Equity (ROE):	Net Profits After Taxes / Average Shareholder'S Equity	20.93%	19.67%	6.40%
Inventory Turnover Ratio	Cost Of Goods Sold Or Sales / Average Inventory	NA	NA	NA
Trade Receivables Turnover Ratio*	Revenue / Avg. Accounts Receivable	9.23	6.09	51.42%
Trade Payable Turnover Ratio	Purchases Of Services & Other Exp. / Average Trade Payables	4.98	6.76	-26.41%
Net capital turnover ratio	Revenue / Working Capital	2.04	2.35	-13.24%
Net profit ratio*	Net Profit After Taxes / Revenue	10.65%	8.70%	22.48%
Return on capital employed (ROCE)	Earning Before Interest And Taxes / Capital Employed	27.93%	23.94%	16.66%
Return on investment**	Income Generated From Investments / Average Investments	3.17%	2.38%	33.27%

* Revenue growth along with better control on costs and collection has resulted in an improvement in the ratio

** Higher returns due to increased investments during the year has resulted in an improvement in the ratio

34 During the year Group has not entered in to any transactions with struck-off Companies.
As at year end Group does not have:
i) Investments in shares / securities of Struck-off Companies.
ii) Receivables / Payables /outstanding balances from Struck-off Companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

35 Additional Information as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiary

Sr. No.	Name of Entity in the Group	Net Assets		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount in Rupees	As % of Consolidated Profit and Loss	Amount in Rupees	As % of Consolidated Other Comprehensive Income	Amount in Rupees	As % of Consolidated Total Comprehensive Income	Amount in Rupees
	Holding Company								
	Godrej Infotech Ltd.	83.30	6,306.35	237.03	3,410.34	79.96	39.61	231.80	3,449.95
	Foreign Subsidiaries								
(i)	Godrej Infotech (Singapore) Pte Ltd.	6.36	481.78	(2.93)	(42.10)	46.45	23.01	(1.28)	(19.09)
(ii)	LVD Godrej Infotech NV.	10.66	807.31	15.59	224.32	(24.41)	(12.09)	14.26	212.23
(iii)	Godrej Infotech Americas, Inc.	0.10	7.95	(0.29)	(4.20)	0.71	0.35	(0.26)	(3.85)
	Total	**100.42**	**7,603.39**	**249.40**	**3,588.36**	**102.71**	**50.88**	**244.52**	**3,639.24**
(a)	**Consolidation eliminations/ adjustments**	**(1.49)**	**(112.60)**	**(151.13)**	**(2,174.46)**	**-**	**-**	**(146.10)**	**(2,174.46)**
(b)	**Non-Controlling Interests**								
	Foreign Subsidiaries								
	LVD Godrej Infotech NV.	1.07	80.73	1.73	24.92	(2.71)	(1.34)	1.58	23.58
	Total Non-Controlling Interest	**1.07**	**80.73**	**1.73**	**24.92**	**(2.71)**	**(1.34)**	**1.58**	**23.58**
	Total Consolidated	**100.00**	**7,571.52**	**100.00**	**1,438.82**	**100.00**	**49.54**	**100.00**	**1,488.36**

36 Previous years' figures have been regrouped / restated wherever necessary to conform to current year’s classification.

FORM NO AOC-1

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

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

Part "A": Subsidiaries

(Amount in Lakhs)	**Name of Subsidiaries**		
	Godrej Infotech (Singapore) Pte. Ltd.	**Godrej Infotech Americas, Inc.**	**LVD Godrej Infotech NV**
Date since when Subsidiary was acquired	21st May, 2014	28th Feb, 2014	22nd Oct, 2014
Reporting period for the subsidiary concerned if different from the Holding Company's reporting period	The reporting period of the Holding Company is the same as that of the Subsidiary	The reporting period of the Holding Company is the same as that of the Subsidiary	1st January to 31st December
Reporting currency and Exchange rate as on the last date of the Financial year	SGD 1 = INR 56.02	USD 1 = INR 76.26	EURO 1 = INR 84.10
Share capital	56.02	7.63	51.72
Reserves & surplus	506.49	0.32	751.66
Total assets	1557.84	833.17	1091.03
Total Liabilities	1557.84	833.17	1091.03
Investments	-	-	-
Turnover	722.94	141.27	1365.23
Profit/Loss before taxation	68.57	(5.45)	324.22
Provision for taxation	(111.31)	1.14	(82.32)
Profit/ Loss after taxation	(42.75)	(4.30)	241.90
Proposed Dividend	-	-	-
% of shareholding	100%	100%	90%

<u>Names of subsidiaries which have been liquidated or sold during the year:</u>

NIL

Part "B": Associate Companies / Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Date on which the Associate/ Joint Venture was associated/ acquired	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
				No.	Amount of Investment in Associates/Joint Venture	Extent of Holding Percentage				Considered in Consolidation	Not Considered in Consolidation
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Names of associates or joint ventures which are yet to commence operations:
NIL

Names of associates or joint ventures which have been liquidated or sold during the year:

NIL

For and on behalf of the Board of Directors

Registered Office:	K.A.PALIA	M.M.PARPIA	AJAY R. PIMPARKAR	Ayushi Thakker
Pirojshanagar, L.B.S. Marg, Vikrholi, Mumbai, 17th May 2022	Chairman (DIN: 00281971)	Director (DIN: 00118333)	Chief Executive Officer	Company Secretary