22nd Annual Report
NSEIT Limited

BOARD OF DIRECTORS

Prof. S. Sadagopan
Independent Director & Chairman

Mr. M. S. Sundararajan
Independent Director

Dr. Gulshan Rai
Independent Director

Ms. Poornima Shenoy
Independent Director

Mr. Nilesh Vikamsey
Independent Director

Mr. R. Chandrasekaran
Independent Director

Mr. Yatrik Vin
Non-Executive Director

Dr. N. Muralidaran
Managing Director and CEO

BOARD COMMITTEES

1. AUDIT COMMITTEE

Mr. M.S. Sundararajan
Chairman

Ms. Poornima Shenoy
Member

Mr. Nilesh Vikamsey
Member

Mr. Yatrik Vin
Member

2. NOMINATION AND REMUNERATION COMMITTEE

Mr. M.S. Sundararajan
Chairman

Prof. S. Sadagopan
Member

Mr. Nilesh Vikamsey
Member

3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Prof. S. Sadagopan
Chairman

Mr. M.S. Sundararajan
Member

Dr. N. Muralidaran
Member

4. STRATEGIC ADVISORY COMMITTEE

Mr. M.S. Sundararajan
Chairman

Dr. Gulshan Rai
Member

Ms. Poornima Shenoy
Member

Mr. R Chandrasekaran
Member

5. STRATEGIC INVESTMENT COMMITTEE

Mr. M.S. Sundararajan
Chairman

Mr. Yatrik Vin
Member

Mr. Nilesh Vikamsey
Member

Management Team

Mr. Satish Kashyap
Chief Operating Officer
Resigned w.e.f (April 15, 2021)

Mr. R V Krishnan
Executive Vice President & Chief Business Officer -DeX

Mr. M N Hariharan
Chief Financial Officer

Ms. Tina Mathew
Head – Human Resources

Mr. Vaibhhav Vijay Kulkarni
Company Secretary

Other Information

AUDITORS

Khandelwal Jain & Co., Chartered Accountants
12-B, Baldota Bhavan, 5thFloor 117, M Karve Road, Church Gate, Mumbai-400 020

REGISTRAR & TRANSFER AGENTS:

Link Intime India Private Limited
C-1O1, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083

REGISTERED ADDRESS

CIN: - U72200MH1999PLC122456
Trade Globe, Ground Floor,
Sir M V Road, Andheri – Kurla Road,
Andheri (East), Mumbai – 400 059.

For FY 2020-21
MESSAGE FROM THE MANAGING DIRECTOR AND CEO

Dear Shareholders

I would like to start by thanking all stakeholders for your continued encouragement and support during one of the toughest times the world has seen in a long time. Adversity, they say, is the true test of character. While the pandemic continues to test our discipline, patience and character, I pray for every stakeholder's safety and well-being. The trust of our clients, direction from the Board and the dedication of our employees has helped us sail through this tide of FY20 and deliver better than anticipated results.

I am pleased to say that your company achieved not only financial and commercial success but was also able to accomplish ensuring welfare of its employees and other key stakeholders. I am proud to say that many of our employees went above and beyond their call of duty to help our clients and win their trust in the process and enhance our brand image.

When the pandemic broke out, we had two key priorities - the safety and wellbeing of our employees and business continuity of our customers. Accelerated efforts were made to de-risk the delivery teams by triggering work from home option to all employees to the extent possible. About 95% of the workforce worked remotely throughout the year.

In spite of the challenges faced by all the businesses, NSEIT had a standalone revenue of Rs 272.4 cr and a net profit after tax of Rs 22.8 cr. On a consolidated basis, the gross revenue was Rs 414.5 cr a growth of 8% over last year. The net profit after tax was Rs 26.1 cr.
The primary contributors of our successful year were – i) the ability of Digital business to protect its business and margins despite the cut-backs in budgets by clients; ii) capability of the DeX team to innovate and calibrate to the new operating standards and iii) Aujas adapting its business model to grow while also turning profitable along with delivering value to its clients.

<u>Software Services Unit (Digital BU):</u>
In retrospect, our focus on becoming an increasingly agile, resilient and future-ready company has helped us to adapt to the new normal and overcome changing disruptive business environment. Amidst changing client technology priorities, hesitations to spend and cost cutting measures, the software services unit faced margin pressures. In spite of this, the unit saw a growth of 11.2% in its top line and a margin improvement of 3.3%
This business won key contracts (some of them were multi-year deals) in areas of Application Modernisation, Data & Analytics as well as advisory consulting. Some of the notable ones include App modernization with insurance regulator, Data engineering and analytics with a large PSU bank and with an account aggregator, Surveillance implementation with a large clearing corporation. We also won a consulting engagement with an international exchange to advise them on setting up their arm in India. These wins have given us a standing in the BFSI industry as a niche player in the areas of App modernisation, Business consulting and Data Analytics. Efforts like above has got NSEIT recognition from Everest Group as an 'Aspirant' in its PEAK Matrix

<u>Outlook for next year</u>:

The transformation and digital strategy that was presented in August 2020 was very well received by the Board and the leadership is committed to achieving Vision 2025. To elaborate, we intend to create an engineering organization at its core with a focus in areas related to App Modernization, Cloud, Data Engineering & Business IT Consulting. We also intend to transition to a solution oriented play by 2023 and a platform play by 2025. The focus will be on on-boarding the right talent, building capability, nurturing an innovation-centric work force and creating an inclusive, empowering and balanced work environment.

Digital Examination Services (DEX):

During initial days of the pandemic, this business was looking at a particularly challenging year ahead as all the physical examinations had been indefinitely postponed. However, I would like to highlight that the team took the challenge and found opportunities within the adversity. By May end we reopened 229 centres following social distancing norms, accelerating our pace in July, which peaked in September 2020. The DEX team revamped their service delivery models by introducing new offerings such as Remote Proctoring & Admission management system etc to continue business operations successfully. Our in-house teams have been responsible for providing Remote Proctoring services using AI based technology. A major highlight has been the introduction of Tablet based exams for clients such as State Govt SSC examination and Insurance Regulator which enabled their candidates to take computer based exams in remotely inaccessible locations.

This continuous Passion for Excellence, Customer Centricity and Ownership culminated in DEX winning some of the largest orders – Some of which are Rs 100 Crore+ multi-year contracts. This is expected to strengthen the financial stability of the unit further and work towards better innovation to provide quality services to the customers. NSEIT now has the privilege of working with various State Governments such as Madhya Pradesh, Uttarakhand, Haryana, Odisha, Tamil Nadu, Uttar Pradesh for their State recruitment requirements.

Outlook for next year:

NSEIT had engaged KPMG to prepare a 3 year strategy blueprint in scaling DEX business. The strategy to grow this business is going to be 3 pronged: i) Market penetration in assessments ii) New service offerings through adjacencies iii) Market expansion to new geographies

Aujas Cybersecurity Limited (Aujas):

The pandemic changed the cybersecurity industry in a big way in FY 20-21 - economic downturn and business uncertainty on the one hand to enhanced risks due to cloud services usage and work from home models on the other hand. Aujas adapted its services, solution portfolio, and delivery model successfully and continued to deliver value to enable clients to digitize and manage risks.

The company grew its revenue by 37% over the previous year and scaled the team to 720 cybersecurity professionals. Order signings grew over 100% over FY 19-20 while 80% of revenue is annuity. Managed security offering (MDR) grew over 100% in revenue terms over the previous year. Aujas cybersecurity platform revenue grew by 40%, with innovative solutions such as i) Saksham: enables validation of APIs to join the RBI’s account aggregator framework ii) Code Sign: Application whitelisting & code signing at scale iii) PALM (Platform for access lifecycle management): robotics driven solution for automated application integration with IAM platforms

We also set up CDCs (cyber defense centers) in Bengaluru and Mumbai. CDCs enabled by the Fusion engine supports advanced services such as offensive security operations, orchestration, and automation.

Outlook for next year:
In FY 21-22, Aujas would continue to build on its strengths with the theme of “Automating Cybersecurity”. Key components of the strategy would include: a) Expansion of the CDCs to Riyadh and Dallas to establish a global network b) Scaling solutions and services using automation first approach c) Enabling the growing team with skills and knowledge to enable value delivery to clients d) Enhance the Aujas platforms with capabilities at scale

Organizational Building:
While we continue to navigate through these difficult times and to re-invent the strategies for each business to adopt to the new normal, we are also exploring high value organic and inorganic growth opportunities. We are currently in an advanced stage of engagement in acquiring companies in the business area of Cloud and Data analytics, subject to regulatory approvals.

Our focus remains in creating a high performance, innovative workforce with a culture of rewarding meritocracy and thereby retain and encourage talent within the organisation.
On behalf of the board and the employees, I once again thank all stakeholders for your continued trust, confidence and support in our company.

Warm Regards,

N Muralidaran
Managing Director and CEO

Board's Report

To
The Members,

Your Directors have pleasure in presenting the 23rd Annual Report and audited financial statements of NSEIT Limited ('referred herein as the 'NSEIT' or 'your Company') for the year ended March 31, 2021

1. FINANCIAL RESULTS

The working of the Company during the year has resulted in a profit after tax of Rs. 2275.81 Lakhs Standalone basis and Rs. 2605.48 lakhs on a consolidated basis, as per particulars given below:

(Rs.in lakhs)

	Standalone		Consolidated	
Particulars	**FY 2020-21**	**FY 2019-20**	**FY 2020-21**	**FY 2019-20**
Income	27235.88	28189.06	41453.92	38539.82
Expenditure	21976.54	23941.52	35419.44	34710.99
Profit before tax, amortization, prior period adjustments and extraordinary items	5259.34	4247.54	6034.48	3828.83
Depreciation and Amortization	1904.61	1483.75	2132.40	1667.80
Extraordinary items	-	-	-	-
Profit before tax	3354.73	2763.79	3902.08	2161.02
Provision for taxation	1036.82	980.78	1254.50	982.58
Deferred Tax Liability/ (adjustments)	42.10	(50.73)	42.10	(50.73)
Profit after tax	2275.81	1833.74	2605.48	1229.17
Minority Interest	-	-	(3.35)	25.56
Balance bought forward from previous year	11295.47	9652.90	9591.61	8503.12
Amount available for appropriation	13571.28	11486.64	12193.74	9757.85
Appropriations				
Other Comprehensive Income	(88.17)	(70.61)	(19.66)	(45.68)
General Reserve			-	-
Dividend Paid	100.00	100.00	100.00	100.00
Corporate Dividend Tax Paid	-	20.56	-	20.56
Balance carried to Balance Sheet	13383.12	11295.47	12074.08	9591.61

2. RESULT OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

On a standalone basis, for the year ended March 31, 2021, the Company earned a total income of Rs. 27,235.88 Lakhs as compared to previous year's total income of

Rs. 28,189.06 Lakhs. The net profit before tax for the year was Rs. 3354.73 Lakhs as compared to Rs. 2763.79 Lakhs in the previous year. The profit after tax for the year was Rs. 2275.81 Lakhs as compared to Rs. 1833.74 Lakhs in the previous year.

On a consolidated basis, the total income of the Company increased to Rs. 41453.92 Lakhs from Rs. 38539.82 Lakhs in the previous year and the profit after tax stood at Rs. 2605.48 Lakhs as against Rs. 1229.17 Lakhs in the previous year.

3. SHARE CAPITAL

There has been no change in the share capital of the Company during the year under review

4. DIVIDEND

A. On Equity Shares

In order to conserve resources for the inorganic growth, expansion being pursued by the Company, your Directors recommend a dividend of Rs. 1.50 /- per share on Equity Shares of Rs. 10/- each of the Company for the financial year 2020 -21. The Final Dividend on the Equity Shares, if declared as above, would involve an outflow of Rs. 1,50,00,015/-

B. On Preference Shares

For the financial year 2020-21, your Directors recommend a dividend @ 7% on 1,00,00,000 (One Crore), 7% Cumulative Redeemable Preference Shares of Rs.100/- each, which amounts to Rs. 700 Lakhs.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The loans given and Investments made by the Company during the financial year were in accordance with the provisions of the Companies Act, 2013. No guarantees were given to any person during the financial year. The particulars of loans given and Investments made during the financial year are set out in the Notes to Accounts which forms part of this Annual Report.

6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant Related Party Transactions entered into by the Company with the Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee of the Company for its approval. The transactions with related parties are also reviewed by the Board on a quarterly basis. The particulars of contracts or arrangements with related parties are given in **Form AOC-2** and is enclosed as **Annexure 1** to the Board's report.

7. SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company has two subsidiaries (one in India and one abroad) as on March 31, 2021. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

Report on performance and financial position of the Subsidiaries:
The highlights on performance and financial position of the Company's subsidiaries are as under:

A. NSEIT (US) Inc. ("NSEIT US")

NSEIT (US) Inc. is a wholly-owned subsidiary of the Company. It is involved in the business of, inter alia, providing information technology and information technology enabled services.

During the financial year 2020-21, the revenue from operations of NSEIT US was US $ 523,102 (Rs. 389.07lakhs). The net Loss for the year was US $ 8,698 (Rs. 6.11Lakhs)

B. Aujas Cybersecurity Limited ("Aujas")
(Formerly known as Aujas Networks Limited)
(Formerly Known as Aujas Networks Private Limited)

Aujas is a subsidiary, whose 99.29% share capital is held by of your company. It is involved in the business of, inter alia, provides information security consulting and IT risk management services with operations in India, the Middle East and North America. The service portfolio includes Information risk advisory, identity & access management, threat management and security analytics.

During the financial year 2020-21, the revenue from operations of Aujas was Rs.14547.80 Lakhs, other income was Rs. 113.39Lakhs. The net Profit for the year was Rs. 335.77Lakhs.

A Report on the performance and financial position of the aforesaid subsidiaries is provided in **Form AOC-1** and forms part of this Annual Report **Annexure 7** to this Report.

8. INITIATIVES, OPERATIONS AND MAJOR EVENTS DURING THE YEAR

A. AWARDS
NSEIT has been the recipient of the **"COVID HR Warrior Award"** from Sharp HR Forum, which has the support of about 7500 patrons from over 2300 organizations across India. Out of 83 participating companies, NSEIT is amongst the 13 winners who won in the above category.

NSEIT has won an award in the HRAI awards. The Company was able to successfully compete against other distinguished participants like L&T, Compass group in the category **"Best Remote Engagement Program during the pandemic"**. This win is credited to how NSEIT adapted to the pandemic and engaged with employees remotely through reset, relearn and rejuvenate philosophy. This is a step towards achieving another milestone together and looking forward to a continued partnership to build a nurturing environment. The Company is also proud to announce that its representation in **“Industry Icons award”** has won an award for one of its woman employee who works as a Project Manager out of Company’s Chennai office. Achieving this on women’s day is a true testament to how nurturing talent by leaders will not only build good will but also take our brand name to places

B. SOFTWARE SERVICES & DELIVERY

NSEIT’s focus on becoming an increasingly agile, resilient and future-ready company has helped it overcome the changing business challenges in the disruptive environment. Many new clients have been added to the Company’s Software Services business unit despite the initial hiccups due to the Covid-19 scenario. These additions have been in line with the strategic direction to move up the value chain by offering end-to-end managed services and adding its services in the niche areas. The digital business unit won multiyear contracts in the areas of Application Modernization, Data Analytics and Business Transformation Consulting. Some of the notable clients include insurance regulator, large PSU & private banks, an account aggregator, and leading clearing corporation, amongst others.

During the year, the NSEIT & NASDAQ partnership strengthened with new contracts on collateral management solutions and surveillance system implementations. NSEIT has also commenced a partnership with an international exchange to advise them on setting up their operations in India. NSEIT is also developing India’s first information utility platform for NeSL.

Further, NSEIT became the strategic partner for some prestigious organizations for their long term digital transformation roadmap with key initiatives including modernization of the IGMS platform of an Insurance regulator, which is leveraged by 50+ insurers in India. Other niche projects included API based open insurance ecosystem support for a leading Insurance company, financial analytics at a large PSU insurance company, log analytics for a Government agency, business transformation with automation at large PSU Life insurance company, digital intelligent automation at a leading private bank, new-age auction platform for an agricultural government agency and for defining a platform based foundation with the channel portal program at a leading Non-Banking Financial Company.

The transformation and digital strategy that was launched in August 2020 was well received by the Board and the leadership is committed to achieving Vision 2025. NSEIT intends to bolster its engineering capabilities with a focus in areas related to App Modernization, Cloud, Data Engineering & Business IT Consulting. It also intends to transition to a solution oriented play by 2023 and a platform play by 2025. The focus will be on onboarding the right talent, building capability, nurturing an innovation-centric work force and creating an inclusive, empowering and balanced work environment.

Outlook for FY 2020-21:

In addition to increasing its footprint in the digital space, this year helped NSEIT establish a significant order book and annuity revenues as we move into the next financial year. This will provide a strong and sustainable foundation with long term annuity contracts and large valued multi-crore engagements. Our focus this year would be to significantly improve our tech offerings by way of establishing practice based organization with practices such as App modernization, Data & Analytics, Testing and Automation and Business Transformation. In area of cloud, our primary focus is going to be on increasing our footprint in Cloud-based services including niche and nextgen services in the 4 CoEs. As a start, won contract with RBL for infrastructure automation using Terraform.

For the coming financial year, we will continue to be bullish about large / strategic customer deals and ODC setups for the likes of Nasdaq etc.

C. IT ENABLED SERVICES (ITES)

Digital Examination Services (DEX)

<u>Key achievements in 2020-21</u>

As the Pandemic unfolded in March 2020 the fear of Covid19 led to organizations and universities closing and postponement of all Entrance and Recruitment exams indefinitely. The DEX (Digital Examination Services) which is heavily dependent on candidates physically coming to test centers to take the exams was looking at a bleak future with business drying up and prospects unwilling to commit to anything. As things settled into the new normal and NSEIT DEX looked at ways to adapt and continue to be relevant to our clients and the business – DEX decided to venture into new services like Remote Proctoring, Admission management system etc. which led to collaborations with partners.

A major highlight has been the introduction of Tablet based exams for clients such as UKSSSC and IRDAI which enabled their candidates to take computer based exams in remotely inaccessible locations. This continuous Passion for Excellence, Customer Centricity and Ownership culminated in DEX winning some of the largest orders – Two of these were Rs 100 Crore+ accounts and the others are multi-crore-multi-year deals. NSEIT now has the privilege of working with multiple State Governments such as Madhya Pradesh, Uttarakhand, Haryana, Odisha, Tamil Nadu, Uttar Pradesh for their State recruitment requirements.

<u>New Initiatives:</u>

NSEIT has developed its own solutions for providing Remote Proctoring services using AI based technology

NSEIT successfully introduced Tablet based exams for its clients – UKSSSC and IRDAI which enabled their candidates to take computer based exams in remotely inaccessible locations where it's difficult to get good centers with good Infrastructure and Connectivity

Outlook for 2020-21

NSEIT DEX clearly sees its path to strengthen its Leadership position in this business by diversifying itself into other related businesses like Remote Proctoring, Learning Management Solution and other related Services. To ensure it can establish a reputation to conduct large volume exams even in locations which are remote and inaccessible NSEIT DEX is building its Tablet capacity and expertise in conducting Tablet based Examinations.

With plans to grow multifold, NSEIT consulted with a reputed consulting firm to outlay its 3 years strategy for DEX. This will be implemented over the course of the next financial year.

D. BUSINESS EXCELLENCE INITIATIVE

The Company has been continuing in its Process Improvement journey started ever since its inception. It has been operating in accordance with various internationally recognized process improvement certifications. Some of these certifications are

- CMMI SVC ML5 (Highest Maturity Index) for software business unit
- ISO 9001:2015 QMS (Quality Management System)
- ISO 27001:2013 ISMS (Information Security Management System)
- ISO 27002:2013 ISMS (Information Security Management System)
- ISO 20000-1:2013 ITSMS(Information Technology Services Management System)
- STQC Standardization Testing and Quality Certificate

During the year, the Company has joined the elite group of organizations globally to be appraised for ISACA's CMMI SVC ML 5 & CMMI DEV ML 5 for both Development and Services and also continued certifications / assessments through audits and assessments done by independent entities.

9. HUMAN RESOURCES DEVELOPMENT

Covid 19 pandemic highlighted the importance of organizational resilience, agility and adaptability. At the center of NSEIT's resilience are our employees supported by enabling processes and technologies. Our first and foremost priority has always been the safety and wellbeing of our employees. Our smooth transition to work from home to ensure business continuity was possible due to the commitment displayed by our employees. We reimagined our people strategy from what we had envisaged previously to what would be better suitable in the remote working scenario. We adapted quickly and reimagined HR processes like onboarding, induction, reward & recognition with the help of technology to ensure a seamless experience for our entire workforce. We ensured transparent messaging across the organization and maintained all communication channels open. We sent out periodic updates to all employees so that there is no room for any kind of ambiguity.

We continued our impetus on our learning and development initiatives and leveraged on digital technologies to up skill and reskill our employees. We continued our significant investments in Centres of Excellence (COE) to provide technological guidance, establish best practices and enable our employees to be future ready.

We have a responsibility to our clients, employees and stakeholders. We always need to act with integrity and uphold high standards. Acting in accordance with our Code of Conduct – updated in 2020 – is vital for us. The Code sets out our standards of behavior and conduct to which we expect our employees to adhere it also highlights that critical matters should be escalated promptly and appropriately. The Code is designed to ensure that we conduct ourselves ethically – with integrity, and in accordance with NSEIT's policies and procedures as well as the laws and regulations that apply to us.

Our employees are our most important assets. We are committed to hiring and retaining the best talent. For this, we focus on promoting a collaborative, transparent and participative organization culture, and rewarding individual contribution and innovation.

PREVENTION OF SEXUAL HARASSMENT

NSEIT as an organization is committed to provide a healthy environment to all its employees and thus does not tolerate any harassment and/or discrimination of any kind. The Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

NSEIT has also conducted an 8 hour day long workshop for all its 7 ICC members. It was a very exhaustive training on the detailed procedures to be followed when a complaint is received; along with few simulation activities. It also emphasized on the sensitivity and confidentiality which needs to be taken into consideration while taking any complaint to closure. All the 8 ICC members meet once every quarter to discuss on the latest updates/amendments, if any, on the POSH Act. The related minutes are being drafted and circulated within.

Pursuant to the enactment of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has submitted the annual report of the Internal Complaints Committee to the District Officer Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The disclosures required to be made under Sexual Harassment of Women at Workplace Prevention, Prohibition & Redressal) Act, 2013 are given in the following table:-

Number of complaints of sexual harassment received.	2
Number of complaints disposed off during the year	2
Number of cases pending for more than 90 days	Nil
Total coverage of workshops or awareness programs against sexual harassment carried out:	
Number of programs	Training for employees on gender sensitization and covering the policy and law on sexual harassment
Total number of employees covered	787

Pursuant to the Companies (Accounts) Amendment Act, 2018 effective from 31st July, 2018, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. DEPOSITS

The Company has neither invited nor accepted any deposits from the public falling within the preview of section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company.

11. RISK MANAGEMENT POLICY & INTERNAL FINANCIAL CONTROL

The Company has an enterprise-wide risk assessment and review mechanism which inter alia consists of risk identification, assessment and categorization of risks taking into account the impact and likelihood of risks and putting in place adequate controls and mitigation plans which has helped in reducing the overall risk exposure for the Company and also the impact thereof.

The business risk is managed through cross functional involvement and communication across businesses and as part of the same, various functional heads submit a compliance certificate covering respective areas of operations to the Company Secretary who in turns submits a compliance certificate quarterly to the Audit Committee and the Board of Directors. The results of the risk assessment and residual risks are presented to the senior management.

As required under Rule 8 (1)(5) (viii) of Companies (Accounts) Rules, 2014, the Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The Board has adopted policies and procedures for ensuring the efficient and orderly conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

12. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY AND THE DATE OF THE REPORT.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial period of the Company to which the Financial Statements relate and the date of this Report.

13. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future generations.

14. EXTRACTS OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, Annual Return for the financial year ended on March 31, 2021 is available on the website of the Company. at https://www.nseit.com/investor-relations.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' confirm that:

i. in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2021 and of the profit of the Company for that year;

iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting standards 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;

iv. the directors had prepared the annual accounts on a going concern basis.

v. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DIRECTORS & KEY MANAGERIAL PERSONNEL

A. Directors

(i) Appointment of Directors

During the year under review, as per recommendations of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on June 20, 2020 had appointed Mr. R Chandrasekaran as an Additional Director (Independent Director) with effect from June 20, 2020 subject to the approval of members. Further, the members of the Company had approved their appointment as Independent Director at the Annual General Meeting of the Company held on July 15, 2020.

(ii) Resignation of Director & Cessation on completion of term

During the year under review Mr. J Ravichandran ceased to be the Director with effect from July 16, 2020 upon retirement as a Non-Executive Director. The Board places on record its appreciation for their invaluable contribution and guidance.

(iii) Retirement by Rotation

In terms of section 152 of the companies act 2013, Mr. Yatrik Vin, being the longest in office, is liable to retire by Rotation and being eligible, is proposed to be re-appointed in the ensuing Annual General Meeting. Notice from a shareholder proposing the nomination of Mr. Yatrik Vin as a Director on the Board of NSEIT Limited has be received. The Board recommends the recommends the re-appointment of Mr. Yatrik Vin as Director at the forthcoming AGM of the Company.

B. Declaration By Independent Directors

The Company has received necessary declaration from each of the independent directors under section 149(7) of the Companies Act, 2013 stating that they meets the criteria of independence laid down under section 149(6) of the Companies Act, 2013.

C. Company's Policy On Directors' Appointment And Remuneration Including Criteria For Determining Qualifications, Positive Attributes, Independence of Directors

The Company has in place a policy for remuneration of Directors and Key Managerial Personnel. The said policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-executive Independent Directors (by way of sitting fees) and Key Managerial Personnel. The criteria for selection of candidates for Directors and Key Managerial Personnel cover the various factors and attributes which are considered by the Nomination & Remuneration Committee and Board of Directors while making a selection of the candidates. The Nomination Policy and Remuneration Policy of the Company are annexed as **Annexure 2 (i) and (ii)** and are also available on the website of the Company.

17. BOARD AND COMMITTEE MEETINGS

A. Board Meetings

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long term interests are being served. The Board is given presentations covering Finance, Sales, Marketing, the Company's major business segments and their operations, overview of business operations of the subsidiary company, global business environment, the Company's business areas including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

Number of Meetings of the Board

Six Meetings of the Board were held during the year under review, which were held on June 20, 2020, July 30, 2020, October 21, 2020, January 09, 2021, January 22, 2021 and March 20, 2021

The details of the attendance of the Directors at the Board Meetings held on the above dates are given hereunder:

Sr. No	Name of Directors	Category	Attendance No. of Board Meetings	
			Held	Attended
1.	Prof S Sadagopan	Independent Director	06	06
2.	Mr. M S Sundararajan	Independent Director	06	06
3.	Mr. Nilesh Vikamsey	Independent Director	06	06
4.	Dr. Gulshan Rai	Independent Director	06	06
5.	Ms. Poornima Shenoy	Independent Director	06	06
6.	Mr. R Chandrasekaran	Independent Director	06	06
7.	Dr. N Muralidaran	Managing Director & CEO	06	06
8.	Mr. J Ravichandran#	Non-executive Director	01	01
9.	Mr. Yatrik Vin	Non-executive Director	06	06

Note: # Number of Meetings held during the tenure of Director

B. Meeting of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Non-Independent Directors or management personnel. Such meetings are conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. A separate meeting of independent directors was held on June 19, 2020 as required under Section 178 of the Companies Act, 2013 to review the performance of non-independent directors and the Board as a whole, the performance of Chairperson of the Company, after taking into account the views of executive and non-executive directors and also assessed the quantity, quality and timeliness of the flow of information between the company management and the Board so as to enable it to reasonably perform its duties.

Performance Evaluation of the Board, its Committees and Individual Directors

The Nomination and Remuneration Committee (NRC) had approved the framework for evaluation of the Board, Committees of the Board and the Individual members of the Board. The evaluation exercise was carried out through a structured questionnaire prepared separately for the Board, committees, Chairman and individual Directors.

A separate meeting of Independent Directors was held on June 19, 2020 to review the performance of Non-Independent Directors', Board and the Chairman, taking into account the views of Directors. The lead independent director and chairman of Nomination and Remuneration Committee informed the Board about the suggestions made by the Independent Directors.

The Board, then carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including Chairman of the Board. The performance of the Independent Directors was evaluated by the entire Board except the person being evaluated. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. Report was placed and discussed at the said meeting of Independent Directors and the Board meeting and the suggestions to further strengthen the effectiveness of the Board were noted for action.

The questionnaire for Board evaluation is prepared taking into consideration various aspects of the Board's functioning such as Board members' understanding of their roles and responsibilities; Board composition; Board meetings and the information provided in the meetings; time devoted by the Board to the Company's long-term strategic issues; quality and transparency of Board discussions; Board and Management relationship and Board's effectiveness in representing shareholder interests.

The criteria for performance evaluation of Committees of the Board includes aspects like composition of Committees, effectiveness of Committee meetings etc.

The criteria for performance evaluation of the individual Directors includes aspects like acting independently and in the best interests of the Company, contribution to the Board meetings like devoting sufficient time to his role and responsibilities at Board meetings, participation and contribution to Board deliberations, ability to guide the Company in key matters and knowledge and understanding of relevant areas, etc. In addition, the Chairman is also evaluated on the key aspects of his role.

C. Committees

i. Audit Committee

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls, which the management and the Board of Directors have established, financial reporting and the compliance process. The Committee maintains open communication with statutory auditors, internal auditors and secretarial auditors. NSEIT has in place, the terms of reference for the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013.

During the financial year 2020-21, the Audit Committee met four times i.e. on June 20, 2020, July 30, 2020, October 21, 2020 & January 22, 2021. The composition of the Audit Committee is in compliance with Section 177 of the Companies Act 2013. The representatives of internal auditors have attended the Audit Committee meetings held during the year. Executives of Accounts & Finance Department and Corporate Secretarial Department and internal auditors attend the Audit Committee Meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting.

ii. Nomination and Remuneration Committee (NRC)

As per requirements of the Companies Act, 2013, the Company is required to constitute a NRC consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. The Chairman of NRC shall be different from Chairman of the Board. Accordingly, the Board has constituted NRC for the purpose of discharging its functions required under the Companies Act, 2013. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013, During the year, three meeting of NRC was held on June 20, 2020, December 14, 2020 and January 21, 2021.

iii. Corporate Social Responsibility (CSR) Committee

The CSR Committee has been constituted, inter alia, to formulate and recommend to the Board a CSR Policy, to recommend the amount of expenditure to be incurred on the activities and to monitor the CSR Policy from time to time. A common CSR policy has been adopted by NSE and its subsidiaries (including NSEIT Limited) to avoid duplication of functions and enable scaling up of activities. The CSR policy of the Company is available on its website.

During the FY 2017-18, NSE Foundation, a section 8 company under the Companies Act, 2013 was incorporated by NSE and seven of its subsidiaries including NSEIT Limited. The funds earmarked by NSE and other NSE group companies including NSEIT Limited for the purpose of undertaking CSR activities are transferred to NSE Foundation, thereby allowing the Foundation to undertake impactful and sustainable social programs on their behalf. A brief outline of the Company's CSR policy including details on CSR activities undertaken during the financial year 2020-21 are detailed at **Annexure 3** to this Report. During the year, two meetings of CSR Committee were held on June 19, 2020 and October 20, 2020.

iv. Strategic Advisory Committee:

During the year under review the Strategic Advisory Committee (SAC) Meeting was held on August 1, 2020, November 2, 2020 and March 20, 2021. Further the Strategic Advisory Committee (SAC) is mandated to evaluate various business initiatives of the Company in line with Company's overall strategy to expand its portfolio of offerings and also to evaluate inorganic route of growth.

v. Strategic Investment Committee:

During the year under review the Strategic Investment Committee (SIC) Meeting was held on November 2, 2020. Further, SIC is mandated to review the proposals for Investments in other entities, major acquisition or takeover proposals, proposal for Joint Venture, Merger & Amalgamation, Dis-investment and such other matters as may be delegated by the Board from time to time.

18. EMPLOYEES' STOCK OPTION

The Company has not offered any shares under the Stock Option Plans to any of its employees.

19. STATUTORY AUDITORS

M/s Khandelwal Jain & Co, Chartered Accountants, Statutory Auditors of the Company, were appointed for a period of five consecutive years with effect from 27th June, 2017 and accordingly their term ends in annual general meeting for year 2022. Their appointment was subject to ratification by the Members at every subsequent Annual General Meeting.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn. In view of the above, ratification of the Members for continuance of their appointment at this Annual General Meeting is not being sought.

20. SECRETARIAL AUDITORS

The Board, on the recommendations of the Audit Committee, had appointed M/s MMJB & Associate , LLP Company Secretaries to conduct the Secretarial Audit pursuant to the requirements of the Companies Act, 2013 for the financial year ended March 31, 2021. The Report of the Secretarial Audit is annexed herewith as **Annexure 4**. The Secretarial Audit Report does not contain any qualifications, reservation, adverse remarks or disclaimer.

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' have been duly complied by the Company.

21. EXPLANATIONS OR COMMENTS ON THE QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN THEIR REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor appointed under Section 139 of the Companies Act, 2013 in their report. Hence, the need for explanations or comments by the Board does not arise. The report of the Statutory Auditor forms part of the financial statements.

Reporting of Frauds by Auditors

During the year under review, neither the statutory auditor nor the secretarial auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against NSEIT by its officers or employees, the details of which would need to be mentioned in this Board's report

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/ OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished and is enclosed to this report as **Annexure - 5**

As the Company does not have any manufacturing activities, particulars required to be disclosed with respect to conservation of energy and technology absorption in terms of Section 134 (3) (m) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts) Rules, 2014, are not applicable. However, as a responsible corporate citizen, the Company continues to pursue and adopt appropriate energy conservation measures. The Company makes every effort to conserve energy as far as possible in its facilities, Offices, etc. The Company also takes significant measures to reduce energy consumption by using energy efficient computers and by purchasing energy efficient equipment. The Company purchases PCs, laptops, air conditioners etc. that meet environment standards, wherever possible and replace old equipment with more energy-efficient equipment.

23. PARTICULARS OF EMPLOYEES

Pursuant to Rule 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement relating to particulars of employees forming part of this report has been given in the **Annexure 6** attached herewith.

24. APPRECIATION

Your Directors would like to place on record their sincere appreciation for the confidence support and co-operation received from the holding company, its employees, Banks, Reserve Bank of India, Ministry of Corporate Affairs, Government Authorities, suppliers, customers, shareholders and all other stakeholders.

For and on behalf of the Board of Directors

Sd/-

CHAIRMAN
Place : Bangalore
Date : April 21, 2021

Annexure 1

Form No. AOC 2

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

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 transactions under third proviso thereto.

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

(a) Name(s) of the related party and nature of relationship: NA
(b) Nature of contracts/arrangements/transactions: NA
(c) Duration of the contracts / arrangements/transactions: NA
(d) Salient terms of the contracts/ arrangements/ transactions including the value, if any: NA
(e) Justification for entering into such contracts or arrangements or transactions: NA
(f) date(s) of approval by the Board: NA
(g) Amount paid as advances, if any: NA
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

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

a) Name(s) of the related party and nature of relationship: As per Annexure A
b) Nature of contracts/arrangements/transactions: As per Annexure B
c) Duration of the contracts/arrangements/transactions :On-going transaction (Continuous)
d) Salient terms of the contracts or arrangements or transactions including the value, if any: As per Annexure B
e) Date(s) of approval by the Board, if any: The transactions are on arms' length basis and in ordinary course of business and so the approval of the Board for this purpose is not required.
f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Place : Bangalore
Date : April 21, 2021

Sd/-
CHAIRMAN

Annexure 2 (i) to the Board's Report
Remuneration Policy

1. Introduction

NSEIT Limited (hereinafter referred to as "NSEIT" or "the company") is governed by the Companies Act, 2013 and rules notified thereunder;
Section 178 of the Companies Act, 2013 read with rules framed thereunder prescribe that the Nomination and Remuneration Committee shall recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

Accordingly the Committee hereby recommends to the Board of Directors of NSEIT, a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees.

2. Definitions

(i) "Board of Directors" or "Board" shall mean the collective body of directors of NSEIT;

(ii) "Director" means a director appointed on the Board of NSEIT;

(iii) "Independent Director"shall have the meaning as defined under the Companies Act, 2013 read with relevant rules.

(iv) **"Key Managerial Personnel (KMP)**under Companies Act, 2013 means-
(a) Managing Director or Chief Executive Officer ("CEO") or Manager;
(b) Company Secretary,
(c) Whole-time Director;
(d) Chief Financial Officer; and
(e) Such other officer, not more than one level below the directors who is in whole-timeemployment, designated as key managerial personnel by the Board; and
(f) such other officer as may be prescribed.

(v) "Managing Director" means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

Explanation.—For the purposes of this clause, the power to do administrative acts of a routine nature when so authorized by the Board such as the power to affix the common seal of the company to any document or to draw and endorse any cheque on the account of the company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management;

(vi) “**Nomination and Remuneration Committee” or “Committee”**shall mean a Committee of Board of NSEIT, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

(vii) **“Policy”**means this Remuneration Policy.

(viii) The term “Senior Management Personnel” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.It includes KMPs as defined under the Companies Act,2013 “Whole-time director” includes a director in the whole-time employment of the company;

Words and definitions not defined herein, shall have the same meaning as provided in the Companies Act, 2013 read with relevant rules, or other relevant provisions; as may be applicable.

3. Interpretation

In any circumstance where the terms of this Policy differ from any existing or enacted law, rule, regulation governing the Company, the law, rule or regulation will take precedence over the provision of this Policy.

4. Objectives

The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management. The objectives of this policy are:

(a) To lay down a policy for payment of remuneration to the Directors, Key Managerial Personnel, Senior Management and other employees of NSEIT;;
(b) To assist the Board on determination of remuneration payable to the Directors, Key Managerial Personnel, Senior Management and other employees of NSEIT;
(c) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(d) To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
(e) To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

5. **Remuneration of Directors, KMP and Senior Management:**

The remuneration /compensation etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation etc. shall be subject to the approval of the shareholders of the Company, Central Government, wherever required. It shall be as per the statutory provisions of the Companies Act, 2013 read with the rules made thereunder for the time being in force. The remuneration/compensation to be paid to the KMP & Senior Management Personnel shall be determined by the Managing Director.It shall be as per the statutory provisions of the Companies Act, 2013, as may be applicable read with the rules made thereunder for the time being in force.

(a) The Committee shall lay down compensation policy of the Company from time to time in accordance with market practice and the Company philosophy.

(b) (d) The annual compensation shall consist of a fixed component and a variable component. The variable component shall not exceed one third of the total pay in respect of KMPs.

(c) The following factors shall be considered while fixing compensation package for the employees: performance, potential, qualification, experience, expertise, role, responsibilities, level of employees, inflation, attraction and retention of talent, market benchmark, size and complexities of operation, financial condition and health of the Company, etc.

6. **Remuneration criteria for the board**

(i) For Executive Directors:

a) Base Compensation (fixed salaries)

- Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, which may include salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices.

b) Variable salary:

- The Company may structure any portion of remuneration as variable in the form of commission/bonus or otherwise, linked to rewards on the achievement of Company's and individual performance, fulfillment of specified improvement targets or attainment of certain financial or other objectives set by the Board. The amount payable shall be determined by the Committee/Board, based on performance against pre-determined financial and non-financial metrics.
- As per Section 197 of the Act, the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed 11% of net profits of the Company computed in the manner laid down in Section 198 in the manner as

prescribed under the Act except that the Remuneration shall not be deducted from the gross profits

- The Company may except with the approval of the shareholders authorize the payment of remuneration upto 5% of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company with the approval of the Shareholders may authorize the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V of the Act.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Act.
- The Whole-time Director/Executive Director shall not be entitled to sitting fees as approved by the Board
- The Whole-time Director/Executive Director shall be governed by HR policies as applicable to the other employees of the Company.

(ii) For Non- Executive Directors/ Independent Directors:

- The Independent Directors of the Company are entitled to sitting fees for attending the meetings of the Board or Committees thereof.
- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto 1% of the net profits of the Company, if there is a managing director or whole time director or manager and 3% of the net profits in any other case.
- All fees / compensation, if any paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors within the limits as prescribed under the Act and shall require prior approval of shareholders, however, the requirement of obtaining prior approval of shareholders shall not apply to payment of sitting fees to independent directors, if made within the limits prescribed under the Act.
- The reimbursement of expenses for attending the Board and other Committee meetings including travelling, boarding and lodging expenses, shall be paid by the Company.

(iii) For Key Managerial Personnel (KMP) and Senior Management

- The remuneration of the Key Managerial Personnel and Senior Management shall be determined, after considering the following key factors:

  a) The level and composition of remuneration that should be reasonable and sufficient to attract, retain and motivate directors/executives and should be in line with the industry practice aimed at promoting the short term and long term interests and performance of the company.

  b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

  c) Remuneration will involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The Appointment of KMP under Companies Act, 2013 shall be approved by the NRC followed by Board approval.

ESOPs and other equity linked instruments will not form part of the compensation.

Incentive to take excessive risks over the short term shall be discouraged.

In the event any employee applies for any loan whether temporary or otherwise from the Company, the same may be granted at the sole discretion of the MD & CEO.

Medical Expenditure actually incurred by the employee or his family members over and above the insured amount may be approved at the sole discretion of MD & CEO from the emergency corporate fund with the insurer.

7. Reporting to the Board

The Chairman of the Committee shall report to the Board on material matters arising at the Committee meetings and, where applicable, shall present the Committee's recommendations to the Board for its approval

8. Amendment

Any amendment or modification in the Companies Act, 2013, Rules, Regulations and directives issued under the respective statutes and any other applicable provision relating to the remuneration/compensation/commission, etc. shall automatically be applicable to the Company.

9. Disclosure

This policy shall be disclosed in the Board's Reportin accordance with provisions of the Companies Act, 2013 and rules framed thereunder, from time to time.

10. Review of the policy

This Policy shall be reviewed by the Nomination and Remuneration committee periodically, presently once in 2 years, unless an earlier review required to ensure that it meets the regulatory requirements or latest industry practice or both.

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Annexure 2 (ii) to the Board's Report
Nomination Policy

Policy for Nomination and Appointment of Directors and Senior Management Personnel

1. Introduction

NSEIT Limited (hereinafter referred to as "NSEIT" or "the company") is governed by the Companies Act. 2013 and rules notified thereunder.

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of NSEIT is mandated to constitute a Nomination and Remuneration Committee which shall, amongst other things, formulate the criteria for determining qualifications, positive attributes and independence of a Director and criteria for identifying persons who may be appointed in senior management and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

2. Objective

The Company aims to achieve a balance of merit, experience and skills amongst its Directors and Senior Management Personnel. The objectives of this Policy are:

a. To formulate the criteria for identifying the persons who are qualified to become directors and such persons who may be appointed as the Senior Management Personnel of the Company.

b. To guide the Board in relation to the appointment and removal of directors and Senior Management.

c. To determine the qualifications, positive attributes and independence of a director and to ensure Board Diversity and implementation of succession planning in the Company.

3. Definitions

(i) "Board of Directors" or "Board" shall mean the collective body of directors of NSEIT;

(ii) Director" means a director appointed to the Board of NSEIT;

(iii) "Independent Director" shall have the meaning as defined underthe Companies Act, 2013 read with relevant rules framed thereunder.

(iv) "Key Managerial Personnel" means as defined under Section 2(51) of the Companies Act, 2013

(v) "Managing Director" means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

Explanation.-For the purposes of this clause, the power to do administrative acts of a routine nature when so authorized by the Board such as the power to affix the common seal of the company to any document or to draw and endorse any cheque on the account of the company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management;

(vi) **"Nomination and Remuneration Committee" or "the Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 as well as rules framed there-under.

(vii) **"Policy"** means this "Nomination Policy."

(viii) The term "**Senior Management** Personnel”" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

(ix) **“Whole-time director"** includes a director in the whole-time employment of the company;

Words and definitions not defined herein, shall have the same meaning as provided in the Companies Act, 2013 read with relevant rules, as may be applicable.

4. Interpretation

In any circumstance where the terms of this Policy differ from any existing or enacted law, rule, regulation governing the Company, the law, rule or regulation will take precedence over the provision of this Policy.

5. Positive Attributes and qualifications of Directors

When recommending a candidate for appointment as Director, the Committee will have regard to the following qualifications and positive attributes:

(i) the appointee should satisfy the 'fit & proper criteria' as assessing the appointee against a range of criteria which includes, but not be limited to, qualifications. skills, industry experience, background and other qualities required to operate successfully in the position;

(ii) the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company; in case of Senior Management their contribution towards effectiveness of the organization as whole would be considered;

(iii) the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

(iv) ability of the appointee to represent the company;

(v) ability to work individually as well as a member of the Board and with the senior management;

(vi) influential communicator with power to convince other in a positive way;

(vii) ability to participate actively in deliberation and group processes;

(viii) have strategic thinking and facilitation skills;

(ix) act impartially keeping in mind the interest of the company on priority basis;

(x) Does not hold Directorship in more than 20 companies (including private and public limited companies) or 10 public limited companies incorporated in India or such other number of companies as may be prescribed from time to time;

(xi) Personal specifications:
- Educational qualification;
- Experience of management in a diverse organization;
- Interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;

6. The Committee shall take into account the following while deciding the composition of the Board and its size:-

(i) The Board of NSEIT shall include:
(a) Non-executive Directors
(b) Independent directors; and,
(c) Managing director.

(ii) The Board from time to time keeping in mind the corporate structure, may frame guidelines governing the composition of Board which shall inter-alia be subject to the following:-

- The number of independent directors shall be in accordance with the Companies Act 2013 and Rules framed there-under, from time to time.
- The managing director shall be an ex-officio director on the Board and shall not be included in either the category of independent directors or shareholder directors.

(iii) Composition of Board as per Companies Act, 2013

Section 149 of the Act prescribes that every public limited company shall have at least 3 Directors and provides for appointment of up to fifteen Directors without seeking approval of Shareholders. It also prescribes that certain class of companies shall have at least one woman director. Section 149 (3) of the Act provides that there should be at least one Director who should have stayed in India for a period of not less than 182 days during the financial year.

7. Independence of a Director

(i) The key role of an Independent Director is to provide an unbiased, varied and experienced perspective to the Board. While evaluating the candidature of a Director, the Committee abides by the criteria for determining Independence as stipulated under Companies Act 2013, and other applicable regulations or guidelines.

(ii) The Committee takes a broad perspective with respect to Independence and takes into consideration not only the dealings, transactions, relationships with the concerned Individual Director but also with relatives, entities and organizations affiliated to it.

(iii) The Committee, along with the Board, regularly reviews the skill, characteristics required from the Board & Individual Directors. One of the prime objectives of this exercise is to identify competency gaps in the Board and make suitable recommendations. The objective is to have a board of diverse background and experience in business, technology, governance and areas that are relevant for NSEIT.

(iv) Besides considering all other qualifications with regards to talent, relevant professional experience, proven track record of performance and achievement, ethics and integrity, ability to bring in fresh and independent perspectives, sector specific experience and expertise, the Committee objectively evaluates whether an individual can dispassionately discharge the statutory functions of a Director as enshrined in the Companies Act 2013.

8. Disqualifications for Appointment of Directors

A. Pursuant to section 164 of the Companies Act, 2013, a person shall not be Eligible for appointment as a director of a company if:

a. He is of unsound mind and stands so declared by a competent court;
b. He is an undischarged insolvent;
c. He has applied to be adjudicated as an insolvent and his application is pending;
d. He has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

   Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
e. An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
f. He has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
g. He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
h. He has not complied with sub-section (3) of section 152.

B. No person who is or has been a director of a company which:

a. Has not filed financial statements or annual returns for any continuous period of three financial years; or
b. Has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more shall be eligible to be reappointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

9. Term / Tenure:

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director for a term a not less than 3 year and not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to three consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 3 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

10. Board Diversity

The Board shall consist of such number of Directors, including at least one woman Director, as is necessary to effectively manage the Company of its size. The Board shall have an appropriate combination of executive and Non-Executive Directors. The Committee will lead the process for Board appointments. All Board appointments will be based on meritocracy in the context of the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective. The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. NSE believes that increased diversity in Board is associated with better financial performance, greater innovation and has a positive impact on the Company.

For Executive Director

- The Executive Director shall be appointed as per the applicable provisions of the Companies Act, 2013 and rules made there under.

- The person to be appointed will be assessed against a range of criteria which shall include but shall not be limited to qualifications, skills, industry experience, fit & proper, background and other attributes required for the said position.

- The Executive Director shall have all the powers and authorities as prescribed by the Board of Directors and as provided in the Articles of Association and applicable provisions of the Act. Executive Director will be overall in-charge of the business, administration and other affairs of the Company subject to the superintendence, control and directions of the Board of Directors and he shall guide, control and supervise the employees of the Company, their functions, the business carried on by the Company and all administrative matters.

11. Familiarization Program for Directors

The Company shall provide an orientation to new Directors and continuing education/training to all its Directors, and shall periodically provide materials or briefing sessions for all Directors on subjects that would assist them in discharging their duties. Each new Director shall spend reasonable time for briefings by senior management on the Company's operations, its material subsidiaries, strategic plans, its financial statements, its key policies and practices and other details as may be desired by the Director.

12. Criteria for appointment of Senior Management Personnel

The following attributes shall be taken into consideration for selecting suitable candidates for appointment as senior management personnel:

(i) Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, industry experience, background and other qualities as may be required to operate successfully in the position;

(ii) Contribution towards effectiveness of the organization as a whole;

(iii) ability of the appointee to represent the company;

(iv) ability to work individually as well as part of team of senior management;

(v) influential communicator with power to convince other in a positive way;

(vi) ability to participate actively in deliberation and group processes;

(vii) have strategic thinking and facilitation skills;

(viii) act impartially keeping in mind the interest of the company on priority basis;

(ix) Profile shall include:

- Educational qualification;
- Experience of management in a diverse organization;
- Interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace.

The Management from time to time shall identify the level, designation and names of (i) Key Management/Managerial Persons under Companies Act and / or persons who forms part of Senior Management and recommend the same to Nomination & Remuneration Committee for its approval. The Managing Director is empowered to identify the candidates in the Senior Management in terms of the criteria prescribed herein and recommend their appointment to the Committee.

13. Succession Planning

The· Committee shall review, approve and aid the Board in succession and emergency preparedness plan for key executives as may be identified from time to time. The abovementioned criteria may be applied for such identification and evaluation.

14. Reporting to the Board

The Chairman of the Committee shall report to the Board on material matters arising at the Committee meetings and, where applicable, shall present the Committee's recommendations to the Board for its approval.

15. Amendment

Any amendment or modification in the Companies Act, 2013 and any other applicable provision relating to Nomination and Remuneration Committee shall automatically be applicable to the Company.

16. Review of the policy

This Policy shall be reviewed by the Committee periodically, presently once in 2 years, unless an earlier review required to ensure that it meets the regulatory requirements or latest industry practice or both.

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Annexure 3

Annual Report of the CSR activities for FY 2020-21

1. NSE Group CSR Vision

NSE Group has constantly endeavoured to improve the financial wellbeing of people at large through a committed approach to offer investment products that suit varied needs of people. It has expanded access to financial markets for people across the country by introducing transparent and efficient systems, improved safety measures for investors, empowering investors through awareness and education on financial planning, investor protection and investment-related issues.

Besides this, NSE Group has continuously worked towards integrating sustainable and responsible business practices through environment-friendly measures such as recycling of waste, reducing paper, water and energy conservation, use of renewable sources of energy, eco-friendly infrastructure, gender diversity and inclusive workplace policies.

NSE Group further understands that the economic and social well-being of the community is closely interlinked to their habitats and the environment. NSE Group therefore strives to integrate triangulated focus to improve the quality of life of its identified beneficiaries towards creating inclusive societies, while meeting its social, economic and environmental responsibilities.

The key focus sectors identified by NSE Group for social intervention and impact target the triply disadvantaged and underprivileged sections of our population. The key change and impact indicators in every programme strive to align with the nation's social development goals and the larger global sustainable development goals.

a) CSR Focus Areas, Objectives and Goals
The CSR objectives have been identified basis the larger mandate outlined in Section 135 of the Companies Act 2013 and Companies (CSR Policy) Rules 2014 as well as to meet NSE's community engagement aspirations.

NSE Group has currently identified six CSR areas as issues of concern to be addressed in the developmental landscape in India. They are i) Primary Education, ii) Elder Care, iii) Sanitation & Safe Drinking Water, iv) Health & Nutrition v) Environment Sustainability and vi) Skill Development & Entrepreneurship. In addition, during times of natural calamities and disasters NSE Group strives to provide speedy relief and assistance to affected geographies and communities through contributions to the Prime Minister's relief fund, emergency disbursals to undertake relief through NGOs etc. The initiatives also incorporated research and studies in areas specified in Schedule VII including promoting education.

The NSE Group CSR programmes seek to impact the most disadvantaged sections of the community by undertaking long term impactful programmes with a strong emphasis on the behaviour change activities which are embedded in the programme design. Projects implemented under these verticals are not one-time activities but are on a programme mode on timelines that will achieve the pre-determined goals and impact.

In addition to the focal areas of social intervention, a number of internal CSR activities such as environmental awareness, nature trails, blood donation camps, visits to the project sites etc. which engage and motivate employees to be socially responsible have been undertaken by the CSR Society Focus Group of NSE Group.

The core CSR focus verticals are further detailed in the following sections.

- Primary Education
  The NSE Group CSR initiatives in Primary Education focus on bridging the literacy gaps of children aged between 5 - 12 years from disadvantaged communities who form the bottom rung of society. The programme outcomes contribute to the holistic development of children which includes addressing their physical, mental and aspirational needs through supplementary and in-school programmes.

  NSE Group has identified interventions in capacity building and training of teachers that will augment teacher-student ratio and directly impact the quality and quantity of attention that is currently provided per student. The aim is to improve reading, writing, critical thinking, arithmetic and problem-solving, application and behavioural skills and create a cadre of highly motivated teachers who become change agents.

- Sanitation and Safe Drinking Water
  The initiatives in WASH (Water, Sanitation and Hygiene) programmes are aligned to the goals of the Swacch Bharat Mission and the Swacch Bharat Swacch Vidyalaya. Under this, NSE Group supports sanitation projects in the schools and communities as well as awareness building on sanitation, safe drinking water, solid waste management and other WASH-related aspects to ensure usable WASH facilities in schools, Anganwadis, etc. and strive towards sustainable open defecation (ODF) free communities through sustained behaviour change communication.

- Health & Nutrition
  Over the last decade, despite significant progress in the health system and various disease indicators, this sector remains a critical focus area, with huge disparities between geographies that need to be addressed.
  Health is a vast subject covering various issues related to communicable, non-communicable, vector borne diseases and disorders that are addressed in various ways through promotive, protective, curative, preventive, palliative and rehabilitative services. Health and Nutrition services are vital across the life span of a person including reproductive, neo natal, child, adolescent, adult and older person. Thus, the NSE Group CSR initiatives in health will be broad ranging (rural and urban health) and where feasible seek to align with the

priorities outlined in the National Health Policy and the National Health Mission and Sustainable Development Goal-3 which is “good health and well-being”.

- Elder Care
  Demographic Ageing is rapidly advancing with 1 in 6 Indians slated to be a senior citizen by 2050. This poses a huge set of challenges and stresses on the nation and society, which include a larger financially dependent population, increased demands on health care systems, social security, protection and management.

  The area is challenging as this problem has not been taken up as an imminent issue. Projects considered under the elder care segment focus on enhancing the holistic well-being of the underprivileged ageing population by awareness campaigns and addressing their mental and physical health indicators through health camps etc., addressing elder abuse, loneliness, economic and financial independence by activities that create awareness of issues relating to the elderly.

- Environmental Sustainability
  The environmental ecosystem is a fragile relationship between various elements such as air, water, soil, flora, fauna etc. Some critical issues that pose an unprecedented challenge are pollution (of soil water and air), ground-water depletion, solid & liquid waste management, loss of forests with the accompanying biodiversity etc. Further, unexplained climate change leading to disasters that cause widespread damage and economic losses such as the floods in Kerala are increasing each year. Interventions and innovative solutions are required to address the above.
  In keeping with NSE Group’s commitment to environmental conservation issues of ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water will be addressed.

- Skill Development and Entrepreneurship
  India has an unparalleled youth demographic- 65% of its population is 35 years or under and over 62% of the population is in the working-age group (15-59 years). While this demographic dividend promises immense opportunities, it brings its own set of challenges such as equipping youth and those in the employable band with adequate, relevant, job-ready skills.
  The initiatives on skill development shall be aligned to National Policy for Skill Development & Entrepreneurship 2015, the National Skill Development Mission and other Government schemes in short and long term skill development, apprenticeship, vocational training, upskilling, entrepreneurship, etc. and contribute to the outcomes envisaged under the universal Sustainable Development Goal (SDG) 8 - promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

- Disaster Relief and Rehabilitation
  From time to time various geographical areas of the country are affected by natural disasters such as Earthquakes, Floods, Landslides, Cyclones,

Tsunamis, Urban Flood, Heat waves and Drought etc. as well as emergencies and calamities in urban and rural areas. Relief and rehabilitation activities will be undertaken through NGOs/implementation partners or through contributions to Government bodies/institutions set up by the State /Central Government to undertake such relief and rehabilitation activities.

- Prime Minister’s National Relief Fund
  From time to time various regions in India are affected by natural calamities such as floods, storms, earthquakes, etc. Emergency relief assistance is provided by the State Govt. & Central Govt. agencies, NGOs etc. and also through Prime Minister’s National Relief Fund. NSE has taken up contribution to the ‘Prime Minister’s National Relief Fund’ and emergency disbursals to NGOs to provide speedy relief to affected communities as one of the CSR focus areas in such circumstances if and when the need arises, under the CSR policy.

- Research and Studies in areas specified in Schedule VII including promoting Education.
  Research activities may be undertaken in the areas as described in Schedule VII of the Companies Act, 2013 as CSR activities.

b) Selection Criteria for Projects

The NSE Group CSR objectives have been identified basis the larger mandate of the Sec. 135 of the Companies Act 2013 and the Companies (CSR Policy) Rules 2014, which outlines the corporate social responsibility of companies. NSE Group has further defined the CSR interventions to be undertaken and laid down the criteria for selecting projects on a long-term timeline to achieve outlined indicators to create a sustainable impact in identified communities.

The on-ground agencies (NGOs) are selected after intense scrutiny and due diligence by NSE Group programme monitoring and evaluation (PME) partners. This includes, legal & financial due diligence, conformation to guidelines prescribed in Sec.135, programme evaluation, past track records and so on.

The programme proposals go through a detailed scrutiny on various parameters such as type of beneficiaries, relevance of the scope of work to thematic requirements, focus on the larger community, emphasis on training and capacity building, working with Government schemes, departments, sustainability of the intervention, innovativeness, uniqueness, scalability, replication of programmes, outputs, outcomes, plan for monitoring and evaluation, impact assessment and employee engagement opportunities.

After the first phase of programme implementation, NSE Group CSR team had developed a reference framework based on the FINITE model to benchmark the projects. **F**ocused (in location /approach and sector), **I**nnovative (In design, concept and outcomes) **N**iche (Unique in approach, intervention and programmes) **I**mpactful (in quantitative and qualitative programme outputs and outcomes) **T**racked (in programme achievements, programme objectives involving NSE staff, NGOs, community and beneficiaries) and **E**ngaging (To all stakeholders community, company and beneficiaries due to uniqueness of methodology, engagements and tools).

The projects are selected on a number of parameters such as alignment to the CSR vision and CSR policy of NSE Group, focus verticals, geographical regions in backward districts, needs of the community, impact of the programme, beneficiaries profile and sustainability of the project after completion.

c) Monitoring and Evaluation of CSR Initiatives

Rigorous monitoring and evaluation processes ensure the success of the CSR programmes. NSE Group through empaneled Project Management and Evaluation agencies (PMEs) of repute and experience, apply stringent criteria while selecting the NGO partner and the programmes. The projects have the key indicators defined and impact assessed in the CSR projects undertaken.

These key indicators are tracked on a regular basis by frequent desk reviews, site visits, follow-ups, capacity building, quarterly on-site programmatic and financial scrutiny as well as advice on organizational or programmatic corrections to ensure on the ground impact and sustainability of the programme.

d) Projects undertaken by NSE Group CSR during the FY 2020-21

Primary Education:

I. Anupad

Anupad is a programme to improve the learning outcomes in 18 government-run Ashramshalas in Nashik District. It provides need-based input to children of grades five to seven in an accelerated manner to enhance numeracy and literacy competencies. The programme achieves its objectives by placing trained Sikshan Mitras to build teachers and headmasters' capacities through onsite support and workshops. To ensure sustainability, the entire programme is implemented in close collaboration with the Tribal Development Department (TDD), Govt. of Maharashtra. The programme was in the third and final year and activities were initiated to hand over the programme to the schools. Being residential schools, the pandemic has affected the program due to the school closure for more than 10 months. However, though the schools were closed, Sikshan Mitras helped teachers enhance their capacities and strengthen their instructional skills through online sessions. 54 teachers and headmasters of all the selected 18 Ashramshalas attended these sessions.

II. Atikranta-An initiative towards transformation

This recently commenced project "Atikrānta" aims to serve 2,200 urban children living in the slums of Kolkata. The program will be implemented in two phases; in phase one, support will be provided by para teachers or Sikshan

Mitras (SM) to selected children from 40 government schools to continue learning at home while schools are closed due to COVID 19. This will be undertaken both through a virtual and personal connect mode. Lessons will be sent to children through social messaging apps followed up with phone calls. For students who do not have access to phone or computers, the SMs will visit the home of the child, distribute worksheets and resolve difficulties in learning. The second phase will commence when the schools' classroom activities resume. In this phase, 40 schools will be selected in collaboration with the Department of Education to re-enroll children back to school's post-COVID. Teaching Learning Materials will be provided to the selected 40 schools to support government teachers to engage with children. After the resumption of school activities, an assessment of available WASH infrastructure in schools will be carried out along with Knowledge, Attitude, Behaviour, and Practices (KAP) study of the students, teachers and other stakeholders so that the facilities can be retrofit and made available for use by students.

III. Creating and Enabling a Learning Environment for Academic Excellence

This project which has recently commenced in Delhi, will reach out to 7,000 children in government primary schools of Municipal Corporation of Delhi (MCD) through an integrated education and WASH interventions. The project will work with all children from grades 1-5 especially children who have difficulty in foundational literacy and numeracy. Most of them are first-generation school students from migrant families. To have an integrated impact, the WASH infrastructure retrofitting will be undertaken in the selected schools, along with rigorous behaviour change communication on safe WASH practices and habits.

This programme will also include strengthening school management committees and teacher training through active demonstration and instruction; schoolteachers would be encouraged to internalize better classroom practices using storybooks and reading kits. Existing IT infrastructure in schools will be leveraged and teachers trained to access the plethora of ready-to-use, downloadable TLMs, and e-stories.

IV. Creating Learning Culture

This recently commenced project will work with 40 selected schools under Municipal Corporation of Greater Mumbai (MCGM) in Kurla, Mumbai, to impact the quality of learning of 8000 students. While the intervention strategy will focus more on an in-school initiative, substantial efforts will be undertaken at the community level for continued impact. The pandemic has affected communities from the lower socio-economic sections of Mumbai, many who are migrants, and there appears to be substantial loss in the learning levels of these children, especially the first-generation learners. The project will be implemented over a three year period, and activities will be undertaken to improve language, math, and school readiness skills among children of first to fifth grades. The learning goals for such intervention would be aligned to the level-wise curriculum, which will ensure that grade-level competencies in language and math are based on the child’s existing foundational competencies. Children will gain access to colourful books, reading cards and other learning material in Marathi, Hindi, Urdu and English through a school-based library. Digital modules and innovative ways of learning will be used to encourage children who have dropped out to learn and the families to send their children to school once the formal academic sessions commence. The programme will work with School Management Committees of the respective schools towards strengthening the functioning and involvement of these committees for the sustainability of the project.

V. Girl Child Education Programme

The five-year Girl Child Education project runs 100 out-of-school learning centres in Purulia and Bankura Districts in West Bengal, some of which are extremely remote.

The project objective is to improve access to quality education for out-of-schoolgirls and girls with poor attendance in schools through learning centres to improve their learning outcomes and ensure their transition to formal schooling and continuing education. These learning centres have employed community members as their para teachers, who receive intensive and periodic training to educate them effectively. 100 such community members have been trained and employed as teachers in these centres.

This project engages with the community to ensure the sustainability of the initiative. The learning centres are set up with the community's help in the spaces provided by them to promote ownership of the program. This project has reached 1,475 girl children in Purulia and 1,622 girl children in Bankura in its third year of intervention. Significant learning improvement has been observed as over 80% of children moved into higher levels over the last year.

VI. Education of Girls in Ajmer District

The project has concluded, and the impact assessment has been initiated. The programme was implemented in 468 villages within 3 Blocks (Jawaja, Silora & Bhinai) of Ajmer district in Rajasthan. It aimed at enrolment of girls who had dropped out of schools or have never been enrolled, retention of girls enrolled in schools and improved learning outcomes of children, especially girls, studying in grades 3, 4 and 5.

In order to improve learning levels (numeracy and literacy), a curriculum was implemented in schools for all children in grades 3, 4 and 5 with the use of specially designed kits implemented in 236 schools.

The intended impact of the project was to increase enrolment of girls in schools, retain at least 85% of enrolled girls in school and improve learning outcomes for over 4,900 children studying in grades 3-5. The programme is undertaken by a cadre of unpaid community volunteers trained for the purpose. This programme has been able to re-enroll over 1,700 out-of-school girls in schools across the 3 blocks of Ajmer and formalise over 200 Balika Sabhas (Girls council) in upper primary schools and conduct life skills training for over 2,700 girls.

VII. Leadership Training of the Panchayat Elementary Education Officers (PEEOs – Principals of Senior Secondary Adarsh Schools)

The Principal training programme conducted in Jaipur aims to build the academic and leadership skills of the 6000 Principals of the Adarsh schools so that they can ensure effective implementation of the State Improvement for Quality Education (SIQE) programme and improve the quality of education delivered by their schools. Through a comprehensive six-day training module,

more than 4000 PEEOs have been trained to support and monitor schools for effective implementation of child centric pedagogy (CCP) and continuous and comprehensive evaluations (CCE) processes which is expected to gradually impact the quality of education delivered by the schools at scale. PEEOs are now actively participating in workshops/meetings with DIET faculty to develop worksheets, summative tools, teaching-learning materials and mentoring the primary schools in their vicinity for subject and administration improvements.
The feedback gathered from the programme shows that almost 100% participants found the training useful, 68% respondents found the session highly satisfactory and 65% said that their understanding of children's evaluation methods was highly satisfactory.

VIII. Learning Orbit for Village Excellence

This program brings together a diverse and dynamic pool of thirty youth (teaching fellows), from local and urban communities to bridge and elevate the learning deficit in tribal, rural pockets of Kotra and Gogunda, two rural blocks of Udaipur district across thirty villages impacting 3,200 students.
The nationwide lockdown due to COVID halted the ongoing activities under the project. To continue the learning process among children of Kotara and Gogunda, learning support was provided through Hamlet Learning Circles (HLC). Each teaching fellow was responsible for two such circles, and around 699 students continued their learning through these circles. The Integrated Audio Learning (IAL) Program was launched to create meaningful and relatable audio learning content that integrates the current EVS and language curriculum with the holistic social-emotional-ethical learning curriculum. To continue the learning through the lockdown, the project collaborated with a local community radio to host a radio programme called 'paathshaala ki ghanta bajao'! and comprises of 150+ episodes of 25 minutes each – covering environment, science and language concepts, so that students who do not have smartphones can tune in to the radio through their basic mobile phones and listen to the content. The other activities include the Learning Festival (LF), in which a series of experiential learning workshops designed in the form of a progression of activities taking children from exploration to creation. The 6-day format builds the students' creative confidence by experimenting, collaborating, trying new things, and learning by doing. The last day is a culmination of sharing and celebrating what the students have learnt and created through an exhibition attended by the parents, teachers, community members and local government leaders. This year, keeping the safety guidelines in mind, the Learning Festivals were conducted within the hamlet learning circles run by a single fellow and 20 Learning Festivals were celebrated, reaching 692 students and 179 across all hamlets.

IX. Prajwala: Strengthening the KGBVs to ensure quality education for all (Madhya Pradesh)

This three-year education initiative aims to cover all 207 Kasturba Gandhi Balika Vidyalayas (KGBV) across Madhya Pradesh, reaching more than 30,000 girl students and improve their language and math competencies in addition to their life skills.
Young adolescent girls belonging predominantly to the socially and economically weaker families from educationally backward blocks, enroll in

KGBV hostels which provide food and other facilities. The literacy component is provided by the local zilla parishad upper primary schools near the KGBV hostels which the girls attend from Grade 5 to 8 depending on their age and learning level.

The programme,which is in its third year of implementation is delivered through a cadre of more than 400 local female volunteers calledsikshan mitras, and intends to improve the quality of education delivered for the girls enrolled in these residential schools through foundational and remedial education, in addition to value and life skills sessions.

In the wake of Covid-19, when the KGBVs were closed, the community volunteers and the project team aligned the academic activities by conducting online and offline neighbourhood remedial classes with the support and cooperation of the community under the state's initiative 'Apna Ghar Apna Vidyalaya'. More than eight thousand students were benefitted through this initiative, and their education continued via blended e-learning classes using ICT technology tools. The students' assessment showed an average increase in language and mathematics proficiency in the range of 25-35% across all the grades. In addition, an online training for all KGBV staff and 323 state hostel wardens was conducted in collaboration with the Madhya Pradesh Rajya Siksha Kendra. The capacity building of the School Management Committees (SMCs) was also undertaken to orient them on their role and responsibilities, including protocols, precautions and steps to prevent Covid-19.

X. Prajwala: Strengthening the KGBVs to ensure quality education for all (Rajasthan)

Project “Prajwala” initiated in the year 2018-19, reaches out to all the 200 KGBVs across Rajasthan annually benefiting around 25,000 girl students enrolled in these institutions. The project has placed around 400 trained female academic support fellows to provide academic support in the KGBVs. Six workbooks have been developed in Hindi and Math according to the various learning levels, which have been approved and accepted by the state department of education for strengthening the remedial programme.

The project also aims to strengthen the participation of School Management Committees (SMCs) for facilitating effective management of the schools and sensitize the block/district /state level government department officials so that the required academic support and monitoring is ensured resulting in quality outputs. Academic support through remedial classes are ongoing activities. Community volunteers continued to conduct online and offline remedial classes especially within the communities and shared worksheets and other activity material specially created for the students.

XI. Rehli Shiksha Pahal Program (RSPP)

This project seeks to upgrade learning opportunities for elementary school students in 214 villages and 150 schools in the Rahli block of Sagar district in a span of five years through community volunteers and para teachers through community-based learning centres as well as showcasing selected zilla parishad schools as model schools. To bring about qualitative improvement in the school’s close coordination with the cluster resource centres (CRCs) and block resource centre (BRC)was integrated into the project.

Balamitras and Janamitras, adhering to the safety protocols, and maintaining the social distancing protocols in the villages, met the children's parents at their home to distribute worksheets and books for children so that studies could be continued at home. Additionally, to secure children's engagement towards education, Balamitras and Janamitras also carried out other activities such as ensuring the regular functioning of the community learning centres, conducting on a regular basis mohalla classes or Hamara Ghar Hamara Vidyalay.

The Balmitras and volunteer’s set-up 24 new community learning centres and existing learning centres with the community's help. The Janmitras extended academic support to the Balmitra and motivated the schoolteachers to enhance parent-child /parent-teachers engagement, increase community support, build teachers' capacity, and strengthen systems.

XII. Serving and Enriching Education for Under-privileged Urban Children in Bhiwandi-Nizampur and Malegaon

The objectives of this recently concluded project were to improve access and quality to primary education for children from families of selected slums clusters in Bhiwandi-Nizampur and Malegaon near Mumbai.

The cadre of Sikshan Mitras selected from the community was given intensive training to anchor the community learning centres or 'Sikshan Ranjan Kendras' (SRKs) and bring education to the doorstep of children.

16 'Sikshan Ranjan Kendras' were established in each location totaling 32 learning centres. Among this, 50% were Urdu medium and 50% non-Urdu medium and covered around 1632 children through their activities.

The unique feature of Sikshan Ranjan Kendras was the use of varied teaching learning methods (TLM) while delivering academic inputs with games, sports and other activities such as drama and theatre. The students took an active part in the community-based programs such as puppet shows, rallies and annual gatherings.

During the COVID 19 pandemic, the Sikshan Mitras and project managers were in continuous contact with children and their families. Along with education support, Sikshan Mitras also helped local community members distribute food, sanitisers etc., to the needy. The ‘bal panchayats’ role at the community level was strengthened, and many students played an active role in ensuring services were provided from both local areas elected representatives, as well as, principals in schools and even the senior family members. Effective use of libraries in all centres during the pandemic was observed. To consider the sustainability of the project, an apex body of members from the community actively participated to solve various issues relating to the children, local government schools and other challenges. The assessments showed an increase in learning level from the baseline for children who were an average score of 11% initially and improved to 75% during end line assessment. During the project, around 210 awards were received by children from various competitions from the local to the district level.

XIII. Student Teacher Empowerment Programme, Sheopur

The project was launched in 2017 to benefit 4000 students across 40 government primary schools in Sheopur, Madhya Pradesh. In the first two years, more than 5000 students benefitted from the project each year. The project is currently in its final year and has overcome the challenges on account of the restrictions posed due to COVID-19 by reaching out to students through multiple community learning circles that have been set up and are being run in partnership with the community in the intervention locations.

The project began planning for sustainability in October 2019 with the activation of School Management Committees (SMC) and SMC members' capacity building across intervention schools. As a part of the sustainability plan, the project field team of Sikshan Mitras (resource persons assigned to schools) was reduced to 10 (from 20) to foster community ownership.

The impact of community engagement was evident when the schools closed in the wake of COVID-19 in March 2020, and volunteers from the community were identified in partnership with SMC members in June 2020 to devote their time pro bono to the 'community learning circles' called Bal Sikshan Sabha, which are safe learning spaces for children to study in smaller groups under a volunteer's supervision in their neighbourhood. Sikshan Mitras trained the volunteers through constant mentoring and handholding. Currently, 36 Bal Sikshan Sabhas are operational in Sheopur with the support of 38 volunteers, benefitting over 4100 students.

Student learning achievement has more than doubled over the past three years in the intervention locations in both Hindi and mathematics. The increase in the language (Hindi) has been from 30% at baseline to 78% at end line in Karhal block, whereas it was increased from 25% at baseline to 75% at end line in Sheopur block. For numeracy, the same was 25% at baseline and increased to 75% at end line in Karhal block and 38% at baseline to 64% in Sheopur block.

XIV. Swachha Vidyalaya Swachh Aadat

Swachha Vidyalaya Swachh Aadat project is designed around WASH interventions in 312 schools in Dumka and Pakur Districts of Jharkhand State. This project has completed its three-year period in which it aimed to capacitate 104 schools each year in planned phases and ensure that children in these schools have access to basic facilities such as functional school toilets, safe drinking water, clean surroundings and awareness on health and hygiene issues. Through its three year initiative the programme has reached 39,141 students, teachers and mid-day meal handlers, who received trainings on personal hygiene practices, methodology of safe handling of drinking water, food hygiene and kitchen management of mid-day meal schemes etc. 1,900 teachers have been trained on importance of WASH in schools, their role, responsibility and methodology on imparting hygiene education and 5,000 school management committee (SMC) members were trained on preparation of school development plan and advocacy strategies to adopt for leveraging school improvement funds. In the year 2019-20, School management committees have leveraged funds of Rs. 62 lakhs towards improved WASH infrastructure in project schools. To ensure safe drinking water, water quality testing of sources was undertaken and iron removal filters were installed in locations with high iron contamination.

XV. Urban Learning Improvement Program

This recently initiated project will work with students in 25 government schools and engage with 5000 children in Chennai to enhance the quality of learning.

The activities combine both in school and out of school community interventions to ensure a healthy and sustainable learning environment for children. The project term of 3 years would be implemented in phases. Phase-1 will analyse the impact of the COVID-19 pandemic on drop-out rates, attendance patterns in schools, communities' overall perception around COVID-19 post lockdown etc. and undertake mobilisation for re-enrolment and bridge classes amongst other activities. Phase-2 will have structured strategies for numeracy and literacy by improving language and math competencies for children of class 3 to 5. The program will initiate the setting up children's groups in communities to improve reading among children of standard 1-5. Mothers' groups will also be created in the community to encourage ongoing interactions and support. Youth from the communities will assist in engaging children in various community activities and assisting project staff members in conducting instructional work.

SANITATION and SAFE DRINKING WATER

XVI. Prajwala- Sanitation (Madhya Pradesh)

This programme is aligned to Project Prajwala (education) conducted in 207 KGBVs (Balika Vidyalayas) of Madhya Pradesh. The main objectives of the programme are to ensure improved knowledge, attitude and practices among students, who are girls, and teachers towards various aspects of WASH in the KGBVs in Madhya Pradesh, retrofitting of WASH infrastructure to make the KGBVs WASH compliant and develop systems for operation and maintenance (O & M) of WASH infrastructure in the KGBVs. This project is implemented in partnership with Rajya Sikshan Kendra (RSK), Government of Madhya Pradesh and UNICEF as the technical advisor.

The pace of infrastructure work remained relatively slow due to challenges posed by COVID-19 on several fronts. The supply of materials got affected due to the nationwide lockdown. Finding suitable masons was another challenge due to mobility restrictions; however, the construction activities were planned with all the safety measures. During these ten months, retrofitting work was completed in 58 KGBVs. These include installing 39 prefabricated handwashing stations, including the storage tank, pipeline and wastewater management, restoration in 56 sanitation blocks, construction of 23 dish wash stations. In addition to the above, detailed infrastructure assessments have been conducted in the 32 KGBVs and submitted to the Government.

XVII. Prajwala- Sanitation (Rajasthan)

Project Prajwala has been designed to improve the Water Sanitation and Hygiene (WASH) facilities of 200 Kasturba Gandhi Balika Vidyalayas (KGBVs) in 33 Districts of Rajasthan. The project is currently in its third year and has reached 16,385 girls' children through various interventions. The project works on a partnership model with local NGOs for field support, organizations such as UNICEF for technical support and the education department of Rajasthan for systemic support and sustainability. The key project activities are retrofitting sanitation infrastructure of the sanitation block, kitchens, cloth washing stations and incinerators, improving facilities for personal hygiene in dormitories, developing kitchen gardens and improving the overall cleanliness of the campus, behaviour change communication (BCC) for children, capacity building and training and development of operations and maintenance (O&M) protocols. This is expected to improve sanitation facilities' usage and maintenance and enable the adoption of appropriate sanitation and hygiene practices, including menstrual hygiene management, handwashing, personal hygiene, etc., among the students. The gender-sensitive and child-friendly WASH unit was constructed in 90 KGBVs this year, thus covering 111 KGBVs under the project. Additionally, the school managements have undertaken retrofitting and augmentation of existing infrastructure through cash and in-kind support from municipal corporations, Panchayati Raj Institutions and individual donors to make WASH a priority.

Behaviour Change Communication (BCC) sessions for the stakeholders on various WASH themes have been conducted via school visits. As schools were closed for students due to the COVID pandemic, WASH education activities were facilitated via the social media groups.

For ensuring the sustainability of efforts and institutionalising innovations along with strengthening systems within the school, programme reviews were held with the education department in all 33 districts, along with meetings at block and panchayat level across the state.

Project Prajwala is being documented as a case study on Collective Learning and Action for Sustainable Community Development, an initiative being undertaken by Asia-Pacific Cultural Centre for UNESCO (ACCU) Japan. Showcasing of Project Prajwala activities was done to Ms. Audrey Azolay, Director General, during her visit to Jaipur in February 2020.

XVIII. Promoting WASH Compliant Ashramshalas

The recently concluded three-year model project on Water, Sanitation and Hygiene (WASH) was undertaken in 172 tribal residential schools or Ashramshalas run by the Tribal Development Department (TDD) in a phased manner. These schools, located in remote areas, offer a residential, educational facility to children from disadvantaged tribal backgrounds, especially those whose parents seasonally migrate for work. NSE Foundation initiated this unique project in a collaborative model with the Tribal Development Department, UNICEF and various civil society organizations and the project aims to impact around 70,000 students, around 2,000 school staff and TDD officers.

The project looks into three major components: (1) Retrofitting of WASH infrastructure as per the Assessment survey of Ashramshalas (2) Enhanced awareness, knowledge and behaviour change on the aspects of WASH by students, teachers, government officials of TDD and sanitation workers (3) Build or improve systems around operations and maintenance.

Infrastructure repair and renovation): COVID-19 has affected construction activities that were planned. After relaxation in lockdown, the remaining infrastructure works were completed (A total of 20 different works were completed in 11 Ashramshalas across Nashik and Nandurbar districts). These works include construction and restoration of 4 cloth wash stations, 7 drinking water stations including the storage tank, pipeline replacement and fitting of the solar dual pump, construction of 4 compost pits, retrofitting of 2 dish wash stations and construction of innovative technology of wastewater management system using principles of evapotranspiration trenches in addition to online training programmes on COVID protocols and good hygiene behaviour.

XIX. School Health Program

This recently commenced project will work in the Municipal schools in Mumbai, especially in Kurla. The students belonging to the slum communities located close to the NSE group Exchange Plaza office in BKC, live in unhygienic and cramped conditions, making them vulnerable to various infections. This becomes an increased concern given the COVID pandemic, where personal hygiene norms are extremely crucial. The project is expected to reach approximately 9000 children directly through the activities such as creating functional WASH facilities in government schools, safe, clean and hygienic drinking water source at the school, regular sessions with students and teachers to ensure safe WASH practices and personal hygiene practices are followed, and outreach into the nearby communities to undertake interventions in awareness and behaviour change sessions.

XX. Strengthening WASH in Municipal Schools of Ahmedabad

This recently commenced project aims to create usable WASH facilities in municipal schools of Ahmedabad and improve hygiene through behaviour change session (BCC) thereby promoting better health and hygiene practices in around 10,000 students and their families for 25 schools within Ahmedabad municipality. The project will undertake repair/retrofitting of sanitation facilities, such as handwashing stations, urinals, toilets, etc., as per indicators detailed in Swachh Bharat, Swachh Vidyalaya in 25 schools under Ahmedabad Municipal Corporation.

ELDER CARE

XXI. Rashtriya Netra Yagna

This recently concluded project aimed to reduce reversible blindness and treat eye diseases for the elderly from the lower socio-economic strata of the society, especially from rural areas. Loss of vision is a major issue for the elderly and impacts the quality of their life and living. The senior citizens were reached through a network of eye hospitals and community-based organizations (CBOs) India to conduct eye health camps in rural areas. The camps undertook checking of vision and identifying the elders who needed intervention or treatment. The local hospitals and CBOs assisted with the entire lifecycle of treatment from identification, facilitation of surgery including transport to the hospital, counselling, post-surgery care and follow up for the elderly patients. The project has restored the vision and treated eye related disorders for 7,450 senior citizens across various locations.

XXII. Shraddha: Towards Active and Healthy Ageing

The project aims at promoting active and healthy ageing among the elderly through self-help collectives in four blocks of four states: Ghatanji (Yavatmal, Maharashtra), Pochampalli (Yadari, Telangana), Kolaghat (Purbi Midnapore, West Bengal) and Basantpur (Supaul, Bihar).

The project has completed its third year and has entered the term extension of two years to complete the activities. The needs and social-health-economic profiles of 5,992 elderly have been enumerated, and 35% of them were successfully linked to one or more government schemes while 5,320 elders were made members of elderly self-help group (ESHG) collectives.

All the 405 ESHGs under the project have gained access to banks through the opening of a savings bank account. The inter-loaning has provided for the initiation of supplementary livelihoods for 2,000+ individual elderly and their families. Credit access from bank/financial institutions of Rs. 3,55,500/- was obtained at the Kolaghat project location. Seed Capital provided under the project saw the commencement of 33 different petty trades and livelihoods, with 35% of the seed capital provided as loan to individuals for agriculture and grocery shops.

Mobility was restored for 2,213 elderly members through customized poly-centric knee devices (1,597 elders) and cataract surgeries for 616 senior citizens. Accredited Clinics or Gram Chikitsa provided 11,855 treatments during the project, ensuring that the assisted elderly remain active with the availability of health facilities at their doorstep. Nearly 62% of the elderly were able to receive specialist medical consultation at the multispecialty health camps.36 Village Level Federations (VLFs) were formed with sub-committees established at VLF-level. Leaders were nurtured at the various levels who took part in the exchange visits, and Elderly Community Resource Persons (ECRPs) were trained.

XXIII. National Helpline for Senior Citizens (NHSC) with Ministry of Social Justice and Empowerment (MoSJE), Government of Telangana, National Institute of Social Defense (NISD) and other State Governments.

The recently commenced project aims to create a helpline for senior citizens across the nation that provides information, guidance, emotional support, and field intervention, driven by values of care, empathy and encouragement. The project will support the Ministry of Social Justice and Empowerment (MoSJE) to roll out the response system across the States. For the same, a national level agency (NIA) has been created with MOSJE, National Institute for Social Defence, Govt. of Telangana of which NSE Foundation has been inducted as a member. The selection of local agency and the cloud servers have been allotted within National Informatics Centre (NIC) in Pune, training programmes of the local support agencies undertaken, manuals and standard processes created, the help line number and other communication material has been finalized.

DISTRICT TRANSFORMATION STRATEGY

XXIV. Aalambana: Towards Active Ageing

This project currently engages with a cumulative number of 16,308 rural elderly through various programmes to address primary concerns of a) social inclusion for countering isolation and neglect, b) working towards financial inclusion and economic security, c) access to health care as a livelihood capital and d) digital literacy and digital inclusion. The project is currently implemented in the Sapotra block in Karauli district of Rajasthan, Mandapam block in Ramanathapuram district of Tamil Nadu and Rajnagar block, Birbhum district of West Bengal.

The programme has mobilized, trained and capacitated approximately 10,896 elderly into 1,223 self-help collectives to engage better with existing or new livelihood opportunities and providing for livelihood assets or restoration support. These groups have generated Rs. 26,936,896/- cumulatively through

inter-lending in less than 3 years. 1068 self-help groups have got bank accounts opened.
Considering the healthcare access in rural areas, a community-managed module for healthcare to respond to chronic ailments and palliative care for the bed-ridden destitute elderly is being institutionalized. Gram Chikitsa (Cluster Village Clinics) has been established to include cataract surgeries and poly-centric knee braces for mobility restoration. These clinics have distributed customized polycentric knee devices to 3,115 elderly, IOL surgeries for 1,006, provision of spectacles to 5,114 elderly, and 4,769 elderly received specialist consultation in Multi-specialty Health Camps.

XXV. Akshara

This education project covers all primary schools in Rameswaram Island in the Ramanathapuram District of Tamil Nadu. The project aims to bridge students' learning gaps in primary classes through remedial sessions from grades 2 to 5 in Rameswaram Island's government schools. This project is in the second year of intervention activities, reaching 21 schools and 1155 primary students. The interventions supplement the school curriculum with innovative teacher learning material, capacity building of teachers, increasing learning levels of the student through school activities to achieve the project objectives. The project's activities are planned over three years to improve the learning levels of students in Maths, English and Tamil. Community youth trained as para teachers in innovative pedagogy and involved in the programme as Sikshan Mitras. During pandemic (COVID-19) lockdown, teaching-learning material was developed for children for home-based learning. 11 community-based learning centres were formed, and around 350 children benefitted from the same.

XXVI. Alokito Shoishab (Enlightened Childhood)

The project aims to enhance academic competency and life skills for around 8,000 children in 107 government primary schools of Rajnagar block, Birbhum district.
In addition, the project undertakes academic activities in learning centres nested within the communities. The project started with an enrolment of 3,557 children in the centre and currently in the second year has 4,632 children enrolled. The learning centres re started with small batches of 10-12 children, after the government lifted restrictions. A blended teaching method, including an online platform and direct teaching by the Sikshan Mitras, is being used. Emphasis is given on actual work through learning materials to accelerate the learning. Worksheets are also being distributed through WhatsApp to the guardians having smart devices and to the homes of the student. Close coordination with the schools ensures that the government schoolteachers undertake home visits to encourage students to attend the learning centre.

XXVII. An initiative to support healthy ageing in rural communities

The recently commenced project aims to implement a multi-pronged approach to build a conducive environment for the elderly to enhance the quality of life in Karauli and Mandrail Blocks' rural communities in Karauli district, Rajasthan. This 3-year programme will cover all the block panchayats reaching 212 and 77 villages in Karauli and Mandrail blocks, respectively. The project is expected to reach 5,000 beneficiaries directly through the elderly self-help group (ESHG) model, and 2,000 beneficiaries who have other mobility constraints will be linked with various government schemes for assistance. The activities undertaken in the project are to enhance livelihood opportunities for the elderly by mobilizing the elderly population into ESHGs to promote small savings and loan disbursements, training of the ESHGs on group management, leadership, book-keeping, accounting etc. Additionally, community-based micro-enterprises managed by the elderly will be promoted, and linkages with supply chains will also be ensured to run the enterprises sustainably. The members of the ESHGs will also be linked to the various welfare schemes and programs of the government. In an effort to create intergenerational linkages and utilise the experience of elderly, retired teachers and government employees will be trained to monitor and support education and health care services as well as resolve other local issues.

XXVIII. Bhu-Jaldhara: Integrated Watershed Programme

The project aims to address inadequate access to water for both drinking and irrigation purposes which are major concerns in the hilly areas of the drought-prone region of Karauli district (Karauli Block) Rajasthan.

The programme seeks to enhance natural resources in the form of water and soil of the selected area through community-led initiatives. It includes a participative initiative to inculcate management frameworks at the community level. It is designed to strengthen the institutional framework by capacitating village watershed development committees (VWDCs) in 60 Villages on Integrated Watershed Management. Groundwater recharge through appropriate soil and water conservation and rainwater harvesting measures will be undertaken. The programme envisages enhancing household income by 30 per cent by adopting good practices in agriculture, horticulture and livestock management and establishing market linkages. This programme will reach around 4,500 farmers and more than 11,000 households in the community. Activities undertaken such as awareness campaign on water resulted in increased awareness of water conservation and water harvesting amongst the farmers and local community. The participatory rural appraisal, an exercise to map out the needs of the area involved the farmers and gave them an understanding into the geographical characteristics and the resource availability and utilization.

XXIX. Building Water Security for Green Rameswaram

The Project aims to build water security in Rameswaram Island (Ramanathapuram District) through various interventions focusing on improving water access, providing safe drinking water to the community, and preventing water sources' contamination. In this regard, water resource mapping was conducted to identify sources of water on the island. The strategy is to increase the groundwater table for which soak pits are implemented for groundwater recharge. To provide safe drinking water to the people, water purification plants and rainwater harvesting structures have been built. Water purification plants use well water as the primary source, and hence for recharging the well, rainwater recharging structures are proposed. To prevent water contamination by waste, waste to energy (biogas units) and waste to compost systems (vermicomposting units) are installed, and also grey water management through kitchen gardens is done.

So far, eight water purification plants have been installed on the Island – one in Thangachimadam, two in Pamban, and five in Rameswaram. Water demand survey and water testing were completed. For operation and maintenance of the plants, a "PASUMAI GROUP" has been formed consisting of the community members who have a standard protocol in place that includes contribution of a small maintenance fee from the community. 50 Rainwater harvesting structures are completed, including individuals as well as for the community. 100 Kitchen Gardens have also been developed in the community with ten vermicomposting units that have started to yield nutrient-rich composts. 20 individual and four school biogas units with 100 soak pits have been completed. Awareness, behaviour change activities, training on operations and maintenance of the units etc. have also been undertaken.

XXX. Comprehensive elder care programme for senior citizens

The 'Pilot Initiative on Comprehensive Elderly Care Programme' (CECP) intends to improve the health outcomes of the elderly of Maharashtra through intervention at Shahada block in the Nandurbar district. This program will also consolidate and expand the work of systems strengthening at various health system levels to offer Comprehensive Elderly Care.

The project proposes the facilitation of comprehensive geriatric health services into the public health system through weekly geriatric clinics at Primary Health Centers (PHCs). Further, the programme undertakes digitalization of data from the geriatric clinic, training existing Accredited Social Health Activist (ASHA) workers, community health workers, nurses, and doctors within the health system to offer elderly care, as a goal. Ensuring the medication's availability, counselling, and physiotherapy services at primary levels and awareness and mobilization of the elderly to create demand and advocacy for elderly focused PHCs are part of the programme.

Under this project, 20 health camps were conducted to screen non-communicable diseases among elders. The camps were conducted in 20 villages with the support of the district health department. Of the1905 elders screened in the camps. 354 elders were provisionally diagnosed for Hypertension, and 148 were provisionally diagnosed for Diabetes Mellitus and were referred for further treatment. Capacity building, sensitization and training of health workers was conducted. 47 ANMs, 202 ASHAs and34 medical officers were trained in various aspects of geriatric health and geriatric assessment.

XXXI. Creating Enablers for ODF Sustainability

This project is a scale-up of the existing project in Navapur and now extends the programme objectives to scale up to the adjacent Nandurbar block for a term of three years.

The project will facilitate retrofitting of existing sanitary infrastructure, hand washing stations, drinking water facilities and other WASH infrastructure to ensure sustained improved hygiene and behaviour change in 252 government schools, 15 Ashramshalas, and 12 Primary Healthcare facilities present in the entire block. It will further ensure sustained ODF activities in the 137 Gram Panchayats based on the Swachh Bharat Mission guidelines reaching more than 33,000 community members over three years. BCC activities in communities have been rolled out after the relaxation in lockdown restrictions, and 540 panchayat members have been oriented on the project activities, both through online and offline modes. 16 Ratri Chaupals in 14 GPs have been conducted with a reach of around 1,180 people. Fifty-five (55) masons have been oriented on toilet technology, out of which 10 women masons were trained, especially on wastewater management technology, i.e. construction of soak pits, and 146 adolescent girls have been trained on menstrual hygiene management.

XXXII. Drinking Water Kiosks with Fluoride and Desalinity Remediation

In both Birbhum and Ramanathapuram, water quality in many locations within the districts is below the prescribed drinking water standards due to high fluoride levels (Birbhum) and salinity (Ramanathapuram) which makes it unfit for consumption, leading to multiple health problems. The project is based on Capacitive Deionization (CDI) technology to remove dissolved solids to produce clean drinking water that meets WHO standards. Digital water kiosks (DWK), an all-weather modular structure built exclusively for community drinking water, will also be part of the project. Under the project, 11 locations will be provided safe and healthy drinking water using CDI technology. It will also include activities to create awareness of safe drinking water and build community members' capacities to contribute and maintain the water kiosks for sustainability. Water committees in all the selected areas have been set up with the local governing bodies' involvement and protocols for the use, distribution and maintenance put in place. Work towards the construction of platforms has been completed, and the units are will be shortly installed and commissioned.

XXXIII. Empower women and girls for improved maternal and child health and nutrition in Todabhim block of Karauli district

Set up a model health project for communities especially women to become aware and access health services in their locations by enhancing institutional service delivery mechanisms for uptake of maternal, child and adolescent health and nutrition (RMNCH+) services and build capacities of the community groups.

Programme activities will roll out in a phased manner; 40 villages in the first year (training SHGs of a current partner NGO), 70 villages in the second year and 41 villages in the third year totalling all 151 villages of Todabhim block, Karauli district. Training and handholding of SHGs and Adolescent Groups (AGs)-approximately 8000 members of 800 SHGs will be undertaken.

The local health service delivery will be enhanced due to continuous training and handholding, and strengthening of services delivery at sub-centre, PHC, and CHC-health services like registration of pregnant women under the Janani Suraksha Yojna, four or more antenatal care (ANC) services under Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA), Iron and Folic Acid (IFA) tablets for pregnant women and adolescent girls (AG) under national iron plus initiative (NIPI), Rashtriya Bal Swasthya Karyakram (RBSK) and Rashtriya Kishore Swasthya Karyakram (RKSK), institutional delivery at PHC/CHC and full immunisation under Universal Immunization Programme (UIP) etc. A model telemedicine project will be implemented in the PHCs of

Thodabhim block that will link the community, especially women, to specialised diagnosis and referral services. Large scale training of SHGs to encourage interaction with local health systems staff, peer group involvement in women's health issues, role of the panchayat and the Village Health Sanitation and Nutrition Committees (VHSNCs) will be undertaken.

XXXIV. Enabling last mile health care access through technology undertaken in Ramanathapuram district.

The recently commenced project aims to introduce a comprehensive model of bringing together through the deployment of a digital technology system, affordable, preventive diagnostics for around 8,000 elders in Ramanathapuram, awareness of their health status and access to specialty diagnostic services through teleconsultation. The model is being built on the build-operate-capacitate-transfer method, enabling the local community health workers to learn, understand and operate the project after its transfer to the community. Further, the programme would refer patients to tertiary or super specialty for treatment, through PHCs and district hospitals. One Primary Healthcare Centre (PHC) will be facilitated with the requisite infrastructure along with one operator, two doctors (General Practitioners) and a project coordinator. Doctors attached to the district hospital will consult locally at the PHC, provide teleconsultation services to the patients connected by ANM's and conduct periodic camps to increase the model's adoption among the elderly population. The baseline has been completed, and all administrative permissions are granted from the state health department and the district health department.

XXXV. EQUIP-Mandapam Block (Education QUality Improvement Project)

The EQUIP (Education QUality Improvement) project, undertaken for 6363 children in 91 primary schools, ten middle schools, and 90 out-of-school learning centres in the Mandapam block of Ramanathapuram district Tamil Nadu has completed two years of intervention. This project aims to ensure essential competencies in rural underprivileged students of grades 3-5 in Maths, English and Tamil and for grades 6-8 in basic skills in Math and English through both in school and after school interventions focusing on children lagging in basic skills. Learning festivals in
more than 15 schools have been organized, with active participation from parents and the local community. Ninety (90) expert and local teachers (Sikshan Mitras) and 35 expert trainers have been trained in innovative pedagogy and technology-enabled learning and the creation of low-cost teacher learning materials to make classes more effective. For middle schools, projector and tablet-based fraction courses for students were undertaken. Students learnt fraction lessons through pre-loaded tablets and practiced Math problems offline using tablets. Skill fest events were conducted in schools, and each Gram Panchayat, newly elected panchayat leaders, and education officials are invited to participate in school children's learning and parents to maximize community participation in addition to spoken English modules.

XXXVI. EQUIP Thiruppullani Block (Education QUality Improvement Project)

This project is a scale-up of the existing education programme EQUIP, implemented in Mandapam Block to Thiruppullani Block, which aims to provide quality primary education to 1430 children from disadvantaged sections. Interventions in 50 government schools and 50 out of school centres will be established in 50 villages (one centre in each village) which a Sikshan Mitra will manage; a trained youth from the community. The project aims to create a sustainable model to improve education quality in rural underprivileged children by providing attractive learning materials, including learning videos and inputs to ensure that those in grades 3-5 achieve basic competencies in Math, English and Tamil and children in grades 6, 7, 8 achieve basic skills in Math and English. Video-based math sessions and science experiment sessions conducted twice a month will induce curiosity in children.

XXXVII. Everyone Forever – Water Services and Systems Strengthening

The projects primary objective is to improve water facilities in Rajnagar and Khoyrasol Block of Birbhum district for Anganwadi centres, schools, and communities. The project has three major components- ensure availability and functionality of water infrastructure in schools, Anganwadis and communities; enhance awareness, knowledge and foster behavioural change towards best practices of WASH among students, teachers, government officials and sanitation workers; build and improve systems around operations and maintenance. The project has completed its second year, and a total of 2545 students have been reached in 30 schools and trained on activities such as good handwashing practices, personal health and hygiene, etc. 7,071 community people have benefitted through improvement in water facilities in 40 community water points, 1,477 individuals benefitted by up-gradation of water infrastructure in Anganwadi Centres; 10 Village Water Sanitation Committees (VWSC) strengthened and 30 Jalbandhus trained. 10 VWWSSP promoted in 10 Gram Panchayats. Active participation was observed with the Gram Panchayat and Block level contributing Rs. 37 lakhs and communities are contributing Rs. 4.5 lakhs towards certain activities of the project. Also, 148 teachers have been trained on WASH practices, 88 Government representatives at Block and Panchayat level sensitised about the importance of WASH in school and community. 148 Anganwadi Workers of Khoyrasol Block oriented about health hygiene and nutrition.

XXXVIII. Foundational Learning Enhancement in Government Schools

The project envisages improving and ensuring the quality of teaching-learning processes in primary grades in 100 schools in the Hindaun block of Karauli. This will be achieved by enhancing the literacy and numeracy competencies of children from grade 1-2 through improved quality of classroom teaching-learning processes, providing a print-rich learning environment and building foundational competencies of language and mathematics of students in grades 3 to 5 through structured remedial inputs, which offer individualized instruction to children. The three-year project will build schoolteachers' capacities in the 100 schools to ensure that the improved interventions continue in a sustained manner. In the first year, 50 schools were identified with the target to reach 4,500 children, but due to COVID-19 related school closures, only 1,477 children have benefitted from the project intervention activities.

XXXIX. Gram Samruddhi

"Gram Samruddhi" project is initiated in Dhadgaon and Akkalkuwa block of Nandurbar district of Maharashtra. The project aims to reach marginalized and tribal communities in drought-prone areas of 30 villages in Akkalkuwa and Dhadgaon blocks in Maharashtra's Nandurbar district. Under the programme, indigenous practices are promoted to enhance the natural resources of the selected area through community initiatives and to develop a management system that is more sustainable and equitable. Alternative income generation activities will form part of project activities through crop diversification and the development of market linkages to sell agricultural produce. Capacity building and strengthening 2,000 farmers and self-help groups (SHGs) will be undertaken to sustain the initiatives.

Farmers have undertaken cultivation with the pure seed of local species of maize, barnyard millet and local garlic. The plantation drive was undertaken with community participation to restore tree cover on the barren hills in selected villages of Dhadgaon block and Akkalkuwa block, and the forest conservation committees at these villages were trained on taking care of the saplings. Six thousand saplings of Mahua (Madhuca longifolia) were planted in Kharwad, Harankhuri and Belakund. With the help of seed/seedling kits perennial kitchen gardens by the SHGs were set up and the Devi Mahila Bachat Gat (SHG) was trained for undertaking the sales and marketing of the agricultural produce and has begun activities for procurement and sale of custard apple and vegetables. Under the convergence with various stakeholders, pesticides and saplings worth Rs. 2.7 lakh were contributed by the community and from government schemes.

XL. Gyanodaya: Block Educational Transformation, Karauli (B.E.T-Karauli)

The recently commenced project "Gyanodaya" is expected to impact 9,000 students directly in Karauli block of Karauli district. It will focus on improving children's learning experience with inputs on thematic learning, life skills and well-being. Each school will have a centre of excellence that will be used to demonstrate and create teaching-learning materials. A resource person/ Sikshan Mitra will help the teachers build their capacities in innovative pedagogy to increase students' learning levels. In this programme, the teacher's ability to adopt a newer pedagogy to realign with the children's emerging needs will be promoted. The teachers will have developed practices to deal with the children's differential learning needs and support them in their well-being. The focus will also be to enhance the school's overall governance, which will include working with the community to increase their overall participation in the running of the school. Additionally, the programme will aim to reduce the drop-out rate and increase attendance through the community and parents' mobilisation. During school closure due to COVID, learning activities were initiated in the community through Sikshan Mitras, teaching-learning material provided to the children, and regular assessments conducted.

XLI. Improving Language and Numeracy skills (Mandrail)

This project is currently ongoing in 123 villages of Mandrail block of Karauli district and aims to upgrade learning outcomes for 8,138 elementary school students of the Government's 132 Primary Schools (PS) and Upper Primary

Schools (UPS).
Under the project, the cluster coordinators engage with the teachers, parents, communities and Panchayati raj representatives to create a positive learning atmosphere in schools and at homes. On the other hand, the Sikshan Mitras- trained local youth, set-up and manage remedial classrooms that focus on improving learning levels of children who have not attained the requisite competencies. The academic support to the Sikshan Mitras is provided regularly by the cluster coordinators and project officers.
Also, support is provided to teachers in conducting multi-grade teaching practices, child-friendly pedagogy, etc. The project team also works towards strengthening the School Management Committees (SMCs) by orienting them on their roles and responsibilities, developing School Development Plans (SDPs), leveraging funds and monitoring usage and maintenance of school facilities. Additionally, children cabinets (Baal Cabinets / Children Groups) are being formed in all the schools in a phased manner and will be encouraged to take up monitoring of health and hygiene as well as academic-related issues in schools. Due to COVID and school closure, the program interventions during the first year have focused on providing remedial support to about 1,805 students of 32 schools through 16 trained Sikshan Mitras through community centres so that their learning levels can be increased by 50 per cent in three years.

XLII. Jaldhara- Integrated Wash, Sanitation and hygiene interventions

This project aims to provide safe and clean drinking water, promote an open defecation free environment, motivate communities to use their individual household latrine (IHHL), improve WASH facilities in schools and inculcate improved hygiene practices among school children, adolescent girls and women in Akkalkuwa and Dhadgaon block of Nandurbar District.
The implementation of the drinking water supply undertaken through the village water and sanitation committee (VWSC) that are trained and aware of the Swacch Bharat Mission, Jal Jeevan Mission and other schemes, as well as its roles and responsibilities. The scheme involves the leverage of 70% fund from the government, but significant activities were halted due to the COVID pandemic. In 35 habitations, awareness about open defecation was undertaken, and in 17 hamlets, the toilet retrofitting work was initiated. Seventy-eight toilets are retrofitted and made functional. The MHM modules were initiated with 5,230 women & adolescent girls, 17 community resource persons were trained to develop the community members on MHM.

XLIII. Lifeline express- ACT: Impact Mobile Medical Service through Impact India Foundation (IIF) in Birbhum district

In this recently commenced project, a train equipped with medical devices, surgery equipment's, doctors, staff etc., is parked for 21 days at one selected station/location. On the dates designated for screening, doctors in the out-patient department examine all patients to identify those needing surgery. Those who may not benefit from surgery are tested for assistive medical devices such as spectacles, hearing aids, callipers etc., and comprehensive service will be given to identified beneficiaries.
The project aims to reduce the burden of avoidable disability in communities, reduce the burden on secondary and tertiary care centres by screening, early

identification and treatment, provide counselling, initial stage treatment and medication for patients and refer complicated cases and provide capacity building through continuing medical education (CME), counselling and education sessions. This project will cover about 8000 beneficiaries for blindness – correction of refractive errors and cataracts through surgery, especially in the elderly, deafness – correction through surgery and provision of auditory aids, correction of cleft lips, correction of club foot (Congenital Talipes Equinovarus), detection and awareness creation on cervical, breast & oral cancer and awareness creation on Oral health & hygiene, Epilepsy and risk factors for stroke like diabetes & hypertension.

XLIV. Magic English Vaachan: Improving English proficiency of students in Zilla Panchayat Primary Schools

The project's objective is to improve student's English proficiency from 424 Zilla Parishad primary schools in the Nandurbar district, Maharashtra reaching 36,000 students and building capacities of 1600 teachers. The project implementation in Nandurbar Zilla Parishad schools rolled out in two phases: phase one with 100 schools started in June 2019 and scaling to another 324 schools as phase two in March 2020.

The programme delivers high levels of proficiency in English through an enjoyable process that simulates the way children naturally learn the mother tongue or other languages from the environment. The programme is a three-level/ three-year immersive English language with each level comprising of 72 sessions of 40 minutes each. Teachers are equipped with high-quality printed and audio-visual content and infrastructure and teacher manuals that provide detailed session-by-session usage of these materials in the classroom.

The programme is designed as a classroom-based programme, but the school closure due to COVID affected the implementation of the programme in schools. Through a periodic review of the COVID 19 scenario at local and regional levels, it was decided to make changes in the programme delivery and capacity building support models to adapt to the challenges.

The Magic English Vaachan application which was launched during the pandemic as a response to the closure of schools, will help develop the English language skills of 36,000 government school children in the Nandurbar district. Available to 1600 teachers in 424 ZP schools in the first phase of the launch, the application enables teachers to support children during the pandemic in community-based learning centres and set up mini-schools of during the pandemic. Teachers have started using the Magic English Vaachan application during their community visits and are conducting sessions in the mini-schools or learning centres by using the application.

XLV. National Initiative for Skill Training on Dementia and Mental Health for Caregivers of Older Persons

The recently commenced project aims to create a cadre of trained professionals engaged in caring for the elderly, especially those suffering from mental ailments such as Dementia, Alzheimer's, Parkinson's etc. and provide, strengthen, train, up skill, enhance the quality of care and promote employment opportunities in the areas of geriatric care. The objective of the project is to develop a standardized curriculum for skill training in geriatric mental health and dementia care for the caregivers of older persons, implement the skill training for caregivers of older persons through a hybrid training program (combined in-person and tele-training) using the structured curriculum, evaluate the impact of the training program. The project will also conduct sensitization and awareness programs for promoting geriatric care as a professional employment opportunity and entrepreneurship among the target population and develop a national model for the training of caregivers of older persons in geriatric mental health and dementia care. The project will recruit and train 500-600 geriatric care assistants in one year working in either old age homes or home-based care providing organizations of Ramanathapuram district, Tamil Nadu. Other aspirational districts and geriatric service providers. Post the training, online mentoring and support will be provided for all the assistants over three months. Partnership with old age homes, geriatric care service providers will be considered for placement and employment for the students.

XLVI. ODF Sapotra

The Water, Sanitation and Hygiene (WASH) project in the Sapotra block of Karauli district implemented in 167 villages across 34 Panchayat of Sapotra block of Karauli district. During the three-year project cycle, the aim is to bring about behavioural change and improve WASH facilities' uptake among the 5,000 poorest households and to reach out to 9,609 students of 175 schools through WASH infrastructure improvement and behaviour change communication interventions.

The major components of the project are to catalyse the community for sustainable open defecation free (ODF) environment, strengthen institutions such as school management committees, village health, sanitation and nutrition committees as well as children's cabinets to improve systems around operations and maintenance. The project initiated specific action on the importance of WASH in health institutions, including medical and paramedical staff's orientation on the need for functional water, sanitation, and hygiene facilities at the health centre. This orientation helped the team of PHCs to plan the construction, operation and maintenance of WASH facilities. All the five PHCs in the project area have been covered under the project.

Anganwadi workers and helpers from all 148 AWCs of Sapotra block were oriented to safe water, sanitation, and hygiene practice, particularly on ensuring hygienic meals for pre-school children and handwashing critical times. 170 child WASH cabinets were formed which performed as peer educators and led the important days such as hand washing days, world water days, environment days, etc. Also, special emphasis on food hygiene was ensured for mid-day meal (MDM) for the students. The project had awareness activities at a village and block level around messages of WASH, social distancing, face cover during COVID, along with training on pit emptying and faecal sludge management etc. Through home visits, beneficiaries were made aware of and encouraged to use toilets at the household level. This campaign has reached 30,348 HHs (151,740 people) in all 167 villages altogether through IEC activities.

XLVII. ODF sustainability in Nandurbar

This project focuses on sustainable Open Defecation Free (ODF) in communities, WASH compliant institutions such as Anganwadis, schools, Ashramshalas, and primary health centres of Nandurbar district. The intervention covers 114 Gram Panchayats (GPs) in the Navapur block. The project looks into three major components, i.e. retrofitting of WASH infrastructure in schools and Anganwadis, enhanced awareness, knowledge and behaviour change on WASH aspects in schools, Anganwadis, PHCs and communities, and build or improve systems around operations and maintenance.

Currently, the project is in its second year, and more than 15,671 community members from 45 GPs and more than 9,400 students, 4,168 girls and 5,232 boys have been reached out. The various WASH interventions in the community include ratri chaupals, the orientation of WASH champions and youths, frontline workers, health workers and masons, as well as sessions on personal hygiene and menstrual hygiene management. Around 50,000 people participated in an online handwashing session on the global handwashing day around, 2000 people participated on the occasion of World Toilet Day via e-Marathon. Retrofitting, renovation and repair of water and sanitation facilities in 10 schools have been completed, including handwashing stations, drinking water, and retrofitting of sanitation blocks. As a part of innovation, sustainable and safe faecal sludge management with economic incentives, toilet linked biogas is being provided to a few households having livestock in Navali village of Nandurbar block. Also, a total of Rs. 27 lakhs have been leveraged from the government towards the programme implementation activities. A total amount of Rs. 1 lakh was leveraged from schools and Anganwadis. For operations and maintenance, 60 schools have been surveyed, and 11 Gram Panchayats studied for solid liquid waste management solutions.

XLVIII. Promoting Sustainability of WASH facilities and child centered governance in schools

The project is being implemented in 37 schools of Rameswaram Island in the Ramanathapuram district. The programme aims to provide functional WASH facilities in the school and awareness of good health and hygiene practices.

The following repair and retrofitting were completed: 21 toilets and urinals, 16 water purifiers, 12 electrical incinerators for safe, sanitary waste disposal, 15 solid waste management pits, five drinking water points, and 3 ramp provisions and 22 new handwash stations. 20 Rainwater Harvesting systems were also established. All the 37 schools, Anganwadi centres, PHCs and other government institutions were provided with IEC messages on WASH. Custom printed tiles of a 6 sft area depicting handwash techniques were also installed in selected handwash stations. A life-size snake and ladder game on WASH was printed for educating children on WASH. Fallopian tube model has also been procured and used for educating adolescent girls on menstrual hygiene management.

XLIX. Promotion of Thiruppullani as Swachh and Swasth Block

The project is currently in its second year of implementation and renovation and retrofitting of 42 schools, 35 Anganwadis and 4 PHCs were completed in the Thiruppullani block of Ramanathapuram district. Keeping in mind the lockdown restrictions and social distancing norms due to the COVID 19 pandemic, digital media such as telephone calls, and other online platforms were used to implement some awareness activities. All school and anganwadi behaviour change activities were completed, including formation and training of all stakeholders including school WATSAN committees, teachers training, MDM workers training etc., Community construction works such as the renovation of open wells, construction of new wells and mini water stations have commenced in the past quarter.

L. Promotion of Swachh and Swasth in Hindaun Block

This newly commenced project is a scale-up of the existing programme being implemented in the Thiruppullani block of Ramanathapuram district to Hindaun Block of Karauli district of Rajasthan. It aims to facilitate implementation of sanitation and safe drinking water in selected Schools, Anganwadis and Public Health Centres through retrofitting and repair of sanitation facilities, capacity building of Teachers/Students/Anganwadi workers/PHC staff/Water and Sanitation (WATSAN) Committees; behaviour change communication with children and community members and linkages with various government schemes for tapping resources for operations and maintenance in Hindaun Block. The project would ensure hardware and software support for sanitation facilities in schools, Anganwadis and PHCs, and behaviour change communication among students, teachers, Anganwadi workers, gram panchayats, PHC staff, and Village Water and Sanitation (WATSAN) committees. The project commenced in June 2020, and many of its activities could not be accomplished due to COVID 19 situation. However, some activities such as baseline survey and KAP study was conducted. As part of entry point activities, the team members have completed several meetings with villagers, interacted with PRI members, met and discussed on project concept with teachers, local PHCs, Chief Block Education Officer, CDPO, BDO, department of PHED and the Chief District Education Officer as well as conducted WASH demonstrations and run awareness campaigns on hygiene practices on World Toilet Day, World Water Day etc.

LI. Sahaj Path- Bridging learning gaps

This project aims to improve the quality of education in primary schools (grades 1 to 4) of Dubrajpur block in Birbhum district, West Bengal, over three years by creating a group of teachers capable of using alternative pedagogy to improve the learning outcomes of students. The programme will work in 170 schools for intervention with a cadre of trained Sikshan Mitras who will be attached to each government school to conduct remedial classes for children below grade-appropriate levels and teacher training of schoolteachers. The project covered 10 Gram panchayats with 146 school and 8000 children. Under the program, a baseline and annual assessment for 7856 children were conducted. Due to COVID and school closure, online classes were initiated using a mixed outreach process which included phone calls, social media uploads and messages, and worksheet distribution to 3800 children. In addition, where feasible, community-based classes in the vicinity of the 144 identified schools were initiated with the help of local schoolteachers and the support of the Sikshan Mitras.

LII. Samarthya: Improving the Quality of Life of the Senior Citizens

The project focuses on the elderly in Nandurbar, Navapur, Akkalkuwa and Dhadgaon blocks of Nandurbar district in Maharashtra. It aims to empower rural senior citizens through health interventions, financial and digital literacy, capacity building in need-based professional activities with market linkages to make them socially and financially independent in the Nandurbar district. The project in the second year of implementation has reached 7,227 senior citizens through the formation of 480 Elderly Self-Help Groups (out of 480 total groups, 366 are Self Help Groups and 114 are Social Homogeneous Groups) providing healthcare coverage to the project beneficiaries through the mobile medical unit, convergence with Govt. schemes, knee brace distribution, cataract operations, social and financial inclusion, capacity building and livelihood promotion interventions. As part of convergence, processing of pension application forms of 480 pensioners was submitted, and out of which 134 older adults have started receiving the pension. 661 Pradhan Mantri Suraksha Bima Yojana beneficiaries' forms were submitted for insurance cover. 67% of the eligible beneficiaries got BPL Cards, 76% got Age Certificates, and 4.5% got Income Certificates. The focus is on senior citizens residing in rural areas and helping them with their social, emotional and financial empowerment and providing them with a sustainable option for livelihood through self-help collectives. As part of livelihood activities, chemical-free chia and quinoa crops have been promoted with selected beneficiaries on a pilot basis, and the product's market linkage is being done. Beneficiaries fetched a 44 % increase in income over traditional crops (Wheat). The sowing area in the second year has increased from 9.4 acres to more than 100 Acres. A total of 84 beneficiaries were trained this year in organic farming of Quinoa and Chia. One phase of the financial literacy training was completed where field staff has explained the concepts of financial literacy to 409 ESHGs through animated videos in the local language. On the health interventions front, 180 beneficiaries were distributed knee braces in Nandurbar. Apart from the distribution of knee braces, 64 special osteoarthritis OPDs were completed for the elderly in association with government hospitals, with a few undergoing cataract surgeries to correct their vision.

LIII. Samrakshana

This project's direct beneficiaries are 3,000 elders (age group 55 & above) and 8,000 below 55 years of age of Ramanathapuram district. The project undertakes the formation of Elders Self-Help Groups in the project area for social and financial inclusion of the elderly, linking them with appropriate Govt. entitlements, like bank savings A/c opening, PMSBY, Widow Pension Scheme, Old Age Pension, etc. promotion of individual livelihood of the elders supporting through seed capital, awareness training on digital and financial literacy, rendering health services like health checkups/screening, awareness training on health and wellness and operating a mobile medical unit to the village doorsteps to reach the unreached elders. Due to the Covid-19 pandemic situation, a few of the target activities were not completed. One hundred forty elders are enrolled into the Govt. welfare schemes. All the members of ESHGs are obtaining the benefit of loan facilities from formal financial institutions. 4,356 persons received health checkup, 146 elders have been registered for electronic health records, 252 elders were given yoga training. Collaboration and convergence with district administration, health department, Department of Social Welfare, District Rural Development Agency (DRDA), Department of Local Self-Government, Department of

Fisheries, Banks and formal financial institutions and other local partners were also established.

LIV. Scale Up of Foundation Learning Enhancement in Government Schools Undertaken

The three-year project is a scale-up of the programme being implemented in Hindaun block, Karauli district. The project will ensure the quality of teaching-learning processes in primary grades in 200 schools of Todabhim Block through- enhancing the literacy and numeracy competencies of grade 1-5 children.

All 200 schools provided with teaching-learning materials and stationery. For grade 3-5 children, a remedial workbook of Hindi and Mathematics will be provided. As per the availability of library resources by SMSA/Govt., the existing library in each school will be strengthened. The two thematic experts on Mathematics and Language (Hindi) will provide handholding support to the school facilitators and train the government teachers in the project schools on improved teaching-learning methodologies. Following will be the content of the training- 1) conceptual understanding of the curricular syllabus of Hindi and Mathematics of grade I-V; 2) perspective building sessions/discussions to understand the nature and objective of Hindi and Mathematics, sensitization towards social and gender-related issues which impact teaching and learning; 3) conducting remedial teaching-learning processes and how to use the teaching-learning resource materials optimally.

Quarterly review and planning meetings with PEEOs and headteachers would be undertaken to discuss the progress, challenges, learnings, resolution of operational issues for the next planning.

LV. Serving and Enriching Education for tribal hamlets in Nandurbar district

The project aims to provide improved access and quality of primary education to the children from disadvantaged tribal communities from 46 villages in the Talode block of Nandurbar district in Maharashtra.

The trained cadre of Sikshan Mitras, educated youth mentors from the respective project villages anchor community embedded ‘Sikshan Ranjan Kendras’ (SRKs) to bring learning to children’s doorstep. Through 92 ‘Sikshan Ranjan Kendras’, In the first year, the project interventions have reached 6146 stakeholders, including 2772 underprivileged tribal children, their parents (2772), 57 Z.P. schoolteachers, 49 SMC members, 506 parents’ apex body members.

The unique feature of Sikshan Ranjan Kendras is using special education pedagogical methods of edutainment, activity-based learning and personality development through the creative medium of puppet shows, street plays, games, etc. to improve learning outcomes, improving WASH behaviour and life skills development in children. The learning is further enriched by inputs on resource literacy & enrichment, developing a cadre of ‘Bal-Panchayats’, documenting ‘Bal-Pustikas’ (Children’s Books) & providing avenues for holistic development of tribal children. There is a keen focus on the continuing education of girls’ and differently abled children by the SRKs.

The key innovations & good practices on the ground include- (1) growing vegetable nutrition kitchen gardens with children’s involvement, (2) identification & promotion of locally available wild vegetables for documentation of traditional practices of the tribes including medicinal plants, (3) Children as combat COVID-19 messengers at home & in community, (4) Using the creative medium of puppet shows, action songs, drawings etc. by children for BCC on WASH, (5) BHASHA-SETU: Bilingual Teaching Learning Material (TLM) is developed that uses local tribal dialect & Marathi to simplify the learning process for young tribal children, (6) innovative low-cost TLM developed & used to make learning interactive & fun, (7) need-based support by Sikshan Mitras to the government machinery to carry out government-supported COVID-19 related work in their respective villages as 'Community Volunteers & Gram Aarogya Suraksha Dal Members'.

LVI. Sikshan

The project aims at improving literacy & numeracy skills of 9,609 school children of 175 primary and upper primary classes through integrated school development, remedial classes and capacity building for teachers. The project implemented in the Sapotra block of the Karauli district benefits 9,609 school students, 531 teachers, and 2,752 School Management Committee (SMC) members.

The project's backbone is the 57 trained Sikshan Mitras or local youth who have contributed significantly by providing remedial academic support to around 5,000 weak children studying in 120 government schools. They were responsible for teaching Language and Math to those children using child-friendly pedagogy and teaching-learning material.

Similarly, the child cabinets were formed in all the 175 schools wherein during the second year, 360 leaders have been trained on their roles and responsibilities, life skills and gender-sensitive environment.

The programme interventions of the second year, i.e. July 2019 - June 2020, have led to an increase in students' learning levels by 23%. Approximately 2,051 out-of-school children were retained (1086 girls and 965 boys) in schools. INR 6, 00,000/- was leveraged from the government and community to improve school facilities through SMCs.

LVII. Shiksha Deep Prakalpa

This three-year project plans to create sustainable community-led Supplementary Learning Centers (SLCs) to ensure equity and quality in education for primary school children within the Khoyrasol block in Birbhum District, West Bengal. The project focuses primarily on improving academic learning levels through Sikshan Mitras (SMs) of primary school children in the 10 Gram Panchayats of Khoyrasol. SLCs working in an after-school model offers remedial education in Language and Math, library-based literacy activities and a series of community-based educational events to emphasise the importance of community participation in a child's schooling and education. 1968 students were reached through home-based and phone-based support. Staff training modules were converted to a digital medium to conduct blended digital training for supervisors and CLCCs- a mix of synchronous and asynchronous methods. The training was on English Language Teaching (ELT) and Mathematics. Learning support in the Centres started functioning in July, and by November, all 65 CLCs were open and functioning following all the protocols in place. Children were divided into two shifts –morning and afternoon to ensure social distance. Classes 3 & 4 in the morning shift and classes 1 & 2 in the afternoon shift.

LVIII. Shiksha Setu

The project was started in 35 Ashramshalas (28 in Nandurbar and 7 in Taloda blocks) out of 74 Ashramshalas in the Nandurbar district for setting up labs. This was done through a scoping process, which included an analysis of the school's readiness for the program. 35 labs were set up in 35 Ashramshalas. It also followed up with schools to procure students' data to create their respective IDs and set up a virtual support system for Ashramshalas in Nandurbar.

In light of the ongoing COVID and closure of schools, an Application (App) was launched online that could be accessed through a link over a smartphone. The objective was to enable Ashramshala students with smartphones and an active internet connection to learn at home during the pandemic. Since the launch of the online platform, the focus is on maximizing the reach of the initiative and ensured that students could use Math, Marathi and English as a second language (ESL) online at home through this app. 10 virtual teacher training sessions were conducted over online platforms, for the teachers of Ashramshalas in Nandurbar. These virtual sessions facilitated interactions with various government officials such as Assistant Project Officers (APOs) and Extension Officer of ITDP, Nandurbar, and ITDP Taloda, Nandurbar. The teacher training primarily aimed at providing an overview of project Shiksha Setu to headteachers and teachers of all the 35 government Ashramshalas.

LIX. Skill Mitra and Udyog Mitra Model for Livelihood

Due to the current pandemic, the first year of implementation of the skill development program in Ramanathapuram was delayed. Post lockdown, the project initiated the work on the ground. Rapid Assessment Survey was carried out to understand the district profile, youth demography, literacy rate, resources available, economic status of the district, employment opportunities, the composition of workers in major sectors, and skilling courses offered by government and private institutions. Based on the Rapid Assessment Survey, 15 Trades were identified for standardisation of the curriculum for Udyog Mitra intervention, and work is in progress on finalising the curriculum content. The project team visited the Vocational Training Centres run by Institutions in the District to understand & compile the information on various courses being offered with residential and non-residential facilities. Mobilisation of youths for skilling has begun and based on the aspiration and counselling; the youths will be admitted to relevant courses. The technology platform will be used to assess the youth's aspiration, and counselling will be carried out accordingly. One counselling centre was operationalised in Thirupullani Block, while the one in Mandapam is under progress.

LX. Student Teacher Empowerment Programme- PLUS

This project is in its first year of intervention. It aims to provide an enhanced learning environment to students in all government primary schools in Ramanathapuram Educational Block of Ramanathapuram district, Tamil Nadu.

The program has deployed 38 Sikshan Mitra (resource persons) to cover all 69 primary schools in the district. The program provides 2780 students of grades 1- 5 with quality education intervention and 169 schoolteachers' capacity building. The program aims to improve the foundational skills required in a child, i.e., literacy and numeracy; make schooling at primary levels more exciting and relevant through life skill sessions and empower teachers to ensure the program's sustainability in the long-run.

Unveiling a series of significant precautionary measures against coronavirus Tamil Nadu government in March 2020 directed the closure of all kindergarten, primary and middle schools. During this lockdown period, the program has engaged the beneficiaries in various learning activities. Sikshan Mitras have conducted daily classes for 18% (501 out of 2780) of students through WhatsApp and other online tools, and 27% (750 out of 2780) of students through Community Learning Space (CLS) classes.

The impact of community engagement was evident when the schools closed in the wake of COVID-19. The strategy was to engage a maximum number of stakeholders to enhance community participation and increase enrollment of students.

This year the project has conducted the baseline assessment to map children's pre-conceptual clarity before inducting into the remedial program. Comparing the performance across subjects, it can be gauged that Math has a higher mean score % than Tamil across the grades. Grade 5 has the highest mean score % in both Math (51%) and Tamil (46.4%), compared to other classes. In Math, in classes 4 and 5, the mean score is 50% and above, whereas in Tamil, the mean score is less than 40% in classes 1, 2 and 3.

LXI. Sustainable Community ODF (Mandapam Block)

This project is in the second year of the Mandapam program and implemented through WASHMAN (Water, Sanitation, Personal Hygiene, Menstrual Hygiene Management, and Nutrition) committees formed, a voluntary group to monitor, execute the field level implementation of the project. In Mandapam Block, 25 panchayats are covered to promote Sustainable Community ODF by involving 500 WASHMAN volunteers. The project aims to ensure clean village initiatives through hygiene education to the villagers and students through a comprehensive WASHMAN approach and retrofitting the IWSC, IHHL, Anganwadi and school toilets to declare the block as a sustainable community ODF. The programme achieved renovation of 535 hygiene structures in individual households, government schools, Anganwadis and Integrated Women Sanitary Complexes and benefited 6362 people. Twenty villages under the project intervention were declared as role model villages, and INR 183,283 was leveraged towards the renovation of IHHLs from the community, INR 74,700 from school and panchayat leveraged to renovate school toilets and INR 160,000 leveraged for the renovation of IWSC.

LXII. Sustainable Community ODF Program (Ramanathapuram Block)

This project is a scale-up of the Mandapam program and implemented through the WASHMAN committee (Water, Sanitation, Personal Hygiene, Menstrual Hygiene Management, and Nutrition) a voluntary committee set up to monitor, execute the field level implementation of the project. In Mandapam Block, 28 panchayats are covered to promote Sustainable Community ODF by involving 560 WASHMAN volunteers. The objective of the programme is to ensure clean village initiatives through hygiene education to the villagers and students through a comprehensive WASHMAN approach, promote WASHMAN

Volunteers in the intervention areas for the sustainability of the project and retrofit / renovate the IWSC, IHHL, Anganwadi, School toilets to declare the block as sustainable community ODF. The project retrofitted 940 Infrastructure such as 905 Individual Household Toilets, 20 Government School Toilets, 10 Anganwadi Toilets and 05 Integrated Women Sanitary Complex. A total of 8405 people, including children were benefitted from the functional WASH infrastructure. 9,500 people are newly using first-time toilets after retrofitting of IHHLs/ IWSCs, ten villages were declared role model villages wherein 100% of people were using the sanitation facilities, and robust WASHMAN committees have been formed in all 25 Panchayats for sustainability.

LXIII. Sustainable Environment and Integrated Livelihoods through soil & water Conservation and Improving Soil Health

The programme aims to address inadequate access to water for both drinking and irrigation purposes which are significant concerns in the hilly areas of Sapotra and Mandrail blocks of Karauli district, Rajasthan.

The initiative works on community led management of natural resources in the form of water and soil of selected areas through community-led initiatives and includes a participative initiative to inculcate management frameworks to ensure sustainability and equity at the community level. It is designed to strengthen the institutional framework by capacitating Village Watershed Development Committees (VWDCs) in 60 Villages on Integrated Watershed Management through a participatory planning process for sustainability. It is also planned to augment groundwater recharge through appropriate soil and water conservation and rainwater harvesting measures. The programme envisages enhancing household income by 30 per cent by adopting good practices in agriculture, horticulture and livestock management and establishing market linkages. This programme will aim to reach 4500 farmers and more than 11,000 households in the community. The awareness campaign on water resulted in an increase in awareness of water conservation and water harvesting amongst the farmers and the local community.

LXIV. SCORE (Sustainable Conservation of Water Resources through Enabling)

The project SCORE Community-led Development promotes community-led conservation and resource management in the Ramanathapuram district's drought-prone areas. In three years, the project aims to renovate 30 irrigation tanks, 40 village ponds, 50 farm ponds, plant 5,000 saplings, and promote improved agriculture practices.

Within a year, the project has demonstrated community-invested development and has created a ground-level impact. The local small landholding farmers, who were organized into 23 associations in 23 villages could secure water for agriculture, food for the farmers, employment for the landless, and water for livestock. As part of capacity building, 21 training programmes were organized with the participation of 581 villagers. The associations have renovated eight irrigation tanks and four village ponds. Six farm ponds were established to harvest rainwater and achieve water security. About 2000 tree saplings of fruit, fodder, timber and shadow values were planted to build a greener environment and sustain farmer income. Inland fisheries were introduced in two water bodies. Farmers were supported to remove prosopis on 40 acres, introduce field bund on 75 acres and breed soil by applying farmyard manure/sheep penning on forty (40). Community-led and invested development was demonstrated at the village level in the water-starved areas. The farmers were able to create a water harvesting potential of 3.75 crore litres per filling per year. Communities have invested Rs.12,93,875 for the renovation of the tank, Oorani, farm pond, and land development activities led by community participation.

LXV. Solid and Liquid Waste Management Strategy and Plan for Talode (Pilot Town), and implementation of SLWM Interventions to help the town achieve its goal of becoming ODF++

The recently commenced project aims to create a comprehensive strategy for the waste management, both solid and liquid, designed in coordination with the local district administration. The project will prepare a solid and liquid waste management strategy, implementation plan and setup a Faecal Sludge Treatment Plant (FSTP) as well as a decentralised wastewater treatment system (DEWATS). Development of a robust O&M plan with the participation of the community and local administration, training of ULB officials to equip them to operate the FSTP, conduct awareness generation campaigns for community and local stakeholders. It will further institute a mechanism of community ownership to ensure operation & maintenance of entire set-up.

LXVI. Sustainable livelihood by way of providing construction Skill training and employment / self-employment

The program aims at improving the livelihood of rural households in Nandurbar district by providing vocational training empowering around 600 youth over 36 months through a one month residential skill development training in selected market-driven courses in construction industries such as rural masonry, painting, plumbing, electrician and others. Due to large construction activities in the district, there are ample local employment opportunities for these workers, even though most of these jobs would be with smaller construction companies /unorganized players or self-employment. In case students are interested in migrating to cities, they would be offered jobs with large construction companies on payrolls.

LXVII. "Suswathya" Strengthening health and nutrition services for women, children and adolescents in Khoyrasol block of Birbhum district

This recently commenced project will adopt a life cycle approach to bring about a change in the health and nutrition scenario in around 130 villages with 15,000 beneficiaries of Khoyrasol block, Birbhum district, West Bengal, by aiming at ensuring full antenatal care for pregnant women, reducing anaemia, identification and follow up of high-risk pregnancies, post-natal care, and complete child immunizations. The major project activities include a community-based malnutrition management approach to deal with child malnutrition by screening, monitoring, tracking to ensure follow-up at ICDS centres, regularising growth monitoring, referral of severe cases to nutritional rehabilitation clinics, promoting Infant and Young Child Feeding (IYCF) best practices. It also includes maternal health & nutrition promotion through ensuring gestational weight gain and improving BMI through spot feeding of supplementary nutrition to pregnant women at ICDS centres. High-risk pregnancies with multiple categories of high risk or severe malnutrition will be referred to Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA) clinics held every month at rural hospitals/sub-divisional hospitals for screening of high-risk cases. Monitoring and tracking vulnerable women, children, and adolescents through home visits by field teams and community mobilization, demand generation, and accountability for services created by engagement of PRI and SHG representatives are essential aspects of the programme.

LXVIII. Swaccho – Nirapad Parivesh (Clean and Safe Environment) Rajnagar block of Bhirbum District

This project aims to retrofit existing WASH infrastructure to ensure sustained improved hygiene and behaviour change among children and stakeholders in Anganwadi centres, primary schools/ High schools, primary health centres and establishing an effective O&M system in Rajnagar block, Birbhum district. It also aims to strengthen the capacities of local governance in five Gram Panchayats for sustained WASH and their commitment to achieving the Swachh Bharat Mission's objectives. Currently, the project is in its third year, and in the third year, a total of 1469 students (64% of girls) and 3258 mothers have been reached in 19 schools and 60 AWCs respectively and trained on handwashing techniques, personal health and hygiene etc.

WASH interventions include retrofitting, renovation and repair of sanitation facilities to provide schools with improved WASH facilities, including behavioural change sessions. The intervention follows a peer group strategy where child cabinets and mothers committee were strengthened in 21 schools and 60 AWCs. A total of 392 students, (52% girls) and 881 mothers are part of these child cabinets who have been provided with training on health and hygiene, handwashing with soaps, personal hygiene, leadership, and peer learning strategies.

Also, 106 teachers have been trained on WASH practices, including 325 School Management Committee members. 37 Government representatives at Block and Panchayat level have been sensitized about the importance of WASH in school and community. 134 Anganwadi Workers have attended sessions on Operation and Maintenance for the sustainability of Anganwadi toilets. In addition to that, 106 Village Water Sanitation Committee (VWSC) members and 129 Village Health Sanitation and Nutrition Committee (VHSNC) were oriented on their roles and responsibilities to undertake Water and Sanitation initiatives in their respective areas. Under the project intervention, 38 WASH toilets, 17 handwashing stations, and 53 urinals have been repaired.

LXIX. Swaccho – Nirapad Parivesh (Clean and Safe Environment) Khoyrasol block of Birbhum district

This project is a scale-up of the existing programme implemented in the Rajnagar block of Birbhum district. It aims to facilitate sanitation and safe drinking water facilities in 146 Zila Parishad schools, 208 anganwadis and Gram Panchayats of the Khoyrasol block through retrofitting and repair of sanitation facilities. Capacity building of teachers, students, Gram Panchayats, Village Water and Sanitation Committees, and anganwadi workers will also ensure sustainability by involving all the stakeholders. Community triggering and hygiene events for sustaining ODF status, linkages with various government schemes for tapping resources for operations and maintenance

will also be undertaken. In the first year a total of 860 students (47.5% of girls) and 296 mothers were reached from 5 schools and 6 AWCs respectively and trained on handwashing techniques, personal health and hygiene etc.
Interventions include retrofitting, renovation and repair of sanitation facilities to provide schools with improved WASH facilities, including behavioural change sessions. The intervention follows a peer group strategy where child cabinets were strengthened in 26 schools. A total of 158 students (61% girls) have been provided with training on health and hygiene, handwashing with soaps, personal hygiene, leadership, and peer learning strategies.

LXX. Swachhta Se Swasthyata

The project is currently implemented in the Mandrail Block of Karauli District in 132 schools, 98 anganwadi centres and five health centres with an aim to improve practice of the SBM-ODF sustainability guidelines amongst families, community (21,844) and institutional staff of the district administration leading to an increased demand for quality WASH services. The programme goal of the programme is to improve the uptake of WASH services by 1250 families and communities, leading to improved health outcomes. The intervention will also strengthen 132 school management committees and 123 VHSNCs to design and implement villages WASH plans aligned with SBM-ODF sustainability guidelines. To ensure sustainability, the newly commissioned project will aim to influence key stakeholders (VHSNCs), PRIs, Block/District/State Officials) for increased government and community investments in water safety and community sanitation in water-scarce areas Block.

LXXI. Sustainable Drinking Water Safety and Security Project

This project is designed to provide safe and secure drinking water facilities to habitations and schools in Nandurbar and Navapur block of Nandurbar district, Maharashtra. Water resource strengthening, rainwater harvesting, creating drinking water storage, and a solar mini piped water supply scheme will be undertaken in this project so that selected schools and communities have access to drinking water. This project is based on the Swajal model, a drinking water supply scheme, targeting the aspirational districts' unreached habitations that will be operated and maintained by the community.
The execution of water supply schemes (10 solar-based water supply scheme and one scheme with innovative storage tanks) in 11 habitations has been completed. The interventions provide direct benefit to around 2376 inhabitants. It includes 373 households in 20 habitations with a population of 1638 and 22 village-level institutions (school, Anganwadi and PHC sub-centre), benefiting around 738 people.
The community participated actively during planning, implementation and execution of the scheme. Community members contributed to the land space required for installing a storage tank, solar panel, duel pump, money for operations & maintenance etc. The Gram Panchayat spent around Rs.72,000/- from its funds towards the programme and played a crucial role in coordinating with line departments and mobilizing mandatory supportive documents like land donation certificates, yield test, water quality test etc.

LXXII. Sustainable livelihood by way of providing skill training and employment

/ self-employment

The project aims to improve rural households' livelihood by providing skill training to rural elderly men and women in the field of apiculture (honey beekeeping) and neem seed oil production in the Rajnagar block of Birbhum district. This two-year programme will mobilize the existing elderly self-help groups of NSE Foundation in the area. Interested ESHGs will be provided training and machinery to be used in honey beekeeping (apiaries etc.) and neem oil production. The trained ESHGs will be given assistance to set up their units. Market linkages will also be provided so that the beneficiaries can directly sell their products in the market. Post-training and business setup, beneficiaries will be monitored and tracked to ensure their sustainability and progress.

400 elderly enrolled and were provided ten days of training in beekeeping. During training, the focus was on practical sessions like handling of hives, usage of tools, extraction of honey, packaging, marketing and other modern beekeeping techniques. 1000 hives were then distributed to 200 active and able elderly. The ESHG's has been collecting more than 2 Kgs of pure honey from each honey colony within a week and expect to collect around 10 kg during the season. They are getting reasonable prices for honey by selling directly in the local market.

LXXIII. Technical Assistance for implementing village water safety and security

This project aims to facilitate the implementation of a community-led village water safety and security (VWSS) plan and drinking water supply scheme in 20 villages in Mandrail and Sapotra blocks of Karauli district, Rajasthan.

The project is in partnership with local government agencies to ensure the sustained availability of safe and secured water supply in the villages. The project will demonstrate the community-led drinking water supply program, a cornerstone of Jal Jeevan Mission, an ambitious mission taken up by the Government of India for rural water safety and security of each rural household.

This two-year project will facilitate community-led village water safety and security planning process and demonstrate innovative practices and technologies for optimising water demand. Innovative technology demonstrations like non-electric and automated chlorination solutions, environmentally responsible liquid waste treatment plans and promoting waste-water reuse, increase in soil moisture, improved agricultural practices, community-based liquid waste management are some of the activities that will be undertaken under the programme.

LXXIV. Water, agriculture & food security (WAFS) Project, Ramanathapuram

Ramanathapuram district is one of the water-starved districts in the state of Tamil Nadu. Bogalur, Mudukulathur, Kamudhi, and Kadaladi are the blocks highly affected by water scarcity. The field studies reveal that 75% of the families in the region purchase water and spend about Rs. 800 to Rs. 1100 per month for the water alone. This water shortage forces the farmers to leave their productive land as barren land heavily infested with Prosopis Juliflora. This is resulting in serious health issues, increasing barren land and heavy migration.

This project covers 51 villages (25 villages in Bogalur and 26 villages in

Mudukulathur) and aims to create water and food security by undertaking various water resource development and climatic resilient agriculture system with alternative cropping and community-led initiatives.

Renovation of 45 Ooranies or community water tanks, restoring 45 minor irrigation tanks, creation of 150 farm ponds, conversion of 500acres small orchard in prosophis jungle infested barren land, inland pisciculture and 750 acres alternative crops that are climate resilience are the planned interventions.

Due to stoppages resulting from the COVID pandemic, the project delivered certain initial activities which included renovation of Ooranis, four farm ponds created, 30 acres of alternative crop introduced, and 1000 no of trees planted. Primary soft components such as villages identification, baseline survey, demarcation of tank cascades, technical assessment of water bodies, village orientations, and formation of Village Water Committees, training and skill-building exercises were also completed.

LXXV. Vidya- Enhancing the learning of tribal students

The project aims to provide a supportive learning environment to around 3,694 tribal students in 31 villages and 35 zilla parishad schools of Akkalkuva and Dhadgaon blocks of Nandurbar district through use of quality teaching-learning material for Marathi, English and Mathematics. The project also initiated learning through Balbhavans or learning centres in schools. Libraries, both conventional and digital, are functioning to strengthen foundation skills and enhance students' knowledge of spoken English. 70 teachers from 22 schools have been trained to conduct spoken English classes through audio lessons.

Due to COVID, activities were closed initially, but after moderations in lockdown guidelines, activities have resumed in the communities and with the consent of parents, activities were restarted in the Balbhavans which transitioned into community learning centres.

DISASTER RELIEF AND REHABILITATION

LXXVI. Creating Disaster Resilient and Child Friendly Model Schools in Odisha

Cyclone Fani battered the State of Odisha on 3rd May 2019 leading to a widespread destruction of property and utilities. The project objectives included repair of nine damaged schools in Khorda district with special emphasis on sanitation and water structures. The project objectives also included integration and usage of cyclone resistant construction techniques into the retrofitted structures. In association with Odisha State Disaster Management Agency, these would serve as models to showcase while training the government staff, contractors, masons, NGOs and other stakeholders involved in the large scale repair and construction activities undertaken by the government post the cyclone. The project covered 4,076 children, parents, and teachers through the behaviour change activities. Prototype designs have been developed for making disaster resilient and safe schools. Capacity building of various government officials, masons, builders and other persons involved in school construction has been undertaken and a manual on construction practices to create disaster-resilient schools in the context of Odisha has been developed in coordination with the Odisha State

Disaster Management Authority (OSDMA) and IIT (B).

LXXVII. Enabling Drought Free Villages in Nandurbar

In early 2019, the district of Nandurbar was declared drought hit by the State Government due to low rainfall, water scarcity and falling agricultural productivity impacting the sustainability of communities. The state government undertook the massive Gaalmukta Dharan Gaalyukta Shivar (GDGS) Yojana- under the Jal Yukt Shivar Yojana programme, the GDGS scheme involves desilting of small dams/ water bodies with the aim of increasing water storage capacity and providing silt to the farmers to increase crop yield. The programme was run on a PPP model with the involvement of CSR, local community and the government that bore the expenditure on the fuel required for excavation of silt from these water bodies.

This de-silting encourages ground water recharge of nearby wells due to percolation of water into the ground. In this project, desilting of 29 water bodies has been completed and a total of 188240 CuM of silt extracted and distributed to 517 farmers. The State Government supported the project by bearing fuel expenses amounting to Rs. 22.43 lakhs (at approximately Rs. 11.92/CuM) and the community contributed by bearing transportation expenses totaling to approximately Rs. 1.88 Crs. Along with the local administration, in a PPP model, water pipeline to carry water from the river Tapi to a number of villages was also completed, NSE funds were used to bridge the gap in laying creating a small culvert so that the water could pass under a railway line. This supply now provides water to around 9000 people in six villages.

LXXVIII. Public Health Recovery and Restoration in Flood affected districts of Maharashtra (Technical collaboration with UNICEF)

In 2019, the lower regions of Maharashtra received a large amount of rainfall which resulted in floods across 761 villages. Kolhapur and Sangli districts of Maharashtra were the worst affected. The project was implemented in ten villages in the two districts of Kolhapur and Sangli, to mitigate post-flood WASH risks. This was done by repair to damaged structures, addressing the gaps in water supply and sanitation, promotion of hygiene practices.

The construction of raised platforms for the water storage unit, handwashing, masonry, storage tanks, UFW Purifier, and online chlorination and plumbing works in 16 schools were completed and handed over to the Gram Panchayat. The orientation workshop on operations and maintenance was conducted for the end-users with the school management committee and Gram Panchayat in all 9 schools. Four new school toilet blocks, eight restorations of the existing school toilet blocks, eight restorations of existing community toilet blocks and six new community toilet blocks were constructed and handed over to Gram Panchayats. To mitigate the risk of diarrhoea and water-borne diseases, 65 Anganwadi Workers were trained to conduct Knowledge Attitude Practice (KAP) survey, and a total of 600 households were surveyed. Locally contextualised Information Education Communication (IEC) materials were designed and developed for dissemination by 600 ASHA workers.

A team of district recovery coordinators was deployed to provide technical support to district administration for preparing the social sector recovery plans focusing on child protection, WASH, education, public health and nutrition and disaster preparedness plans for the community.

LXXIX. PPE KIT- Project- Enabling Frontline Workers to be Effective Responders

COVID-19 is thought to be predominantly caused by contact or through the aerial droplet transmission of the virus. Therefore, personal protective equipment (PPE) and other items are an important component of an overall system that protects doctors, health workers, sanitation workers and frontline staff who come in contact with the COVID-19 patients. The total protective equipment supplied under the project was 32,000 N-95 masks, 38,500 PPE kits, 3,000 litres of sanitisers and 40,000 pairs of gloves.

LXXX. Equipment: Supply of critical medical equipment to JJ Group of hospitals, Mumbai

COVID-19, which not only affects the respiratory organs but in severe COVID-19 cases, uncontrolled immune response leading to multi-organ dysfunction. Considering the situation and on an appeal received from the JJ Group of Hospitals, Mumbai, NSE Foundation supplied medical equipment to manage critically ill COVID-19 patients and to prevent transmission of the infection to healthcare providers who carry out emergency procedures and surgeries. The supplied equipment included ICU ventilators, dialysis machines, digital radiography equipment and other critical surgical equipment to prevent transmission of the virus to frontline health workers.

LXXXI. Assam Flood Response 2020 Restoration of WASH in Schools

The lower part of Assam was affected by severe floods during the monsoons of 2020 which destroyed both private and public property. The project commenced post the flood to create child-friendly WASH facilities in 25 schools of Golaghat and Jorhat Khorda district of Assam affected by the flood. The project aims to cover 5000 children, parents and teachers. The detailed project report has been completed after the assessment of WASH infrastructure in schools. Capacity building of different stakeholders such as masons, builders, and other persons involved in school construction has been completed through engagement and training on disaster resilience. Behaviour change activities with children, schoolteacher, school staff and nearby communities will be undertaken through messaging on tiles and awareness campaign.

LXXXII. Technology platform for Aarogya Setu Data Analytics to ensure speedy response to COVID-19 by IIT Madras

IIT Madras had developed the Aarogya Setu Fusion Analytics software that integrates COVID-19 data from Arogya Setu users and Bluetooth tracing data, ICMR data, and Cova data. The software analyses the collected data and provides insights on locations with a high number of infected patients, potential outbreak locations, tracking of COVID-19 positive persons etc., to enable a quick response mechanism for the local health and municipal administrations, NGOs and other on-ground agencies.

The Aarogya Setu application was a Government of India designed platform hosted by the National Informatics Agency (NIA), and the software created by IIT Madras (IITM) will plug into the existing system and support the efforts of the Government of India to identify, track and contain persons or locations testing COVID positive.

LXXXIII. Rebuilding Schools Affected by Nisarga Cyclone

Cyclone "Nisarga" created heavy rainfall of 120 to 140 kmph on 3rd and 14th June 2020, in which the school infrastructure such as rooftops, gates, toilets were severely affected due to the storm. The project aims to restore and make the schools functional and child friendly by rebuilding/ repairing school infrastructure with adequate WASH in facilities in selected ten primary schools of Guhagar Block District of Ratnagiri impacting around 1,000 children. The schools were selected based on the damage to the structures, the interest of the community and inputs of the district administration. A detailed project report has been completed and the retrofitting work has commenced.

LXXXIV. Retrofitting of WASH and other infrastructure in GAJA Cyclone affected schools

In November 2018, the State of Tamil Nadu was hit by Cyclone Gaja which led to considerable loss of public and private property and lives, which led to this project in the cyclone affected schools of Nagapattinam and Thanjavur. 30 government aided schools located in Thanjavur (Pattukottai and Orathanadu Blocks) and Nagapattinam districts (Kilvelur, Thirumarugal, Kolidam, Sembarankoil, Vedaraniyam, and Thalainayar Blocks) were part of this project.

The interventions involved repair and retrofitting of damaged WASH and school infrastructure such as toilet blocks, hand washing stations, compound wall, classroom windows, roof etc., which has reached 10,702 students. Child cabinets in 22 schools were formed and trained to maintain the facilities in the schools. 3,660 girl children were educated on Menstrual Hygiene Management (MHM). Capacity building of 90 kitchen staff members on hygiene education and management of food, nutrition and food waste was undertaken. Seventy-eight (78) sanitation workers were trained to ensure the maintenance of the renovated WASH structures.Waste-water management and kitchen gardens have also been adopted in the 30 schools. As a result of meetings with Parents Teachers Association (PTA) Members, school administration and PRI members, in seven schools, the PTA and students contributed in kind to provide additional facilities like borewell and tiles to the toilets.

LXXXV. Supply of medical equipment to COVID-19 designated government hospitals Mumbai, Thane, Birbhum, Nandurbar and Ramanathapuram

To provide relief and support the overburdened tertiary care centres during the COVID pandemic, medical equipment was supplied for respiratory support and monitoring to various government hospitals in Mumbai and Thane as well as the aspirational districts of Birbhum, Nandurbar and Ramanathapuram where NSE Foundation undertook various programmes.

Based on requirements and on urgent appeals from the hospitals oxygen concentrators and non-ICU ventilators were provided to selected Mumbai & Thane civil run hospitals (35 non ICU ventilators and 35 oxygen concentrators), and the district hospitals of Birbhum (5 non-ICU ventilators and 5 oxygen concentrators), Nandurbar (10 non-ICU ventilators), Ramanathapuram (20 oxygen cylinders, 4 oxygen concentrators and 5 multipara monitors)

e) NSE CSR Focus Group

The CSR Focus Group was formed in 2012 consisting of employees volunteering to contribute part of their time to undertake CSR and other socially relevant activities. The group conducts/coordinates various social activities and awareness programmes internally for employees to encourage volunteering for the NSE Group CSR initiatives such as blood donation camps, organising awareness building programmes on solar power and sustainable lifestyles, recycling of waste paper, screening of documentaries on environmental & social issues, NGO-melas related to social entrepreneurship, education, health & environmental awareness including organising of guest lectures on social issues, nature awareness walks, observing National / International Days, such as Children's Day, Women's Day, support of Earth Hour, CSR project visits etc.

f) NSE Foundation

With the rapid increase in the number of CSR projects, it was felt that a separate and focused entity in the form of a Section 8 Company was required to create a measurable impact and enter into collaborations with on ground implementation partners to scale up the CSR programmes. Accordingly, NSE Foundation was incorporated as a company under Section 8 of the Companies Act, 2013 on 5th March 2018, to initiate, supervise and co-ordinate activities to implement the Corporate Social Responsibility policy of NSE and its Group Companies as mandated under the Companies Act, 2013. Further, approvals were received from the relevant tax authorities under (i) section 12A of the Income-tax Act, 1961 for registration as an entity for charitable purpose and (ii) section 80G of the Income-tax Act, 1961 as an eligible entity to receive contribution for charitable purposes from other entities. The CSR projects earlier undertaken by NSE were then assigned to be taken forward by NSE Foundation which has since then further expanded the number of projects implemented. A brief summary of the projects is given in the table below:

Description	**Counts**
No. of states where programmes are undertaken	12
No. of districts	76
No of projects	85
No of beneficiaries directly impacted by the programmes	11,10,000+
Local partners	54
Focus sectors	6

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1	Prof. S. Sadagopan	Chairman Independent Director	2	2
2	Mr. M. S. Sundara Ranjan	Member Independent Director	2	2
3	Dr. Muralidharan	Member MD & CEO	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.
https://www1.nseindia.com/global/content/about_us/NSE_CSR_Policy.pdf
Link to be provided FY 2020-21 project approved

4. Provide the 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, if applicable (attach the report). Not applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years - FY 2019-20	Amount required to be setoff for the financial year, if any (Rs in Cr.)
1	2020-21	Nil	Nil

6. Average net profit of the company as per section 135(5). Rs.36,13,42,967/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs.72,26,859/-

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year: Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c). Rs.72,26,859/-

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

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer.
Rs.72,26,859/-	Nil	N.A.	N.A.	Nil	N.A.

(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 the Project		Project duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial Year (in Rs.)
				State	District.			
1	EQUIP Thirupullani Project (Education Quality Improvement Project)	Primary Education	No	Tamil Nadu	Ramanathapuram	3	5,02,629	90,755
2	Project EQUIP (Education QUality Improvement Project)	Primary Education	No	Tamil Nadu	Ramanathapuram	3	6,86,349	1,61,309
3	Serving and Enriching Education to Under-privileged Tribal Children in Talode Block of Nandurbar District	Primary Education	No	Maharashtra	Nandurbar	3	3,74,372	1,31,093
4	School Health Program	Sanitation and Safe Drinking Water	Yes	Maharashtra	Mumbai	2	2,59,981	45,693
5	"Gram Samrudhi'- Community Led Climate Smart Initiatives, to Safeguard Local Livelihood and Environment at Dhadgaon and Akkalkuva, tribal blocks in Nandurbar district of Maharashtra	Environmental sustainability	No	Maharashtra	Nandurbar	3	8,66,602	2,29,045
6	Project Prajwala - Education in KGBVs	Primary Education	No	Rajasthan	All District	3	10,24,323	1,75,700
7	Project Prajwala - Education in KGBVs	Primary Education	No	Madhya Pradesh	All District	3	12,79,104	4,63,022
8	An initiative to support healthy ageing in the rural communities	Elder Care	No	Rajasthan	Karauli	3	5,19,961	51,288
9	Project Prajwala -Swachh Balika, Swachh Vidyalaya: Validating Scalable Models for WASH in Schools	Sanitation and Safe Drinking Water	No	Rajasthan	All District	3	7,83,706	65,554
10	Strengthening Wash In Municipal Schools Of Ahmedabad	Primary Education & WASH Int	Yes	Gujarat	Ahmedabad	3	7,47,011	16,339
11	**"Ankuram"** Foundational Learning Enhancement in Primary Grades [I-V] in Government Schools in Todabhim block of Karauli district Rajasthan	Primary Education	No	Rajasthan	Karauli	3	7,79,942	37,143
12	Foundational Learning Enhancement In Primary Grades [I-V] In Government Schools In Hindaun Block Of Karauli District Rajasthan	Primary Education	No	Rajasthan	Karauli	3	6,58,617	1,12,659
13	Empower Women and Girls - for improving Maternal, Child and Adolescent Health and Nutrition	Health and Nutrition	No	Rajasthan	Karauli	3	7,97,274	-
14	Suswasthya Strengthening health and nutrition services for women, children and adolescents in Khoyrasol Block of Birbhum and upscaling the best practices in other 18 blocks through capacity building and advocacy	Health and Nutrition	No	West Bengal	Birbhum	3	6,93,281	31,206
15	Project Alokito Shoishab (Enlightened Childhood)	Primary Education	No	West Bengal	Birbhum	3	3,88,272	64,399

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial Year (in Rs.)
				State	District.			
16	Atikrānta-An initiative towards transformation	Primary Education & WASH Int	Yes	West Bengal	Kolkata	3	7,45,277	58,155
17	Project 'Vidya'	Primary Education	No	Maharashtra	Nandurbar	3	6,06,621	99,063
18	JALDHARA: Integrated Water, Sanitation and Hygiene (WASH) interventions in Nandurbar, Maharashtra	Sanitation and Safe Drinking Water	No	Maharashtra	Nandurbar	3	7,47,011	1,03,883
19	Pilot Initiative on Comprehensive Elderly Care Programme in Nandurbar district by operationalising the National Programme for Health Care of Elderly (NPHCE) scheme of the Government.	Elder Care	No	Maharashtra	Nandurbar	2	1,90,652	19,580
20	SCORE [Sustainable Conservation of Water Resources Through Enabling] Community-led Development	Environmental sustainability	No	Tamil Nadu	Ramanathapuram	3	5,19,961	2,18,077
21	Creating Enablers For Odf Sustainability	Sanitation and Safe Drinking Water	No	Maharashtra	Nandurbar	3	5,58,092	92,397
22	Project for ODF sustainability in Nandurbar	Sanitation and Safe Drinking Water	No	Maharashtra	Nandurbar	3	6,04,888	1,92,634
23	"Promoting Sustainability of WASH facilities and child centered governance in the Schools of Rameswaram"	Sanitation and Safe Drinking Water	No	Tamil Nadu	Ramanathapuram	2	2,56,514	59,641
24	Sustainable Community ODF Program at Ramanathapuram Block, Ramnathapuram District, Tamil Nadu.	Sanitation and Safe Drinking Water	No	Tamil Nadu	Ramanathapuram	3	6,41,285	2,85,351
25	Sustainable Community ODF Program in Mandapam Block, Ramanathapuram District, Tamil Nadu.	Sanitation and Safe Drinking Water	No	Tamil Nadu	Ramanathapuram	3	5,49,425	1,97,973
26	Building Water Security for Green Rameswaram	Sanitation and Safe Drinking Water	No	Tamil Nadu	Ramanathapuram	2	2,63,447	1,16,145
27	"Water, Agriculture and Food Security (WAFS) Project" in Bogalur and Mudukulathur Blocks of Ramanathapuram District	Environmental sustainability	No	Tamil Nadu	Ramanathapuram	4 (w.e.f. 24/06/2020)	12,87,770	1,87,486
28	Shraddha – Towards Active And Healthy Ageing	Elder Care	No	Maharashtra, Telangana, West Bengal & Bihar	Yavatmal, Nalgonda, Purbi Midnapore & Supaul	5 (w.e.f. 19/12/2016)	9,54,995	1,24,156
29	Aalambana – Towards Active and Healthy Ageing	Elder Care	No	West Bengal, TamilNadu & Rajasthan	Birbhum, Ramanathapuram & Karauli	4 (w.e.f. 28/02/2018)	23,58,890	6,73,426
30	Girl child educate programme	Primary Education	No	West Bengal	Purulia and Bankura	5 (w.e.f. 19/12/2016)	9,61,928	1,35,106
31	Technology Support to combat COVID- 19 Pandemic	Disaster Relief and Rehabilitation	Yes	Tamil Nadu	Chennai	1	51,996	51,996
32	NSE Foundation-Impact India Foundation's (IIF) Lifeline Express - Hospital on Train project.	Health and Nutrition	No	West Bengal	Birbhum	1	2,59,981	23,975
33	Project Samarthya: Elderly Care programme(55 Years+) in Nandurbar district, Maharashtra	Elder Care	No	Maharashtra	Nandurbar	3	7,79,942	1,56,604
34	Bhu-Jal Dhaara (A Livelihood Improvement Project Through Integrated Watershed Development)	Environmental sustainability	No	Rajasthan	Karauli	4 (w.e.f. 24/06/2020)	8,66,602	-
35	Project Prajwala- Wash Compliant KGBVs (MP)	Sanitation and Safe Drinking Water	No	Madhya Pradesh	All District	3	11,07,815	4,71,042

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial Year (in Rs.)
				State	District.			
36	Nse Foundation Block Educational Transformation Karauli B E T Karauli Project Gyanodaya	Primary Education	No	Rajasthan	Karauli	3	7,79,942	80,765
37	Skill Mitra And Udyog Mitra Model For Livelihood In Two Blocks Of Ramanathapuram (Tamilnadu)	Skill Development and Entrepreneurship	No	Tamil Nadu	Ramanathapuram	3	7,27,945	1,23,874
38	"Samrakshana: Building Resilience among the Senior Citizens in Green Rameswaram"	Elder Care	No	Tamil Nadu	Ramanathapuram	3	5,45,959	43,189
39	Creating And Enabling A Learning Environment For Academic Excellence	Primary Education	Yes	New Delhi	New Delhi	3	4,33,301	93,981
40	PROJECT- STUDENT TEACHER EMPOWERMENT PROGRAM (STEP) PLUS	Primary Education	No	Tamil Nadu	Ramanathapuram	3	7,07,147	1,37,769
41	Project Supply Of Medical Equipment To Government Hospitals	Disaster Relief and Rehabilitation	No	Maharashtra, West Bengal & TamilNadu	Mumbai & Thane, Nandurbar, Birbhum, Ramanathapuram	1	2,94,645	2,62,419
42	National Initiative For Skill Training On Dementia And Mental Health For Caregivers Of Older Persons (Nist-Demcope)	Skill Development and Entrepreneurship	No	Tamil Nadu	Ramanathapuram	1	2,59,981	1,26,841
43	Assam Flood Response 2020 Restoration of WASH in Schools	Disaster Relief and Rehabilitation	No	Assam	Jorhat and Golaghat	1	3,46,641	1,43,798
44	To provide sustainable livelihood by way of providing construction Skill training and employment / self-employment for Rural Youth from Nandurbar, Maharashtra.	Skill Development and Entrepreneurship	No	Maharashtra	Nandurbar	3	1,75,054	47,085
45	Improving language and numeracy skills of 8,139 children in primary and upper primary schools of Mandrail block in Karauli district of Rajasthan State	Primary Education	No	Rajasthan	Karauli	3	4,28,101	1,42,327
46	Making Mandrail Block of Karauli district as Open Defecation Free Sustainable Block through School, AWC and Community centered WASH interventions	Sanitation and Safe Drinking Water	No	Rajasthan	Karauli	3	4,43,700	45,538
47	Improving Language and Numeracy skills in Primary schools of Sapotra Block in Karauli District of Rajasthan State.	Primary Education	No	Rajasthan	Karauli	3	5,00,324	1,79,965
48	Working towards making Sapotra Block of Karauli district Open Defecation Free through Community and School based WASH interventions.	Sanitation and Safe Drinking Water	No	Rajasthan	Karauli	3	5,40,759	71,754
49	The project interventions in Chennai will be titled "NSE Foundation Urban Learning Improvement Program"	Primary Education	Yes	Tamil Nadu	Chennai	3	4,29,834	10,424
50	Creating a Learning Culture	Primary Education	Yes	Maharashtra	Mumbai	3	4,85,297	92,153
51	Anupad	Primary Education	No	Maharashtra	Nashik	3	8,78,734	20,396
52	Enabling Frontline workers for effective response to Covid-19 through provision of PPE kits and BCC activities in Mumbai, Maharashtra	Disaster Relief and Rehabilitation	Yes	Maharashtra	Mumbai	1	3,93,437	3,72,302
53	Nse Foundation Covid Response- Through Supply Of Medical Equipment To JJ Group Of Hospitals	Health and Nutrition	Yes	Maharashtra	Mumbai	1	6,93,281	5,99,041
54	Rehli Shiksha Pahal Program (RSPP)	Primary Education	No	Madhya Pradesh	Sagar	5 (w.e.f. 19/12/2016)	5,28,627	59,704
55	Sustainable Environment & Livelihoods through Soil & Water Conservation and Improving Soil Health.	Environmental sustainability	No	Rajasthan	Karauli	3	10,17,390	4,98,014

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial Year (in Rs.)
				State	District.			
56	Sahaj Path: Bridging Learning gaps of students in government primary schools of Dubrajpur block of Birbhum district, West Bengal	Primary Education	No	West Bengal	Birbhum	3	6,75,949	2,00,660
57	Akshara: Learning Centers for Primary Children in Rameswaram	Primary Education	No	Tamil Nadu	Ramanathapuram	3	2,16,650	24,339
58	National Helpline for Senior Citizens (NHSC) with the Ministry of Social Justice and Empowerment (MoSJE), Government of Telangana, National Institute of Social Defence (NISD) and other State Governments.	Elder Care	No	17 states in pahse-I	All District	1	2,46,115	72,437
59	Rebuilding Schools Affected by Nisarga Cyclone	Disaster Relief and Rehabilitation	No	Maharashtra	Ratnagiri	1	2,42,648	51,944
60	ShikshaDeep Prakalpa	Primary Education	No	West Bengal	Birbhum	3	5,07,829	74,075
61	Promotion of Tiruppullani as Swachh and Swasth Block.	Sanitation and Safe Drinking Water	No	Tamil Nadu	Ramanathapuram	3	7,79,942	2,58,170
62	Promotion Of Swachh And Swasth Hindaun Block Of Karauli District In Rajasthan	Sanitation and Safe Drinking Water	No	Rajasthan	Karauli	3	7,79,942	1,90,812
63	Wash Scale Up Initiative Swaccho - Nirapad Parivesh (Clean And Safe Environment)	Sanitation and Safe Drinking Water	No	West Bengal	Birbhum	3	7,15,813	2,06,444
64	Swaccho – Nirapad Parivesh (Clean and Safe Environment),	Sanitation and Safe Drinking Water	No	West Bengal	Birbhum	3	4,45,433	1,80,742
65	Everyone Forever - Water Services and Systems Strengthening: Rajnagar and Khoyrasol Blocks of Birbhum District in West Bengal	Sanitation and Safe Drinking Water	No	West Bengal	Birbhum	3	9,18,598	2,04,792
66	Project Shiksha Setu	Primary Education	No	Maharashtra	Nandurbar	3	8,47,536	51,531
67	'Disha'- Sustainable livelihood by way of providing Skill training and employment / self-employment for Rural Elderly Men and Women from Birbhum, West Bengal.	Elder Care	No	West Bengal	Birbhum	2	5,33,827	2,41,312
68	JAL SAMARTHYA- TECHNICAL ASSISTANCE FOR IMPLEMENTING VILLAGE WATER SAFETY AND SECURITY (VWSS) IN SELECTED VILLAGES FROM MANDRAIL AND SAPOTRA BLOCKS OF KARAULI DISTRICT RAJASTHAN AND ITS MAINSTREAMING IN JAL JEEVAN MISSION	Sanitation and Safe Drinking Water	No	Rajasthan	Karauli	2	7,27,945	3,22,722
69	Ensuring sustainable drinking water safety and security in the identified schools and habitations in Nandurbar and Navapur blocks of Nandurbar district	Sanitation and Safe Drinking Water	No	Maharashtra	Nandurbar	2	5,33,827	1,37,184
70	Implementation of Karadi Path Magic English SLL programme for improving English proficiency of students from Zilla Panchayat Primary Schools in selected blocks in Nandurbar District, Maharashtra.	Primary Education	No	Maharashtra	Nandurbar	3	19,06,524	-
71	HEALTHCARE ACCESS TO GERIATRIC POPULATION THROUGH TECHNOLOGY	Elder Care		Tamil Nadu & Maharashtra	Ramanathapuram & Nandurbar	3	11,99,377	51,996
72	DRINKING WATER KIOSKS WITH FLUORIDE AND DESALINITY REMEDIATION	Sanitation and Safe Drinking Water	No	Tamil Nadu & West Bengal	Ramanathapuram & Birbhum	2	8,18,072	1,86,285
73	Capacity Building of Ashramshala staff and TDD officials on WASH	Sanitation and Safe Drinking Water	No	Maharashtra	Nashik	1	42,810	16,812
74	Solid and Liquid Waste Management strategy and implementation for Nandurbar district in coordination with the district administration	Sanitation and Safe Drinking Water	No	Maharashtra	Nandurbar	2	5,19,961	-
75	Rehabilitation of 30 Government Schools affected by Gaja Cyclone at Nagapattinam District and Thanjavur District, Tamil Nadu	Disaster Relief and Rehabilitation	No	Tamil Nadu	Nagapattinam & Tanjore	1	2,25,316	11,266

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial Year (in Rs.)
				State	District.			
76	Serving and Enriching Education to Under-privileged Urban Children in Bhiwandi-Nizampur and Malegaon	Primary Education	No	Maharashtra	Thane & Nashik	3	5,56,257	76,456
77	Project Learning Orbit for Village Excellence in partnership	Primary Education	No	Rajasthan	Udaipur	3	4,28,101	94,492
78	Student Teacher Empowerment Program	Primary Education	No	Madhya Pradesh	Sheopur	3	4,56,786	46,827
79	Educate Girls Program	Primary Education	No	Rajasthan	Ajmer	3	6,49,951	-
80	Orientation of the Principals of the Adarsh Schools	Primary Education	No	Rajasthan	Jaipur	3	6,06,621	-
81	Promoting WASH Compliant Ashramshala, Maharashtra	Sanitation and Safe Drinking Water	No	Maharashtra	Nashik	3	20,69,445	70,549
82	Swachh Vidyalaya, Swachh Aadat	Sanitation and Safe Drinking Water	No	Jharkhand	Dumka and Pakur	3	4,73,165	-
83	Creating Disaster Resilient and Child Friendly Model Schools in Odisha	Disaster Relief and Rehabilitation	No	Odisha	Puri	1	2,89,445	-
84	Public Health Recovery and Restoration (including Drinking Water and Sanitation) in Disaster (Flood) Affected Districts of Maharashtra (Technical collaboration with UNICEF)	Disaster Relief and Rehabilitation	No	Maharashtra	Kolhapur & Sangli	1	2,91,178	51,234
85	Enhancing post-disaster Re-Habilitation and Recovery through Provision of Safe Water in Kerala	Disaster Relief and Rehabilitation	No	Kerala	Allapuzha and Thrissur	1	3,22,376	9,693
86	Enhancing post-disaster Re-Habilitation and Recovery through Provision of Safe Water in Kerala	Sanitation and Safe Drinking Water	No	Kerala	Idukki	3	2,77,313	-
87	Enabling Drought Free Villages through Integrated & Participatory Watershed Management in Nandurbar, Maharashtra	Disaster Relief and Rehabilitation	No	Maharashtra	Nandurbar	1	12,99,903	-
88	Rashtriya Netra Yagna	Elder Care	No	11 state	22 District	1	2,07,984	-
89	Nation Supports Elderly	Elder Care	No	Jharkhand	Khunti	1	86,591	5,570
90	CSR Focus Group*	Various Activities*	Yes				-	14,559
91	PME**	Project Monitoring					-	2,72,073
	Total						5,61,83,845	1,12,18,210

*Activities undertaken by NSE CSR Focus Group covers Blood Donation Camps, Flood Relief, Cyclone Relief, Food Distribution to Migrant Workers during the COVID Pandemic, NGO Melas, Environment Awareness, Employee Engagement for CSR projects of the Company etc.

**Project Monitoring and Evaluation Agency for conducting programmatic evaluation, monitoring and audit so as to ensure achievement of defined indicators of the projects.

NSE Foundation was incorporated as a company under Section 8 of the Companies Act, 2013 on 5th March 2018, to initiate, supervise and co-ordinate activities to implement the Corporate Social Responsibility Policy of NSE and its Group Companies as mandated under the Companies Act, 2013. As per the above table, the difference between the CSR obligation for FY 20-21 of Rs.0.72 Cr and the allocated spend of Rs.1.16 Cr to the Company, is due to the unspent amounts of previous years which were transferred to NSE Foundation at the time of its incorporation.”

(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 the Project		Amount spent on the project in the reporting Financial Year (in Rs). FY 2020-21
				State	District.	
-	-	-	-	-	-	

(d) Amount spent in Administrative Overheads: Rs.2,90,357/-

(e) Amount spent on Impact Assessment, if applicable (as advance): Rs.79,063/-

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.1,15,87,630/-

(g)Excess amount for set off, if any – Not applicable

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

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1	2020-21	Nil	Nil	N.A.	Nil	N.A.	Nil

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil
(a) Date of creation or acquisition of the capital asset(s). Nil
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Nil
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Nil

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).

    In the year under report, Rs.72,26,859/- being the amount required to be spent to implement the Corporate Social Responsibility Policy of the Company in the manner laid down in sub-section (5) of Section 135 of the Companies Act 2013, the actual amount as transferred to NSE Foundation towards approved projects is Rs.72,26,859/-, which is 100% of the amount to be spent at the Company level, leaving a shortfall of Rs. Nil. The Foundation during the year has also spent the entire amount of Rs.72,26,859/- towards the approved CSR projects.

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairman CSR Committee).	Sd/- [Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).

Certificate for utilisation of funds disbursed for CSR activities

To
The Chief Financial Officer
NSEIT Limited

This to certify that the CSR budget of NSEIT Limited for FY 2020-21 which was transferred on a periodic basis to NSE Foundation to fulfil the CSR mandate of NSEIT Limited and undertake the CSR activities, as approved and monitored by the CSR Committee /Board of NSEIT Limited, has been completely utilised towards the said activities during the period and the balance as on March 31, 2021, is Nil.

Name of CSR Project	Implemented through	Amount Sanctioned CSR Budget (@ 2% of the profits as per Sec 135)	Amount Disbursed	Unspent Amount, if any
Various projects approved from time to time by the CSR Committee/Board of NSEIT Limited under the core focus areas outlined in the NSEIT Limited CSR Policy viz. Primary Education, Elder Care, Sanitation and Safe Drinking Water, Environment Sustainability, Skill Development, Health and Nutrition and Disaster Relief.	NSE Foundation	72,26,859	72,26,859	Nil

The books of account and other records of CSR projects including the monitoring reports by the empanelled project monitoring agencies, as available with NSE Foundation, gives reasonable assurance about the utilisation of the funds for undertaking approved CSR activities.

Sd/-

Chief Executive Officer
NSE Foundation

Date:21/04/2021
Place: Mumbai

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
Board of Directors,
NSEIT Limited,
Trade Globe Ground Floor Sir M V Road
Andheri Kurla Road, Andheri East,
Mumbai- 400059

We have conducted the Secretarial Audit Report of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s **NSEIT Limited** (hereinafter referred to as "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (hereinafter referred to as "**the audit period**"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company's for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment; **(External Commercial Borrowings and Foreign Direct Investment were not applicable during the audit period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Company during the audit period**
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable to the Company during the audit period**
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 11th September, 2018; **Not Applicable to the Company during the audit period**
d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable to the Company during the audit period**
e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Company during the audit period**
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable to the Company during the audit period**
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018; **Not Applicable to the Company during the audit period**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standard I and Secretarial Standard II issued by the Institute of Company Secretaries of India (ICSI);
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable to the Company during the audit period**

During the period under audit, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof and on test check basis, the Company has complied with The Information Technology Act, 2000 and Rule made and notification issued there under.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under audit, there were no specific events/actions having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For MMJB & Associates LLP

Deepti Yavgal
Designated Partner
ACS No: 34733
CP No.: 22502
UDIN: A034733C000127826
Place: Mumbai
Date: 19/04/2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
Board of Directors,
NSEIT Limited,
Trade Globe Ground Floor Sir M V Road
Andheri Kurla Road, Andheri East,
Mumbai- 400059

Our report of even date is to be read along with this letter.

1.Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2.We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3.We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4.Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5.The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6.The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MMJB & Associates LLP.

Deepti Yavgal
Designated Partner
ACS No: 34733
CP No.: 22502
UDIN:- A034733C000127826
Place: Mumbai
Date: 19/04/2021

Annexure 5 to the Board's Report

(A) Conservation of energy	
Steps taken / impact on conservation of energy, with special reference to the following:	NIL
i. Steps taken by the company for utilizing alternate sources of energy including waste generated	NIL
ii. Capital investment on energy conservation equipment	NIL
(B) Technology Absorption	NIL
i. Efforts, in brief, made towards technology absorption	NIL
ii. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	NIL
iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: • Details of technology imported. • Year of import. • Whether the technology been fully absorbed • If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.	NIL
iv. Expenditure incurred on Research and Development	NIL
(C) Foreign exchange earnings and Outgo	**Amount** (₹ In Lakhs)
Total Foreign Exchange Earned	818.13
Total Foreign Exchange Outgo	1480.91

Annexure 6

Statement containing salient features of the financial statement of subsidiaries

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A” Subsidiary

(₹ in Crores)

Name of Subsidiary	**NSEIT (US) Inc.**	**Aujas Cybersecurity Limited**
The date since when subsidiary was acquired	December 04, 2006	March 22, 2019
Reporting date	March 31, 2021	March 31, 2021
Share Capital	5.34	26.93
Reserves and Surplus	(11.60)	1.10
Total Assets	2.89	76.09
Total Liabilities	9.15	48.06
Investments	-	0.85
Turnover	3.89	145.48
Profit / (Loss)before Taxation	(0.05)	5.52
Provision for Taxation	0.01	2.16
Profit / (Loss) after Taxation	(0.06)	3.36
Proposed Dividend	-	-
% of shareholding	100%	99.29

INDEPENDENT AUDITORS' REPORT

To the Members of NSEIT Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NSEIT Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis and Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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 during the course of our 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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:

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

- Obtain an understanding of internal financial controls 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user 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 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

   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 Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements – Refer Note 42 to the standalone financial statements.

   ii. The Company did not have any long term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses - Refer Note 44 to the standalone financial statements.

   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, 2021 - Refer Note 45 to the standalone financial statements.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

Annexure A to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **NSEIT Limited** of even date)

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and we have been informed that no material discrepancies have been noticed on such verification.

(c) The Company does not have any immovable property and accordingly the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The Company is in the business of providing software and IT enabled services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act and with respect to the same:

a) Based on the information and explanations and in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;

b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations; and

c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, service tax, goods and service tax (GST) and other material statutory dues, as applicable, with the appropriate authorities. According to the records of the Company, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service-tax, GST, duty of custom, duty of excise, value added tax and other statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues in respect of sales tax, value added tax, GST, income tax, duty of customs, wealth tax and duty of excise including cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax-Demand u/s 143(1)(a)	Rs. 12.24 Lakhs	AY 2016-17	Assessing Officer
Income Tax Act, 1961	Income Tax-Demand u/s 143(1)(B)	Rs. 1.05 Lakhs	AY 2019-20	Company is in process of filing rectification before Assessing Officer

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **NSEIT Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **NSEIT Limited** ("the Company") as of March 31, 2021 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

2. 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABL4374

Place: Mumbai
Date: April 21, 2021

NSEIT Limited

(Formerly known as *NSE.IT LIMITED* **)**

BALANCE SHEET AS AT MARCH 31, 2021

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
	ASSETS			
1	**Non-current assets**			
a	Property, Plant and Equipment	2	549.66	676.25
b	Capital work-in-progress	2.1	-	102.25
c	Intangible assets under development	2.2	46.91	118.51
d	Right Of Use Asset	2.3	1,371.85	1,898.51
e	Other Intangible assets	2	884.74	608.99
f	Financial Assets			
i	Investments	3	9,954.00	9,383.69
ii	Other Financials assets			
	- Non-Current Bank Balances	4	2,057.95	236.05
	- Loans	4	1,901.93	2,161.49
	- Others	4	3.26	0.39
g	Deferred Tax Assets (net)	15	419.83	432.28
h	Income Tax Assets (net)	16	912.87	701.58
i	Other assets	5	117.01	90.64
	Total Non-current assets		**18,220.01**	**16,410.63**
2	**Current assets**			
a	Inventories		-	-
b	Financial Assets			
i	Investments	3	2,188.06	5,321.96
ii	Trade receivable	6	7,859.39	5,283.14
iii	Unbilled receivables	7	2,139.47	587.99
iv	Cash and Cash equivalents	8a	2,346.63	3,320.99
v	Bank balances other than (iv) above	8b	3,684.94	2,926.94
vi	Loans	4	556.87	638.56
vii	Other Financial assets	4	31.16	173.09
c	Other assets	5	561.76	839.02
	Total Current assets		**19,368.28**	**19,091.69**
	TOTAL ASSETS		**37,588.29**	**35,502.32**

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
	EQUITY AND LIABILITIES			
(A)	**EQUITY**			
a	Equity Share capital	9	1,000.00	1,000.00
b	Other Equity	10	18,819.18	16,731.53
	Total Equity		**19,819.18**	**17,731.53**
(B)	**LIABILITIES**			
1	**Non-current liabilities**			
a	Financial Liabilities			
i	Borrowings	11	10,000.00	10,000.00
ii	Other financial liabilities	13	527.49	976.30
b	Provisions	14	263.37	244.10
c	Deferred tax liabilities (net)	15	-	-
d	Other liabilities	17	-	-
	Total Non-current liabilities		**10,790.86**	**11,220.40**
2	**Current liabilities**			
a	Financial Liabilities			
i	Trade Payables	12		
	- Total Outstanding dues of micro enterprises and small enterprises		19.34	33.40
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,472.38	2,167.14
ii	Other financial liabilities	13	1,620.87	2,068.75
b	Provisions	14	852.29	1,187.35
c	Income Tax Liabilities (net)	16	97.68	40.36
d	Other liabilities	17	1,915.69	1,053.39
	Total Current liabilities		**6,978.25**	**6,550.39**
	TOTAL EQUITY AND LIABILITIES		**37,588.29**	**35,502.32**
	Summary of significant accounting policies	1		

Notes refer to above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S.SUNDRA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

NSEIT LIMITED

(Formerly known as *NSE.IT LIMITED* **)**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

Particulars	**Notes**	**For the year ended 31.03.2021**	**For the year ended 31.03.2020**
		(Audited)	(Audited)
Income			
Revenue from operations	18	25,537.09	27,290.23
Other income	19	1,698.80	898.83
Total Income		**27,235.88**	**28,189.06**
Expenses			
Employee benefits expense	20	9,923.02	8,993.57
Technical & Sub Contract Charges	22	2,519.74	3,000.12
Finance Cost	21	909.17	953.05
Depreciation and amortisation expense	2	1,904.61	1,483.75
Other expenses	22	8,624.62	10,994.78
Total Expenses		**23,881.16**	**25,425.27**
Profit before tax		**3,354.73**	**2,763.79**
Less : Income Tax expense	15		
- Current tax		1,022.00	941.00
- Short / (excess) Tax for earlier years		14.82	39.78
- Deferred tax		42.10	(50.73)
Total tax expenses		**1,078.92**	**930.05**
Profit after tax (A)		**2,275.81**	**1,833.74**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(117.82)	(94.36)
Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		29.65	23.75
Total Other Comprehensive Income, net of tax (B)		**(88.17)**	**(70.61)**
Total Comprehensive Income (A+B)		**2,187.64**	**1,763.13**
Earnings per equity share (FV ₹ 10 each)			
- Basic (₹)	23	**22.76**	**18.34**
- Diluted (₹)		**22.76**	**18.34**
Summary of significant accounting policies	1		

Notes refer to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.

Chartered Accountants

(Reg No : 105049W)

Sd/-

NARENDRA JAIN

Partner

Membership No.048725

Place : Mumbai

Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-

Prof. S. SADAGOPAN

Chairman

DIN No. 00118285

Sd/-

N. MURALIDARAN

Managing Director & CEO

DIN No. 06567029

Sd/-

M.S. SUNDARA RAJAN

Director

DIN No. 00169775

Sd/-

M. N. HARIHARAN

Chief Financial Officer

Sd/-

VAIBHHAV KULKARNI

Company Secretary

NSEIT Limited (Rs in Lakhs)

(Formerly known as *NSE.IT LIMITED*)

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	**5,436.06**	**11,295.47**	**16,731.53**
Profit for the year	-	2,275.81	2,275.81
Other Comprehensive Income for the year		(88.17)	(88.17)
Dividends		(100.00)	(100.00)
Dividend Tax		-	-
Total Other Equity	**5,436.06**	**13,383.12**	**18,819.18**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	**5,436.06**	**9,652.90**	**15,088.96**
Profit for the year		1,833.74	1,833.74
Other Comprehensive Income for the year		(70.61)	(70.61)
Dividends		(100.00)	(100.00)
Dividend Tax		(20.56)	(20.56)
Total Other Equity	**5,436.06**	**11,295.47**	**16,731.53**

This is the statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

NSEIT Limited
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021
(Formerly known as *NSE.IT LIMITED* **)**

(Rs in Lakhs)

		2020-21	2019-20
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	3,354.73	2,763.79
	Add : Adjustments for :		
	- Depreciation and amortisation expense	1,904.61	1,483.75
	- Bad Debts written off	-	103.35
	- Provision for Doubtful Debts	257.01	94.48
	- Interest on Lease	156.24	190.36
	Less : Adjustments for :		
	- Interest income on Bank deposits	(299.69)	(340.72)
	- Interest income on Others	(137.64)	(150.74)
	Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	(105.26)	(97.88)
	- Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	(137.52)	(177.38)
	- Net Loss on disposal of property,plant and equipment	4.68	0.02
	- Dividend and other cost for issue of peference shares	715.91	717.40
	- Exchange difference on items grouped under financing/investing activities	-	83.12
	- Extinguishment of lease liabilities due rent concession	(62.82)	-
	- Reversal of lease liabilities on account of closer of certain lease	(11.76)	(1.01)
	- Excess provision written back	(826.28)	-
	- Sundry Balance W/ Back	(72.55)	(41.06)
	Change in Operating Assets and Liabilities		
	- Trade Receivable and Unbilled Receivable	(4,384.74)	461.35
	- Trade Payable and Provisions	502.65	(580.40)
	- Other Financial & Non-Financial Assets	310.83	692.58
	- Other Financial & Non-Financial Liabilities	1,116.05	(2,226.33)
	CASH GENERATED / (USED) FROM OPERATIONS	2,284.44	2,974.69
	- Income Taxes paid (Net of Refunds)	(1,190.79)	(1,790.44)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	1,093.65	1,184.25
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	- Payment for Property Plant, Equipment	(716.64)	(1,012.15)
	- Sale Proceed from Property Plant, Equipment		-
	- Increase in Foreign Currency Translation Reserve	-	-
	- Interest received	577.04	396.96
	- Payment from fixed deposits / Bank Balances other than cash & cash equivalents (Net)	(2,579.91)	523.24
	- Payment for investment	(1,992.51)	(5,100.00)
	- Sale Proceeds from investment	5,369.20	6,325.67
	- Investment in Aujas Networks Pvt. Ltd.	(941.88)	(18.42)
	- Loan given to Subsidairies (net)	259.56	(337.30)
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	(25.14)	777.99

C) **CASHFLOW FROM FINANCING ACTIVITIES**

- Dividend paid on Equity Shares	(100.00)	(100.00)
- Dividend paid on Preference Shares	(700.00)	(23.01)
- Dividend distribution tax paid on Equity & Prefenece Shares	-	(25.29)
- Payments towards lease obligation	(1,242.87)	(1,050.92)
NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	(2,042.87)	(1,199.22)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(974.36)	763.02
CASH AND CASH EQUIVALENTS : OPENING BALANCE	3,320.99	2,561.88
CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	2,346.63	3,320.99
TOTAL CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET	(974.36)	759.11
- Add: Unrealised exchange (gain)/loss on cash and cash equivalents	-	(3.91)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	(974.36)	763.02

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following		
- Cash and cash equivalents	2,346.63	3,320.99
- Bank overdrafts	-	-
Balance as per statement of cash flows	2,346.63	3,320.99

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow as notified under Compaines (Accounts) Rules, 2015.
2. Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year classifications

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

1 **Summary of significant accounting policies :**

a) **Company Overview**

The NSEIT Limited ("the Company") is a Step-down Subsidiary of the National Stock Exchange of India Limited (NSE), the world's second largest stock exchange by trade volume. NSEIT is a global technology firm with a focus on the financial services industry. The Company is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The Financial Statements are approved for issue by the Company's Board of Directors on April 21, 2021.

b) **Basis of preparation of Financial Statements**

These financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments which are measured at fair value, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

• certain financial instruments that is measured at fair value, and

• defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

c) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management’s best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

d) **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

· those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Debt instruments :-
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.
Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (m) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets :-

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-

A financial asset is de-recognised only when

· The Company has transferred the rights to receive cash flows from the financial asset or
· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.
Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income :-

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

e) **Financial liabilities**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

f) **Transaction costs**

Transaction costs are “Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Company amortises transaction costs over the expected life of the financial instrument.

g) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

h) **Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied to all lease contracts existing on April 1, 2019 using the simplified approach.

As a lessee

The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

i) **Revenue Recognition**

The Company earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where company forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by contract type, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a 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 could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. 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 estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

j) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of Input Tax Credits, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

k) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013. Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

l) **Intangible assets**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Company which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

<u>Development costs</u>
Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Availability of adequate, financial and other resources to complete the development and to use / sell the intangible asset
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
During the period of development, the asset is tested for impairment annually.

m) **Impairment of tangible and intangible assets excluding goodwill**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

o) **Cash and cash equivalents in the statement of cash flows**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignifican risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.

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

p) **Foreign currency transactions and translation**

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Company's functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

q) **Employee benefits**

i **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii **Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet since the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii **Post-employment obligations**

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity, and

(b) Defined contribution plans such as provident fund and superannuation

iv **Gratuity obligations**

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

v **Defined contribution plans**

Superannuation

Superannuation benefit for employees designated as managers and above is covered by Group Superannuation Scheme with the Life Insurance Corporation of India towards which it annually contributes a sum based on a specified percentage of each covered employees’ salary. The contribution paid for the year on the Group Superannuation Scheme is charged to revenue.

Provident Fund

W.e.f. 1st August 2010, the Company had transferred the corpus balance of the NSEIT Ltd. Employees Provident Fund Trust to the Regional Provident Fund Office, Kandivali, Mumbai. As per the applicable rule the Company contributes 12% of the employee’s basic salary to the said recognized provident fund and the same is charged to revenue.

vi **Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

r) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

s) **Contributed equity**
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed in the financial statements.

u) **Trade and other payables**
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

x) **Trade receivables**
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

y) **Offsetting financial instruments**
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

z) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the company
• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.
The areas involving critical estimates or judgements are:
Use of significant judgements in revenue recognition
Estimation of useful life of tangible asset and intangible asset (Note 2)
Recognition of deferred tax assets [Note 15(D)]
Estimation of defined benefit obligation (Note 24)
Estimation of contingent liabilities and commitments (Note 26 & 27)
Impairment of Assets (Note 1 (m))
Recoverability of Trade Receivables [Note 37 (C)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

ab) **Recent Pronouncement:**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:
• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ac) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2: Property, Plant & Equipment and Intangible Assets (Rs in Lakhs)

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-20	Additions	Deductions	As on 31-Mar-21	As on 1-Apr-20	For the year	Deductions	As on 31-Mar-21	As on 31-Mar-21	As on 1-Apr-20
A	<u>Tangible Assets</u>										
1	Computer Hardware and Servers & Networks	2,131.67	46.98	4.43	2,174.22	1,575.04	300.19	4.41	1,870.81	303.40	556.63
2	Office Equipment	631.64	117.31	5.40	743.54	527.15	59.61	5.40	581.36	162.18	104.49
3	Furniture & Fixtures	288.00	14.79	11.25	291.54	272.86	10.23	6.55	276.53	15.00	15.14
4	Building - Civil Work	105.53	103.46	-	208.99	105.53	34.39	-	139.92	69.07	0.00
		3,156.83	**282.54**	**21.08**	**3,418.29**	**2,480.58**	**404.42**	**16.37**	**2,868.63**	**549.66**	**676.25**
B	<u>Intangible Assets</u>										
1	Computer Software *	1,585.00	609.28	-	2,194.29	976.02	333.53	-	1,309.55	884.74	608.99
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,844.07	**609.28**	**-**	**2,453.35**	**1,235.08**	**333.53**	**-**	**1,568.61**	**884.74**	**608.99**
	GRAND TOTAL	**5,000.90**	**891.82**	**21.08**	**5,871.64**	**3,715.66**	**737.95**	**16.37**	**4,437.24**	**1,434.40**	**1,285.24**
	PREVIOUS YEAR	**4,306.60**	**785.69**	**91.39**	**5,000.90**	**3,252.16**	**554.87**	**91.37**	**3,715.66**	**1,285.24**	

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-19	Additions	Deductions	As on 31-Mar-20	As on 1-Apr-19	For the year	Deductions	As on 31-Mar-20	As on 31-Mar-20	As on 1-Apr-19
A	<u>Tangible Assets</u>										
1	Computer Hardware and Servers & Networks	1,988.61	186.72	43.65	2,131.67	1,274.34	344.36	43.65	1,575.04	556.63	714.27
2	Office Equipment	621.62	47.96	37.95	631.64	534.71	30.37	37.93	527.15	104.49	86.91
3	Furniture & Fixtures	286.33	11.45	9.79	288.00	277.92	4.72	9.79	272.86	15.14	8.41
4	Building - Civil Work	105.53			105.53	105.53			105.53	0.00	0.00
		3,002.09	**246.13**	**91.39**	**3,156.83**	**2,192.50**	**379.45**	**91.37**	**2,480.58**	**676.25**	**809.59**
B	<u>Intangible Assets</u>										
1	Computer Software	1,045.45	539.56		1,585.00	800.60	175.41		976.02	608.99	244.84
2	Software copyrights	259.06			259.06	259.06			259.06	0.00	0.00
		1,304.51	**539.56**	**-**	**1,844.07**	**1,059.67**	**175.41**	**-**	**1,235.08**	**608.99**	**244.84**
	GRAND TOTAL	**4,306.60**	**785.69**	**91.39**	**5,000.90**	**3,252.16**	**554.87**	**91.37**	**3,715.66**	**1,285.24**	**1,054.44**
	PREVIOUS YEAR	**3,927.32**	**585.07**	**205.80**	**4,306.60**	**2,983.28**	**472.73**	**203.85**	**3,252.16**	**1,054.44**	

* During the year, the Company has carried out development / enhancement of various software for rendering its existing business services. Since these software will generate future economic benefits, the company has capitalised the development/ enhancement cost of Rs. 490.71 Lakhs. The estimated useful life of these software is 3 years and are amortised over the said period.

2.1 Capital Work In Progress

(Rs in Lakhs)

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**102.25**	**8.10**
Additions	186.40	389.13
Disposals	-	-
Transfers	288.65	294.98
Closing Balance - Carrying amount	**-**	**102.25**

2.2 Intangible assets under development

-

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**118.51**	**-**
Additions	531.57	609.21
Disposals	-	-
Transfers	603.17	490.71
Closing Balance - Carrying amount	**46.91**	**118.51**

*As at 31.03.2021, a sum of Rs. 46.91 Lakhs (previous year Rs. 118.51 Lakhs) has been shown as Intangible Assets Under Development. These are towards various software under development which will enhance the existing business services as well offering new products in the market.

2.3 : Right to Use

Notes : Right to Use

Following are the changes in the carrying value of right of use assets:

Particulars	Category of ROU asset As at 31 March 2021	 As at 31 March 2020
	Building	**Building**
Balance as at biginning	1,898.51	-
Reclassified on account of adoption of Ind AS 116	-	-
Additions	786.20	2,851.26
Deletion	(146.20)	(23.87)
Depreciation	(1,166.66)	(928.88)
Balance as at end	**1,371.85**	**1,898.51**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities.

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	917.13	989.52
Non-current lease liabilitie	527.49	976.30
Total	**1,444.62**	**1,965.82**

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning	**1,965.82**	-
Additions	786.20	2,851.26
Finance cost accrued during the year	156.24	190.36
Deletions	(157.96)	(24.88)
Payment / accrual of lease liabilities	(1,242.87)	(1,050.92)
Extinguishment of lease liabilities (refer note 43)	(62.82)	-
Balance at the end	**1,444.61**	**1,965.82**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	1,147.91	1,137.83
One to five years	388.91	1,017.83
More than five years	-	-
Total	**1,536.82**	**2,155.65**

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

Rental expense recorded for short-term leases was Rs 42.85 Lakhs for the year ended 31 March 2021 (Rs 217.48 Lakhs for the year ended 31 March 2020)

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

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	10.95	56.72

3 i Investments

		Non-current		Current	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs in Lakhs)		(Rs in Lakhs)	
A	**Investments in subsidiaries**				
	Investment in Equity Instrument (fully paid up)				
	Unquoted Equity Instrument (at cost)				
i	NSEIT(US) Inc. (refer Note 41)	533.69	533.69	-	-
	[1000000 Equity share of $ 1 each fully paid]		-	-	-
	Ownership interest 100% (previous year 100%)				
ii	Aujas Cybersecurity Limited				
	(Formerly known as Aujas Networks Limited /Aujas Networks Private Limited)				
	(Refer Note 32)				
	[2010 (previous year 2010) Series A Equity shares of Rs. 1 each fully paid]	0.06	0.06	-	-
	[1000 (previous year 1000) Series B Equity shares of Rs. 1 each fully paid]	0.03	0.03	-	-
	[26,73,34,100 (previous year 25,93,41,400) Equity shares of Rs. 1 each fully paid]	9,420.21	8,849.90	-	-
	Ownership interest 99.29% (previous year 96.84%)				
	"Series A Equity Shares" of face value of Rs 1/- carry differential voting rights which entitle the owner thereof to 57,732 votes for such equity share				
	"Series B Equity Shares" of face value of Rs 1/- carry differential voting rights which entitle the owner thereof to 77,121 votes for such equity share				
B	**Unquoted Equity instrument**				
	NSE Foundation *	0.00	0.00	-	-
	[1000 Equity share of Rs. 10 each fully paid]				
C	**Investments in Mutual Funds**	-	-	2,188.06	5,321.96
	Unquoted Investment in Mutual funds at FVPL (Refer Note 34)				
		9,954.00	**9,383.69**	**2,188.06**	**5,321.96**

* NSE Foundation is incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited.

4 Other Financial Assets

		Non-current		Current	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs in Lakhs)		(Rs in Lakhs)	
i	**Non-Current Bank Balances**				
	Fixed deposits with maturity for more than 12 months	31.43	-	-	-
	Earmarked fixed deposits with maturity for more than 12 months *	2,026.52	236.05	-	-
		2,057.95	**236.05**	**-**	**-**
ii	**Loans**				
a	Security deposit (unsecured, considered good)	-	-	556.87	638.56
b	**Loans to related parties (Subsidiaries)**				
	(unsecured, considered good)				
	NSEIT(US) Inc. (USD 9,55,000) (previous year USD 12,75,528) (refer note 41)	701.93	961.49	-	-
	Aujas Cybersecurity Limited	1,200.00	1,200.00	-	-
	Total	**1,901.93**	**2,161.49**	**556.87**	**638.56**

		Non-current		Current	
iii	**Others**				
	Interest accrued on Bank deposits	3.26	0.39	30.50	68.60
	Interest accrued on Loans (unsecured, considered good)	-	-	-	104.49
	Other advances (unsecured, considered good)	-	-	0.66	-
		3.26	0.39	31.16	173.09
	Total	**3,963.14**	**2,397.93**	**31.16**	**173.09**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee

5	**Other assets**	**Non-current**		**Current**	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(Rs in Lakhs)		(Rs in Lakhs)	
	Advance to Creditors (unsecured, considered good)	-	-	157.14	312.27
	Advance to Related Party (unsecured, considered good) (refer note 25)	-	-	-	57.70
	Advance to Staff for Expenses (unsecured, considered good)	-	-	88.57	332.72
	Capital Advance	8.60	13.81	-	-
	Salary Advance (unsecured, considered good)	-	-	-	1.84
	Prepaid expenses	61.85	15.71	301.49	118.58
	Deferred Transaction Cost	46.56	61.12	14.55	15.91
		117.01	**90.64**	**561.76**	**839.02**

6	**Trade receivables**		
	Particulars	**Current**	
		31.03.2021	31.03.2020
		(Rs in Lakhs)	
	Trade Receivables	8,601.76	5,768.50
	Less : Loss Allowances	(742.37)	(485.36)
		7,859.39	5,283.14
	Breakup of security details		
	Trade Receivables considered good -Secured	-	-
	Trade Receivables considered good -Unsecured	7,859.39	5,283.14
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables credit impaired (Refer note 6.1)	742.37	485.36
	Total	8,601.76	5,768.50
	Loss allowances	(742.37)	(485.36)
	Total Trade Receivables	**7,859.39**	**5,283.14**

6.1 This includes an amount of Rs.583.00 Lakhs for Provision for Doubtful Debts (Previous year Rs. 408.94 Lakhs) and Rs.159.38 Lakhs for Provison for Expected Credit Loss (Previous Year Rs. 76.42 Lakhs).

		Non-current		**Current**	
7	**Unbilled Receivables**	31.03.2021	31.03.2020	31.03.2021	31.03.2020
			-	(Rs in Lakhs)	
	Unbilled Receivables	-	-	2,139.47	587.99

8 a **Cash and Cash equivalents**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
		-	(Rs in Lakhs)	
Balances with banks				
- In Current Accounts			284.77	311.39
- In Flexi Deposits			2,052.75	3,009.47
Fund in transit			9.10	-
Cash on hand			-	0.13
	-	-	2,346.63	3,320.99

b **Bank Balances other than Cash and cash equivalents**

	Non-current		Current	
Fixed deposits				
- with original maturity for more than 3 months but less than 12 months			-	-
- with original maturity for more than 12 months			-	674.40
Earmarked fixed / flexi deposits *				
- with original maturity for more than 3 months but less than 12 months				-
- with original maturity for more than 12 months			3,684.94	1,880.97
Escrow Account with ICICI Bank **			-	371.57
	-	-	3,684.94	2,926.94
Total	**-**	**-**	**6,031.57**	**6,247.93**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee

** Amount of previous year represents part of the deferred consideration payable towards investment in subsidiary (Aujas Cybersecurity Limited).

9 A **Equity Share Capital**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Authorised		
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs 10 each.	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up		
10,000,010 (Previous year 10,000,010) Equity shares of Rs.10 each fully paid up.	**1,000.00**	**1,000.00**

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend 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 will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors in the meeting on April 21 2021 , have proposed a final dividend of Rs. 150.00 lakhs for the Financial Year ended March 31, 2021. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs. 150.00 lakhs.

The Board of Directors, in their meeting on June 20,2020, proposed a final dividend of Rs 1 /- per equity share which has been approved by the shareholders at the Annual General Meeting held on July 15, 2020. The total dividend paid during the year ended March 31, 2021 amounts to Rs.100 Lakhs.

Details of shareholders holding more than 5% equity shares in the Company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%	1,00,00,010	100%

B **Preference Share Capital**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Authorised, Issued, Subscribed and Paid-up Preference capital	10,000.00	10,000.00

Details of shareholders holding more than 5% cumulative redeemable preference shares in the Company

	31.03.2021		31.03.2020	
	No.	% holding	No.	% holding
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%	1,00,00,000	100%

10,000,000 (March 31, 2020: 10,000,000) cumulative redeemable preference shares of Rs. 100 each	**10,000.00**	**10,000.00**

10 **Other Equity**

	31.03.2021	31.03.2020
	(Rs in Lakhs)	
General reserve		
As per last balance sheet	5,436.06	5,436.06
Add : Transferred from surplus balance in the Statement of Profit & Loss	-	-
	5,436.06	5,436.06
Retained Earnings - Surplus/(deficit) in the statement of profit and loss		
As per last balance sheet	11,295.47	9,652.90
Add : Profit / (Loss) for the year	2,275.81	1,833.74
Add : Other Comprehensive Income	(88.17)	(70.61)
Less : Equity Dividend Paid	100.00	100.00
Less : Tax on equity dividend paid	-	20.56
	13,383.12	**11,295.47**
Total Other Equity	**18,819.18**	**16,731.53**

11 **Borrowings**

Unsecured

7%, Seven Years, Cumulative Redeemable Preference Shares (CRPS) 10,000,000 (Previous year 10,000,000) Preference shares of Rs.100 each fully paid up	10,000.00	10,000.00

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the CRPS

Cumulative: The CRPS will carry Cumulative Dividend Right.

Priority with Respect to payment of dividend or repayment of captial : The CRPS will carry a preferential right vis-a-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

Tenure & conversion / Redemptions Terms : The amount subscribed/paid on each CRPS shall be redeemed after 7 years from the date of allotment of the CRPS. Each CRPS shall be redeemed at the same price as received at the time of subscription i.e. Face Value.

Conversion: CRPS shall not be convertible into equity shares

Voting rights : CRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013

Redemption: All the CRPS shall be redeemed at the end of 7 years from the date of allotment i.e. 20th March 2019.

12 **Trade Payables**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Trade payables	-	-	2,295.34	2,053.10
Trade payables to MSME (Refer note 28)	-	-	19.34	33.40
Trade payables to related Party (refer note 25)	-	-	177.04	114.04
	-	**-**	**2,491.72**	**2,200.54**

13 **Other Financial Liabilities**

Creditors for Investment	-	-	-	371.57
Creditors for Capital Expenditure	-	-	3.75	7.66
Lease Liablility	527.49	976.30	917.12	989.53
Dividend payable on preference shares			700.00	700.00
	527.49	**976.30**	**1,620.87**	**2,068.75**

14 **Provisions**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Employee benefits obligation				
Provision for Gratuity (Ref. Note 24)	-	97.69	103.77	169.21
Provision for Leave Encashment (Ref. Note 24)	197.99	114.98	75.26	53.74
Provision for variable pay and incentives	65.38	31.43	673.26	964.40
Total	**263.37**	**244.10**	**852.29**	**1,187.35**

15 **Income Taxes**

(A) The major components of income tax expense are as follows:

Profit or loss section

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Current taxes	1,022.00	941.00
Short / Excess Tax for earlier years	14.82	39.78
Deferred taxes movement of Asset	42.10	(50.73)
Deferred taxes movement of Liability	-	-
Income tax expense reported in the statement of profit or loss	1,078.92	930.05

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Re-measurement of the defined benefit liability / asset	29.65	23.75
Equity instruments through Other Comprehensive Income	-	-
Income tax charged to Other Comprehensive Income	29.65	23.75

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before income tax expense	3,354.73	2,763.79
Tax at the Indian Tax Rate of 25.168% (PY 25.168%)	25.168%	25.168%
Computed expected tax expenses	844.32	695.59
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Disallowance due to contribution to NSE Foundation and 80G benefit (net)	18.19	8.95
- Expenditure not allowable	16.22	-
- Dividend & other cost for issue of Preference shares	180.18	180.55
- Short / (excess) Tax for earlier years	14.82	39.78
- Other Impacts	5.18	5.17
Current Income Tax for the year	1,078.92	930.05

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Net current income tax asset/(liability) at the beginning	661.22	(148.43)
Income tax Paid / (Refund)	1,190.79	1,790.43
Current income tax expense	(1,022.00)	(941.00)
Short / Excess Tax for earlier years	(14.82)	(39.78)
Net current income tax asset/(liability) at the end	**815.19**	**661.22**

(D) The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	31.03.2021	31.03.2020
	(Rs in Lakhs)	
Deferred income tax assets		
Impact of difference between depreciation /amortization charged for the financial reporting and tax depreciation	97.48	70.64
Impact of difference arising on account of impairment of intangible asset and tax depreciation,	1.51	2.02
Impact of Gratuity , Leave Encashment & Perfomance Bonus disallow u/s 43 B	164.90	276.13
Imapct of Provision for Doubtful Debts	186.84	122.16
Impact on account of Lease obligation	18.31	17.19
Total deferred income tax assets	**469.05**	**488.14**
Deferred income tax liabilities		
Impact of fair value on Investment in Mutual Funds	49.22	55.86
Total deferred income tax liabilities	**49.22**	**55.86**
Deferred income tax asset after set off	**419.83**	**432.28**

(E) **Movement in Deferred Tax Assets**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Provision for Gratuity, Leave Encashment & Performance Pay	Disallowance u/s 40 (a)(ia) Non Deduction of TDS	Provision for Doubtful Debts	Actuarial Gain / (Loss) through OCI for Gratuity & Leave Encashment	Total
At 1st April 2019	**79.15**	**3.11**	**161.41**	**-**	**113.83**	**21.38**	**378.88**
Charged / (Credited)							
- to profit or loss	(8.51)	(1.09)	69.59	17.19	8.33		**85.52**
- to other comprehensive income	-	-				23.75	**23.75**
- to retained earning	-	-					
At 31st March 2020	**70.64**	**2.02**	**231.00**	**17.19**	**122.16**	**45.13**	**488.14**
Charged / (Credited)							
- to profit or loss	26.84	(0.51)	(140.88)	1.12	64.68		**(48.75)**
- to other comprehensive income		-				29.65	**29.65**
- to retained earning	-	-					
At 31st March 2021	**97.48**	**1.51**	**90.12**	**18.31**	**186.84**	**74.78**	**469.05**

(F) **Movement in Deferred Tax Liabilities**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Financial Assets at Fair Value through profit and Loss	Total
At 1st April 2019	**-**	**-**	**21.07**	**21.07**
Charged / (Credited)				
- to profit or loss	-	-	34.79	34.79
- to other comprehensive income	-	-		
- to retained earning	-	-		
At 31st March 2020	**-**	**-**	**55.86**	**55.86**
Charged / (Credited)				
- to profit or loss	-	-	(6.64)	(6.64)
- to other comprehensive income	-	-		
- to retained earning	-	-		
At 31st March 2021	**-**	**-**	**49.22**	**49.22**

16 **Income Tax Liabilities / Assets**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Income Tax Assets (net)	912.87	701.58	-	-
Income Tax Liabilities (net)	-	-	97.68	40.36
	912.87	**701.58**	**97.68**	**40.36**

17 **Other liabilities**

	Non-current		Current	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	(Rs in Lakhs)		(Rs in Lakhs)	
Statutory dues payable	-	-	1,013.03	555.70
Advance received from customers	-	-	705.37	474.40
Income received in advance	-	-	197.30	23.29
Total	-	-	**1,915.69**	**1,053.39**

18 **Revenue from operations**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Operating revenues		
Sale of Products :		
- Software Products	13.62	2.05
- Traded Goods	72.54	37.08
	86.16	39.13
Sale of Services :		
- Software Product Revenues	719.67	420.57
- Application Development & Maintenance Services	7,826.01	7,580.20
- Infrastructure Management Services	4,345.72	3,444.65
- ITES - Assessment Services	12,048.27	15,192.73
- Customer Care Services	511.26	612.96
	25,450.92	27,251.10
Total	**25,537.09**	**27,290.23**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenues by contract type		
Fixed Price	19,676.39	22,915.48
Time & Materials	5,860.70	4,374.76
Total	**25,537.09**	**27,290.23**

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 terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021, other than those meeting the exclusion criteria mentioned above, is Rs. 894.61 Lakhs (Pevious year Rs. 497.69 lakhs). The Company expects to recognize entire revenue within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Revenue disaggregation by geography is as follows:

Geography	Year ended 31.03.2021	Year ended 31.03.2020
India	24,752.70	25,495.94
Singapore	65.29	71.76
Sweden	241.44	1,160.36
UK	-	9.68
Brunei Darussalam	179.71	353.72
Muscat (Oman)	-	11.48
US	297.95	187.29
Total	**25,537.09**	**27,290.23**

Information about major customers:

Company's significant revenue of 0.09 % (previous year 15.35%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 35.11% (previous year 29.60%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 8966.82 lakhs in FY 2020-21 (End to End Solutions Rs. 8537.67 lakhs and ITES-Assessment Service Rs 429.15 lakhs) and Rs. 8076.72 lakhs in FY 2019-20 (End to End Solutions Rs. 7451.87 lakhs and ITES-Assessment Service Rs 624.85 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

Changes in Contract assets (Unbilled receivable) are as follows:	**31.03.2021**	**31.03.2020**
Balance at the beginning of the year	**587.99**	**1,884.53**
Invoices raised during the year	(587.99)	(1,883.03)
Contract assets reversed for financial year 2019-20	-	(1.50)
Revenue recognised during the year	2,139.47	587.99
Balance at the end of the year	**2,139.47**	**587.99**

Changes in advance received from customer are as follows:	**31.03.2021**	**31.03.2020**
Balance at the beginning of the year	**(474.40)**	**(372.74)**
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	-	-
Advance adjusted against trade receivables	474.40	372.74
Advance received during the year	(705.37)	(474.40)
Balance at the end of the year	**(705.37)**	**(474.40)**

19 **Other income**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Interest Income		
- On Bank Deposits	299.69	340.72
- Interest Others	137.64	150.74
Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	105.26	97.88
Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	137.52	177.38
Gain on foreign currency transaction (net)	-	73.55
Excess provision written back (*)	826.28	-
Sundry Balance Written Back (net)	72.55	41.06
Extinguishment of lease liabilities due rent concession (refer note 43)	62.82	-
Miscellaneous Income	57.03	17.51
Total	**1,698.80**	**898.83**

(*) Includes a sum of Rs. 681.16 Lakhs, being amount of employee performance pay/ variable pay of earlier years no longer payable.

20		**Employee benefits expenses**	Year ended 31.03.2021	Year ended 31.03.2020
			(Rs in Lakhs)	
		Salaries and wages	9,456.34	8,325.35
		Contribution to provident and other funds	399.74	429.47
		Gratuity (Refer Note 24)	6.67	85.22
		Contribution to Superannuation Scheme	0.30	2.59
		Staff welfare expenses	59.97	150.93
		Total	**9,923.02**	**8,993.57**

			Year ended 31.03.2021	Year ended 31.03.2020
			(Rs in Lakhs)	
21		**Finance Cost**		
		Bank Charges	28.96	28.72
		Interest on lease liability	156.24	190.36
		Interest Expense (Others)	8.06	16.57
		Dividend and other cost for issue of peference shares	715.91	717.40
			909.17	**953.05**
22	i	Technical & Sub Contract Charges	2,519.74	3,000.12
	iii	**Other expenses**		
		Power and fuel	238.76	316.49
		Rent	2,219.96	2,380.55
		Insurance	177.51	165.18
		Repairs to machinery	76.52	95.10
		Rates and taxes, excluding taxes on income	22.90	36.74
		Travelling expenses	300.18	808.67
		Project Related Purchases	2,795.90	4,406.47
		Professional Fees	287.09	180.44
		Conveyance	223.63	252.34
		Telephone & Internet Expenses	294.55	299.26
		Security Services Charges	155.79	187.90
		Fees & Subscription	682.57	763.78
		Payment to Auditors (refer note below)	65.02	43.21
		Directors' Sitting Fees	69.75	55.50
		Office Expenses	267.72	191.64
		Contribution to NSE Foundation towards CSR (Refer Note 40)	72.27	71.11
		Loss on foreign currency transaction (net)	32.89	-
		Bad Debts Written Off	-	103.35
		Provision for Doubtful Debts / Expected Credit Loss model	257.01	94.48
		Miscellaneous expenses	384.61	542.57
		Total	**8,624.62**	**10,994.78**

Note :

Payment to Auditors

As Auditors :		
Audit Fees	23.00	16.00
Limited Review	9.00	6.00
Tax Audit Fees	3.50	3.50
In Other Capacities		
Taxation matters	4.50	4.50
GST Audit for earlier years	15.00	7.50
Certification matters	9.25	5.30
Out of pocket expenses	0.77	0.41
Total	**65.02**	**43.21**

23 In accordance with Indian Accounting Standard - 33 “Earning per Share”

Earning per share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders		
Profit after tax (Rs. In Lakhs)	2,275.81	1,833.74
Weighted Average number of equity shares issued (in nos)	1,00,00,010	1,00,00,010
Basic earnings per share of ₹ 10/- each (in ₹)		
Basic	22.76	18.34
Diluted	22.76	18.34

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

24 **Disclosure Under Indian Accounting Standard 19 (Ind AS 19) On Employee Benefits:**

(a) **Defined Contribution Plan**

The Company’s contribution towards Provident Fund and ESIC during the year ended March 31, 2021 amounting to Rs 399.74 Lakhs (31.03.2020 : Rs 429.47 Lakhs) and superannuation fund during the year ended March 31, 2021 amounting to Rs. 0.30 Lakhs (31.03.2020: Rs. 2.59 Lakhs) has been charged to Statement of Profit & Loss.

(b) **Perfomance Pay & Leave Encashment**

i) **Provision for Employee Benefit : Performance Pay**

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	995.84	792.27
Amounts paid during the year	(521.66)	(607.14)
Amounts written back during the year	(681.16)	(2.86)
Provisions made during the year	945.63	813.57
Carrying amount at the end of the year	**738.65**	**995.84**

ii) **Provision for Employee Benefit : Leave Encashment**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	168.72	136.15
Amounts paid during the year	(65.28)	(38.65)
Amounts transferred during the year	(3.65)	-
Provisions made during the year	173.47	71.22
Carrying amount at the end of the year	**273.26**	**168.72**

(c) **Gratuity:** Company has charged the Gratuity expense to Profit & Loss account based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position as at the reporting date is as under.

(i) Assumptions:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Discount Rate	6.48%	6.56%
Rate of Return on Plan Assets	6.48%	6.56%
Salary Escalation	8.00%	8.00%
Attrition Rate	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.

(ii) Change in defined benefit obligation:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Liability at the beginning of the year	647.92	459.32
Interest cost	42.50	34.86
Current Service Cost	105.65	75.98
Past Service Cost	(116.49)	
Liability transferred out	(6.21)	-
Benefits Paid	(45.98)	(14.60)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	7.96	75.25
Actuarial (Gains)/Losses - Due to Experience Adjustments	121.86	17.12
Liability at the end of the year	**757.21**	**647.92**

(iii) Fair value of plan assets:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair Value of plan assets at the beginning of the year	381.02	337.47
Interest Income	25.00	25.61
Expected return on plan assets	-	-
Contributions	281.41	34.53
Transfer from other company	-	-
Benefits paid	(45.98)	(14.60)
Expected return on plan assets	11.99	(1.99)
Fair Value of plan assets at the end of the year	**653.43**	**381.02**

(iv) Amount recognised in the Balance Sheet

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair value of plan assets as at the end of the year	653.43	381.02
Liability as at the end of the year	757.21	647.92
Net (liability) / asset disclosed in the Balance Sheet	**(103.77)**	**(266.90)**

(v) Net Interest Cost for Current Period

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Cost	42.50	34.86
Interest Income	25.00	25.61
Net Interest Cost for Current Period	**17.51**	**9.25**

(vi) Expenses recognised in the Statement of Profit & Loss

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current Service cost	105.65	75.98
Net Interest Cost	17.51	9.24
Past Service cost	(116.49)	-
Expenses recognised in the Statement of Profit & Loss	**6.67**	**85.22**

(vii) Expenses recognised in the Other Comprehensive Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Expected return on plan assets	(11.99)	1.99
Actuarial (Gain) or Loss	129.81	92.36
Net (Income)/Expense for the Period Recognized in OCI	**117.82**	**94.35**

(viii) Balance Sheet Reconciliation

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Opening Net Liability	266.90	121.85
Expenses Recognized in Statement of Profit or Loss	6.67	85.22
Expenses Recognized in OCI	117.82	94.35
Net (Liability)/Asset Transfer out	(6.21)	-
Employers Contribution	(281.41)	(34.53)
Amount recognised in the Balance Sheet	**103.77**	**266.90**

(ix) Category of Assets

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Insurer Managed Funds (Rs)	653.43	381.02
% of Insurer Managed Funds	100%	100%
Total	**653.43**	**381.02**

(x) Maturity Analysis of the Benefit Payments : From the Fund

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
1st Following Year	69.86	42.09
2nd Following Year	22.31	37.85
3rd Following Year	29.30	24.51
4th Following Year	26.93	29.83
5th Following Year	21.95	25.52
Sum of Years 6 To 10	151.58	151.43
Sum of Years 11 and above	1,844.30	1,451.63

(xi) Sensitivity Analysis

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Project Benefit Obligation on Current Assumptions	757.21	647.92
Delta Effect of + 1% Change in Rate of Discounting	(91.04)	(73.25)
Delta Effect of - 1% Change in Rate of Discounting	110.98	88.53
Delta Effect of + 1% Change in Rate of Salary Increase	108.15	86.35
Delta Effect of - 1% Change in Rate of Salary Increase	(90.64)	(72.98)
Delta Effect of + 1% Change in Rate of Employer Turnover	(17.38)	(12.85)
Delta Effect of - 1% Change in Rate of Employer Turnover	19.82	14.57

25 In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company
3	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Holding Company's Fellow Subsidiary
4	NSE IFSC Limited	Holding Company's Fellow Subsidiary
5	National Securities Depository Limited	Ultimate Holding Company's Associate
6	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
7	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
8	Power Exchange India Limited	Holding Company's Associate Company
9	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary
10	NSE Infotech Services Limited	Fellow Subsidiary
11	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary

12	NSE Academy Limited	Fellow Subsidiary
13	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
14	TalentSprint Private Limited (w.e.f. 10th November 2020)	Fellow Subsidiary's Subsidiary Company
15	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Fellow Subsidiary's Subsidiary Company
16	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
17	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Fellow Subsidiary's Associate Company
18	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
19	NSE Foundation	Holding Company's Fellow Subsidiary
20	NSEIT (US) Inc.	Subsidiary Company
21	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited / Aujas Networks Private Ltd)	Subsidiary Company
22	Dr. N. Muralidaran - Managing Director & CEO	Key Management Personnel
23	Mr. Nilesh Shivji Vikamsey	Key Management Personnel
24	Mr. Sowmyanarayanan Sadagopan	Key Management Personnel
25	Mr. Swaminathan Sundara Rajan Mittur	Key Management Personnel
26	Mr. Ram Narayanan Colathur (upto 29th March 2020)	Key Management Personnel
27	Mr. Vikram Mukund Limaye	Key Management Personnel
28	Mr. Suryakant B Mainak (upto 15th February 2020)	Key Management Personnel
29	Mr. Yatrik Rushikesh Vin	Key Management Personnel
30	Dr Gulshan Rai	Key Management Personnel
31	Ms. Poornima Shenoy	Key Management Personnel
32	Mr. Chandrasekaran Ramakrishnan (w.e.f. 20th June 2020)	Key Management Personnel

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :**

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Limited	Infrastructure Management Services	3,372.67	2,561.26
	Application Development and Maintenance Services	2,319.95	2,176.42
	Software Product Revenues	-	-
	ITES - Assessment Services	-	1.18
	Customer Care Services	360.69	341.10
	Integrated Security	248.71	247.74
	Robotic Process Automation	-	76.83
	Analytics	-	7.20
	Taxes recovered	1,134.36	974.11
	CTCL empanelment fee paid	2.50	10.00
	Usage Charges paid - STP Central HUB & other	0.16	0.31
	Reimbursement paid for other expenses incurred	-	15.23
	Closing Balance - Dr./ (Cr.) (Net)	1,623.42	848.94

NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Application Development and Maintenance Services	846.12	846.83
	Infrastructure Management Services	29.61	27.82
	Customer Care Services	56.72	54.91
	Integrated Security	-	7.20
	Taxes recovered	167.84	194.49
	Reimbursement of expenses received	-	143.74
	Closing Balance - Dr./ (Cr.)	369.69	396.70
	Closing Balance - Provision for Doubtful Debts	8.02	-
National Stock Exchange Investor Protection Fund Trust	Provision for Doubtful Debts	-	-
	Closing Balance - Dr./ (Cr.)	23.00	23.00
	Closing Balance - Provision for Doubtful Debts	23.00	23.00
NSE Academy Limited	ITES - Assessment Services	421.70	579.46
	Application Development and Maintenance Services	27.60	2.15
	Customer Care Services	5.46	13.99
	Taxes recovered	81.86	107.21
	Reimbursement paid for other expenses incurred	-	0.50
	Closing Balance - Dr./ (Cr.)	110.77	58.54
NSE Data & Analytics Limited (Formerly known as DotEx International Limited)	Application Development and Maintenance Services	(1.26)	106.50
	Integrated Security	-	34.16
	Customer Care Services	-	97.04
	Infrastructure Management Services	19.67	25.98
	Taxes recovered	3.31	47.46
	Closing Balance - Dr./ (Cr.)	-	71.32
Power Exchange India Limited	Application Development and Maintenance Services	16.52	44.62
	Taxes recovered	2.97	8.03
	Closing Balance - Dr./ (Cr.)	5.05	5.79
National Securities Depository Limited	Application Development and Maintenance Services	25.00	26.48
	Infrastructure Management Services	-	-
	Taxes recovered	4.50	4.77
	Closing Balance - Dr./ (Cr.)	12.74	13.17
	Closinig Balance - Provision For Doubtful Debts	5.86	-
NSDL e-Governance Infrastructure Limited	Application Development and Maintenance Services	43.28	52.80
	Taxes recovered	7.79	8.87
	Closing Balance - Dr./ (Cr.)	26.11	27.34
	Closinig Balance - Provision For Doubtful Debts	17.65	-
NSDL Database Management Limited	Application Development and Maintenance Services	66.73	100.60
	Taxes recovered	12.01	17.69
	Closing Balance - Dr./ (Cr.)	30.38	70.24
	Closinig Balance - Provision For Doubtful Debts	2.69	-
NSE IFSC Clearing Corporation Limited	Application Development and Maintenance Services	131.46	73.61
	Infrastructure Management Services	9.71	-
	Integrated Security	-	12.48
	Closing Balance - Dr./ (Cr.)	60.87	24.65

NSE IFSC Limited	Application Development and Maintenance Services	521.07	425.25
	Infrastructure Management Services	132.44	113.96
	Integrated Security	-	3.12
	Customer Care Services	10.11	-
	Taxes recovered	3.52	-
	Closing Balance - Dr./ (Cr.)	304.84	404.69
		-	-
NSE Indices Limited (formerly known as India Index Services & Products Limited)	Application Development and Maintenance Services	69.17	53.25
	Taxes recovered	12.45	9.58
	Closing Balance - Dr./ (Cr.)	81.62	62.13
		-	-
NSE Foundation	Contribution towards CSR	72.27	71.11
	Closing Investment	0.10	0.10
NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Cumulative Redeemable Preference Shares (Borrowings)	-	-
	Dividend paid to equity shareholders	100.00	100.00
	Dividend payable to preference shareholders	700.00	700.00
	Dividend Paid on Prefrence share for FY-2019-20	-	23.01
	Closing Borrowings -Preference shares	10,000.00	10,000.00
NSEIT(US) Inc.	Application Development and Maintenance Services	290.50	143.07
	ITES - Assessment Services	7.45	44.22
	Taxes recovered	1.34	7.96
	Interest on Loan	46.63	66.23
	Loan repaid USD 3,20,528 (Previous year USD 7,24,472)	232.69	512.64
	Interest on Loan repaid	74.93	53.44
	Closing Balance - Loan given including interest accrued	701.93	989.81
	Closing Balance - Unbilled Revenue	59.34	
	Closing Balance - Investment	533.69	533.69
	Closing Balance - Dr./ (Cr.)	281.66	179.70
	Closing Balance - Provision for Doubtful Debts	152.46	152.46
Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limitd to Aujas Networks Private Ltd)	Loan given	-	680.00
	Interest on Loan	90.65	84.12
	GRC & Prof Fee Service towards ISRC	265.70	202.63
	ISRC /Project related Income	39.20	-
	Taxes recovered	15.48	-
	Business Support Charges recovered	48.08	-
	Investment in Equity Shares	570.31	441.84
	Closing Balance -Trade Receivable	30.54	-
	Closing Balance -Trade Payable	63.12	21.60
	Closing Balance - Unbilled Revenue	1.27	-
	Closing Balance - Provision for Expenses	12.18	-
	Closing advance paid	-	57.70
	Closing Balance - Investment in Equity Shares	9,420.31	8,850.00
	Closing Balance - Loan given including interest accrued	1,200.00	1,276.17
Key Management Personnel - Dr N.Muralidaran - MD & CEO	(a) short-term employee benefits includes Rs 3.68 Lakhs (Previous year Rs. 2.17 Lakhs) towards leave encashment	228.90	239.87
	(b) post-employment benefits #	12.43	11.50
	(c) other long-term benefits	33.95	-

Mr. Ram Narayanan Colathur	Director Sitting Fees	-	10.50
Mr. Swaminathan Sundara Rajan Mittur	Director Sitting Fees	15.75	13.75
Mr. Nilesh Shivji Vikamsey	Director Sitting Fees	13.50	9.25
Mr. Sowmyanarayanan Sadagopan	Director Sitting Fees	12.00	10.00
Mr. Suryakant B Mainak	Director Sitting Fees	-	5.50
Dr Gulshan Rai	Director Sitting Fees	8.25	3.75
Ms. Poornima Shenoy	Director Sitting Fees	12.00	2.75
Mr. R Chandrasekaran	Director Sitting Fees	8.25	-

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020.

26 **Capital and other commitments**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	47.59	164.19
Commitment towards acquisition of 19,23,520 (Previous year 84,59,626) equity shares of Rs. 1/- each of Aujas Cybersecurity Ltd, Subsidiary Company	147.50	648.69
Commitment towards acquisition equity shares of Aujas Cybersecurity Limited, Subsidiary Company, by way of rights issue	139.61	251.31

27 **Contingent liability:**

(a)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
On Account of Income Tax Demand	13.29	41.40
On Account of GST Demand	26.81	-
On Account of Bank Guarantees	4,645.01	1,290.49

(b) The Company has been providing Straight Through Processing (STP) services to its customers based on an approval granted by Securities and Exchange Board of India (SEBI) since June 2004. During the course of time there has been certain key managerial function changes within the Company and as a consequence of which the renewal which was required was missed out inadvertently though the Company continued to render the STP services. The Company thereafter applied for renewal of the approval in December 2019, which was processed by SEBI and an approval was granted on 5th February, 2021 which is valid for a period of 3 years from the date of issuance.

Subsequently the Company is in receipt of a Show Cause Notice (SCN) dated 26th March 2021 from SEBI, wherein it has been alleged that the Company has been providing services of STP as a service provider as specified in the STP guidelines, however the Company has not obtained renewal of approval from SEBI within the stipulated time. The Company is in the process of filing of the settlement application under the SEBI Settlement Regulations. The Company’s management reasonably expects that the impact of this SCN, when ultimately concluded and determined, will not have material impact on the Company’s financial statements.

28 **Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 (31 March 2020) has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
(i) Principal	19.34	33.40
(ii) Interest	0.07	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Principal	-	-
(ii) Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.07	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

29 **Expenditure in foreign currency (accrual basis)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Travelling expenses	-	25.24
Direct Fees & Subscription	4.69	5.58
Subcontract / Technical Fees	1,039.31	1,295.27
Software Licenses	436.91	156.31

30 **Earnings in foreign currency (accrual basis) :**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Application Development and Maintenance Services	810.68	1,623.78
ITES - Assessment Services	7.45	53.91

31 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

32 **Acquisition of Aujas Cybersecurity Ltd. (Aujas), Subsidiary Company**

On November 28, 2018, the Company had entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of Aujas Cybersecurity Limited (formerly known as Aujas Networks Private Limited), ("Aujas") for a total consideration of Rs.9750 lakhs (Rs.9345.16 lakhs for acquisition of 100% equity shareholding and Rs.404.84 lakhs by way of rights issue). In terms of the said SPSHA, on March 22, 2019, the Company acquired 95.39% of equity shareholding of Aujas for a consideration aggregating to Rs.8408.06 lakhs. During the financial year 2019-20, the Company paid a sum of Rs. 288.31 Lakhs to the ex-promoters of Aujas for purchase of 37,59,833 equity shares of Aujas of Re 1 each and invested a sum of Rs. 153.53 Lakhs for 26,68,705 shares by way of subscription to the rights issue. Further during the current year, the Company paid a sum of Rs. 458.62 Lakhs to the ex-promoters of Aujas for purchase of 65,36,106 equity shares of Aujas of Re 1 and invested a sum of Rs. 111.69 lakhs for 14,56,594 shares by way of subscription to the rights issue, taking the total investment in Aujas to Rs. 9420.21 lakhs. As on March 31, 2021, the Company holds 99.29% of equity shareholding of Aujas.

33 Segment Reporting:

a Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company. The Company has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Company. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

b Segment Revenue :

Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

(Rs in Lakhs)

Particulars	**2020-21**	**2019-20**
Segment Revenue		
End to End Solution	13,488.81	12,097.50
ITES - Assessment Services	12,048.27	15,192.73
	25,537.09	**27,290.23**
Inter-segment revenue		
End to End Solution	-	-
ITES - Assessment Services	-	-
	-	**-**
Revenue from external customers		
End to End Solution	13,488.81	12,097.50
ITES - Assessment Services	12,048.27	15,192.73
Total	**25,537.09**	**27,290.23**
Segment Results		
End to End Solution	3,835.27	3,176.16
ITES - Assessment Services	1,691.41	2,169.24
Total	**5,526.68**	**5,345.41**
Less: Unallocable Expenses (Net of income)	1,700.11	2,120.03
Less: Finance Cost	909.17	953.05
Add: Interest income	437.33	491.45
Profit before Tax	**3,354.73**	**2,763.79**

Less : Income Tax expense - Current tax - Short / Excess Tax for earlier years - Deferred tax	 1,022.00 14.82 42.10	 941.00 39.78 (50.74)
Total Tax Expenses	**1,078.92**	**930.04**
Net profit after tax	**2,275.81**	**1,833.74**

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

Particulars	**31.03.2021**	**31.03.2020**
India	24,752.70	25,495.94
Outside India	784.39	1,794.29
Total	**25,537.09**	**27,290.23**

d Segment Assets

Segment assets are measured in the same way as in the balance sheet. These assets are allocated based on the operations of the segment.

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	4,894.92	5,331.14
ITES - Assessment Services	7,533.81	3,298.01
Total Segment Assets	**12,428.73**	**8,629.16**
Unallocable Assets	25,159.56	26,873.16
Total Assets	**37,588.29**	**35,502.32**

There are no non current assets situated outside the domicile of India.

e Segment Liabilities

Segment Liablities are measured in the same way as in the financial statements. These Liabilites are allocated based on the operations of the segment.		
Segments	**31.03.2021**	**31.03.2020**
End to End Solution	1,174.01	554.72
ITES - Assessment Services	3,695.84	2,590.80
Total Segment Liabilities	**4,869.85**	**3,145.52**
Unallocable Liabilities	12,899.26	14,625.27
Total Liabilities	**17,769.11**	**17,770.79**

f Segment Capital Expenditure

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	49.39	697.78
ITES - Assessment Services	1,192.66	77.53
Total Segment Capital Expenditure	**1,242.05**	**775.31**
Add: Unallocable Capital Expenditure	256.91	223.04
Total Capital Expenditure	**1,498.97**	**998.35**

g Segment Depreciation / Amortisation

Segments	**31.03.2021**	**31.03.2020**
End to End Solution	21.40	52.20
ITES - Assessment Services	1,074.94	806.46
Total Segment Depreciation / Amortisation	**1,096.34**	**858.66**
Add: Unallocable Depreciation / Amortisation	808.27	625.09
Total Depreciation / Amortisation	**1,904.61**	**1,483.75**

Note :

Information about major customers

Company's significant revenue of 0.09 % (previous year 15.35%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 35.11% (previous year 29.60%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 8966.82 lakhs in FY 2020-21 (End to End Solutions Rs. 8537.67 lakhs and ITES-Assessment Service Rs 429.15 lakhs) and Rs. 8076.72 lakhs in FY 2019-20 (End to End Solutions Rs. 7451.87 lakhs and ITES-Assessment Service Rs 624.85 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

34 Unquoted Mutual funds at FVPL

(Rs in Lakhs)

Mutual Funds	No.of Units	Mkt as at 31.03.2021	No.of Units	Mkt as at 31.03.2020
Kotak Treasury Advantage Fund - Dir - Growth			7,33,065.28	240.84
ICICI Prudential Money Market Fund - Dir- Growth	60,957.22	179.99	60,957.22	170.23
Invesco India Money Market Fund-Direct -Growth			12,018.07	278.17
Invesco India Liquid Fund - Direct Plan Growth			9,357.08	255.29
UTI Liquid Cash Plan - Direct Growth Plan			32,711.38	1,063.59
Tata Liquid Fund Direct Plan - Growth			8,164.97	255.73
Kotak Money Market Scheme - Dir - Growth			15,448.29	511.81
HDFC Low Duration fund-Dir-Growth	11,62,196.09	552.91	11,62,196.09	513.78
ICICI Prudential Savings Fund - Dir - Growth	1,31,297.42	551.04	1,31,297.42	512.55
SBI Savings Fund - Dir - Growth	10,71,915.53	366.55	30,98,252.15	1,002.81
SBI Savings Fund - Dir - Growth			31,294.69	10.13
HDFC Money Market Fund - Dir - Growth	12,015.53	537.57	12,015.53	507.04
Total of Investments		**2,188.06**		**5,321.96**
Aggregate Book value - Quoted Investments		-		-
Aggregate Book Value - Unquoted Investments		2,188.06		5,321.96
Aggregate Market Value of Quoted Investments		-		-

35 Fair Value Measurements

Financial Instruments by category

(Rs in Lakhs)

	31-Mar-21			31-Mar-20		
Particulars	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets						
Investments						
- Mutual Funds	2,188.06	-	-	5,321.96	-	-
Trade receivables	-	-	7,859.39	-	-	5,283.14
Unbilled receivable	-	-	2,139.47	-	-	587.99
Cash and Cash equivalents	-	-	2,346.63	-	-	3,320.99
Bank balances other than Cash and Cash equivalents	-	-	3,684.94	-	-	2,926.94
- Non-Current Bank Balances	-	-	2,057.95			236.05
- Others	-	-	3.26	-	-	0.39
Loans			2,458.80			2,800.05
Other Financial assets	-	-	31.16	-	-	173.09
Total	**2,188.06**	**-**	**20,581.60**	**5,321.96**	**-**	**15,328.64**
Financial Liabilities						
Borrowings			10,000.00			10,000.00
Trade Payables	-	-	2,491.72	-	-	2,200.54
Other financial liabilities - Non current			527.49			976.30
Other financial liabilities - Current	-	-	1,620.87	-	-	2,068.75
Total	**-**	**-**	**14,640.08**	**-**	**-**	**15,245.59**

36 Fair Value Measurements

a Fair value of the Company's financial assets that are measured at fair value on a recurring basis

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Rs in Lakhs)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31-Mar-21	31-Mar-20		
Investment in mutual funds	2,188.06	5,321.96	Level 1	NAV declared by respective Asset Management Companies.

b Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a above approximate their fair values.

37 FINANCIAL RISK MANAGEMENT

The Company’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company’s senior management has the overall responsibility for the establishment and oversight of the Company’s risk management framework

The Company has developed a Risk Management Policy in accordance with the provisions of the Companies Act, 2013. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Company's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

Apart from this, the core business & operational risk is managed through cross functional involvement and communication across businesses and as part of the same, various functional heads submit a compliance certificate covering respective areas of operations to the Company Secretary or Managing Director and CEO who in turn submits a compliance certificate quarterly to the Audit Committee and the Board of Directors.

The Treasury department activities are designed to:

- protect the Company’s financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company’s financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A. MANAGEMENT OF LIQUIDITY RISK

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. In doing this, management considers both normal and stressed conditions.

The Company’s treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(Rs in Lakhs)

Particulars	Carrying amount amount	Less than 12 months	More than 12months	Total
As at 31st March 2021				
Borrowings	10,000.00	-	10,000.00	10,000.00
Trade payables	2,491.72	2,491.72	-	2,491.72
Other financial liabilities-Non Current	527.49	-	527.49	527.49
Other financial liabilities-Current	1,620.87	1,620.87	-	1,620.87
As at 31st March 2020				
Borrowings	10,000.00		10,000.00	10,000.00
Trade payables	2,200.54	2,200.54	-	2,200.54
Other financial liabilities-Current	2,068.75	2,068.75	-	2,068.75

B MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk;

The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Company is mainly exposed to the price risk due to its investment in mutual funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 2188.06 Lakhs (March 31, 2020 : Rs 5321.96 lakhs)	In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the investments limits set as par the Board resolution passed	As an estimation of the approximate impact of price risk, with respect to mutual funds and investments in equity instruments, the Company has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately Rs. 5.47 Lakhs (Previous year Rs 13.30 Lakhs) gain in the Statement of Profit and Loss. A 0.25% decrease in prices. would have led to an equal but opposite effect.

C : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse

Trade receivables

The Company provides for expected credit loss on trade receivables based on a provision matrix. This matrix is a simpified basis of recognition of expected credit losses in case of trade receivables.The model uses historical credit loss experience for trade receivables.

Reconciliation of loss allowance (ECL) provision for Trade Receivables

Particulars	**March 31, 2021**	**March 31, 2020**
Balance as at the beginning of the year	76.42	41.48
Add: Provision on trade receivables based on Expected credit loss model	82.96	34.94
Balance at end of the year	**159.38**	**76.42**

Particulars	**March 31, 2021**	**March 31, 2020**
Balance as at the beginning of the year	408.94	349.40
Add: Provision for Doubtful Debts	174.06	59.54
Balance at end of the year	**583.00**	**408.94**

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, securities, investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored

Derivative Instruments - Forward Contracts

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain payments in foreign currency. The use of foreign currency forward contracts is governed by the Company's strategy. The Company does not use forward contracts for speculative purposes. There were no outstanding Hedging Contracts as at March 31, 2021.

38 **Impact of COVID 19 (Global Pandemic)** :

The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a ‘Pandemic’. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Company has taken into account the possible impacts of COVID-19 in preparation of the standalone financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Company has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

39 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 **Amounts Paid / Contribution to NSE Foundation towards CSR :**

a As per the provisions of Companies Act 2013, Gross amount required to be spent by the Company on CSR activities during the financial year ended March 31, 2021 is Rs. 72.27 Lakhs (Previous Year Rs 71.11 Lakhs).

b Amount spent during the year on:

	Particulars		In Cash	Yet to be paid in Cash	Total
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	Contribution to NSE Foundation towards CSR	Current Year	72.27	-	72.27
		Previous Year	71.11	-	71.11
iii	On purposes other than (i) & (ii) above	Current Year #	-	-	-
		Previous Year #	-	-	-

* During the year, the Company has contributed Rs 72.27 lakhs (previous year Rs.71.11 lakhs) to NSE Foundation to be spent on activities as stated in the Group CSR policy which has been adopted by the Company as Company’s CSR policy.The amount unspent by NSE Foundation as on March 31, 2021 is Rs. 72.27 lakhs (as on March 31, 2020 Rs. 71.11 lakhs).

41 The Company holds an investment of Rs.533.69 lakhs (USD 1,000,000) and has given a unsecured loan amounting to Rs. 701.93 lakhs (USD 955,000) to NSEIT (US) Inc., a wholly owned subsidiary company. The said subsidiary company has incurred losses during the year amounting to Rs. 6.11 lakhs (USD 8,698), it has accumulated losses of Rs.1159.86 lakhs (USD 1,851,900) and has negative net worth of Rs. 626.17 lakhs (USD 851,900) as at March 31, 2021. Considering long term and strategic nature of the investments and future business plans, no provision for impairment has been made in the value of investment and loan given to the said subsidiary company.

42 The Company’s pending litigations comprise of proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no. 27 for details on contingent liabilities).

43 During the year ended March 31, 2021, the Company has negotiated with various landlords on the rent reduction / wavier due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Company has elected to apply the exemption, as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording the same in the "Other income". Accordingly, during the year, the Company has recognised ₹ 62.82 Lakhs as an extinguishment of lease liability being lease rent concession on account of COVID 19 pandemic and the same has been disclosed as 'Other Income' in the Statement of Profit and Loss.).

44 In accordance with the relevant provisions of the Companies Act, 2013, the Company did not have any long term contracts as of March 31, 2021 and March 31, 2020 including derivatives contracts for which there were any material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021 and March 31, 2020.

45 For the year ended March 31, 2021 and March 31, 2020, the Company is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

46 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NSEIT Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **NSEIT Limited** ("the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, 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 prepared based on the relevant records, (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, of consolidated total comprehensive income (comprising profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 the Institute of Chartered Accountants of India ("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 and the audit evidence obtained by the other auditors in terms of their report referred to in 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board'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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and the report of the other auditors as furnished to us [refer 'Other Matter' paragraph below], 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 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 and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective 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 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 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 Responsibility 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 scepticism throughout the audit. We also:

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

- Obtain an understanding of internal financial controls 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 has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of 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 a reasonably knowledgeable user 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 financial statements.

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

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

Other Matter

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs. 7,609.00 lakhs and net assets of Rs 2,802.73 lakhs as at March 31, 2021, total revenue of Rs. 14,661.19 lakhs, total comprehensive income of Rs. 404.77 lakhs (comprising of profit of Rs. 335.77 lakhs and other comprehensive income of Rs. 69.00 lakhs) and net cash inflows amounting to Rs. 312.44 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statements have been audited by other auditors whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other information insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

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 matter with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

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

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

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

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, 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 and records maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure 'A'**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiary, as noted in the Other Matter paragraph:

(i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – refer Note 50 to the consolidated financial statements.

(ii) The Group did not have any long term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses - refer Note 51 to the consolidated financial statements

(iii) During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India - refer Note 52 to the consolidated financial statements

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
Narendra Jain
Partner
Membership No. 048725
UDIN: 21048725AAAABH8616

Place: Mumbai
Date: April 21, 2021

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report on consolidated financial statements to the Members of **NSEIT Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of **NSEIT Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For Khandelwal Jain & Co.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
Narendra Jain
Partner
Membership No. 048725
UDIN: 21048725AAAABH8616

Place: Mumbai
Date: April 21, 2021

NSEIT Limited
(Formerly known as *NSE.IT LIMITED*)
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(Rs in Lakhs)

	Particulars	Notes	As at 31.03.2021	As at 31.03.2020
	ASSETS			
1	**Non-current assets**			
a	Property, Plant and Equipment	2.a	804.46	847.92
b	Capital work-in-progress	2.b	24.97	102.25
c	Intangible assets under development	2.c	46.91	118.51
d	Right of Use Asset	2.d	1,854.20	2,430.67
e	Other Intangible assets	2.a	884.74	608.99
f	Goodwill	42.a	6,524.05	6,121.51
g	Financial Assets			
i	Investments	3	0.00	0.00
ii	Other Financials assets			
	- Non-Current Bank Balances	4	2,064.95	376.71
	- Loans	4	65.07	66.26
	- Others	4	3.26	0.39
h	Deferred Tax Assets (net)	21	424.83	437.28
i	Income Tax Assets (net)	5	1,229.41	1,770.18
j	Other assets	6	117.01	90.64
	Total Non-current assets		**14,043.86**	**12,971.31**
2	**Current assets**			
a	Financial Assets			
i	Investments	7	2,273.06	5,321.96
ii	Trade receivable	8	11,917.45	8,058.28
iii	Unbilled receivables	9	3,305.96	1,296.95
iv	Cash and Cash equivalents	10.a	2,948.15	3,891.68
v	Bank balances other than (iv) above	10.b	3,867.93	2,950.47
vi	Loans	11	577.94	669.66
vii	Other Financial assets	11	82.20	98.82
b	Other assets	12	842.55	1,018.42
	Total Current assets		**25,815.24**	**23,306.24**
	TOTAL ASSETS		**39,859.10**	**36,277.55**
	EQUITY AND LIABILITIES			
(A)	**EQUITY**			
a	Equity Share capital	13	1,000.00	1,000.00
b	Other Equity	14	17,532.78	15,034.75
	Equity attributable to owners of NSEIT Limited		**18,532.78**	**16,034.75**
	Non controlling Interest	42.b	20.02	72.25
	Total Equity		**18,552.80**	**16,107.00**
(B)	**LIABILITIES**			
1	**Non-current liabilities**			
a	Financial Liabilities			
i	Borrowings	15	10,000.00	10,000.00
ii	Other financial liabilities	16	971.93	1,466.00
b	Provisions	17	483.79	399.58
	Total Non-current liabilities		**11,455.72**	**11,865.58**

2	**Current liabilities**			
a	Financial Liabilities			
i	Trade Payables	18		
	- Total Outstanding dues of micro enterprises and small enterprises		40.92	33.40
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		4,107.92	3,221.94
ii	Other financial liabilities	19	1,817.57	2,176.36
b	Provisions	20	1,189.82	1,464.70
c	Income Tax Liabilities (net)	22	100.60	42.47
d	Other liabilities	23	2,593.75	1,366.10
	Total Current liabilities		**9,850.58**	**8,304.97**
	TOTAL EQUITY AND LIABILITIES		**39,859.10**	**36,277.55**
	Summary of significant accounting policies	1		

Notes refer to above form an integral part of Consolidated Balance Sheet

This is the Consolidated Balance Sheet referred to in our report of even date

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited

(Formerly known as NSE.IT LIMITED)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
Income			
Revenue from operations	24	39,778.99	37,629.00
Other income	25	1,674.93	910.82
Total Income		**41,453.92**	**38,539.82**
Expenses			
Employee benefits expense	26	20,100.16	16,623.19
Purchases of Stock-in-Trade	28	1,054.00	335.86
Technical & Sub Contract Charges	29	2,519.73	3,729.04
Finance Cost	27	976.81	1,031.32
Depreciation and amortisation expense	2a & 2d	2,132.40	1,667.80
Other expenses	29	10,768.73	12,991.59
Total Expenses		**37,551.83**	**36,378.80**
Profit before tax		**3,902.09**	**2,161.02**
Less : Income Tax expense	15		
- Current tax		1,136.01	941.00
- Foreign tax		103.67	1.80
- Short / (excess) Tax for earlier years		14.82	39.78
- Deferred tax		42.10	(50.73)
Total tax expenses		1,296.60	931.85
Profit after tax (A)		**2,605.49**	**1,229.17**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
- Equity Instruments through Other Comprehensive Income			
(i) Remeasurements of post-employment benefit obligations		(48.82)	(68.62)
- Deferred Tax		29.65	23.75
Items that will be reclassified to profit or loss			
- Changes in foreign currancy translation reserve		15.55	(50.80)
Total Other Comprehensive Income, net of tax (B)		**(3.62)**	**(95.67)**
Total Comprehensive Income (A+B)		**2,601.87**	**1,133.50**
Profit for the year attributable to:			
-Owners of the company		2,602.14	1,254.73
-Non controlling interest		3.35	(25.56)
		2,605.49	**1,229.17**
Other comprehensive income for the year			
-Owners of the company		(4.11)	(96.48)
-Non controlling interest		0.49	0.81
		(3.62)	**(95.67)**
Total comprehensive income for the year			
-Owners of the company		2,598.03	1,158.25
-Non controlling interest		3.84	(24.74)
		2,601.87	**1,133.50**
Earnings per equity share (FV Rs 10 each)	30		
- Basic (Rs.)		**26.02**	**12.55**
- Diluted (Rs.)		**26.02**	**12.55**

Summary of significant accounting policies 1

Notes refer to above form an integral part of the Consolidated Statement of Profit & Loss

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited

(Formerly known as NSE.IT LIMITED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital (Rs in Lakhs)

Balance at the beginning of the reporting year	Changes during the year	Balance at the end of the reporting year
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity attributable to owners (a)	Non controlling Interest (b)	Total (a+b)
Balance at the beginning of the reporting year	**5,436.06**	**9,591.61**	**7.08**	**15,034.75**	**72.25**	**15,107.00**
Profit / (Loss) for the year	-	2,602.14		**2,602.14**	3.35	**2,605.49**
Other Comprehensive Income /(Loss)		(19.66)	15.55	**(4.11)**	0.49	**(3.62)**
Dividends		(100.00)		**(100.00)**		**(100.00)**
Reversal on reduction in Shareholding of Non-controling parties and share in equity					(56.07)	**(56.07)**
Total Other Equity	**5,436.06**	**12,074.09**	**22.63**	**17,532.78**	**20.02**	**17,552.80**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Balance at the beginning of the reporting year	Changes during the year	Balance at the end of the reporting year
1,000.00	-	1,000.00

(B) Other Equity

Particulars	General reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity attributable to owners (a)	Non controlling Interest (b)	Total (a+b)
Balance at the beginning of the reporting year	**5,436.06**	**8,503.12**	**57.88**	**13,997.06**	**124.00**	**14,121.06**
Profit / (Loss) for the year	-	1,254.73		**1,254.73**	(25.56)	**1,229.17**
Other Comprehensive Income /(Loss)	-	(45.68)	(50.80)	**(96.48)**	0.81	**(95.67)**
Dividends	-	(100.00)		**(100.00)**		**(100.00)**
Dividend Tax	-	(20.56)		**(20.56)**		**(20.56)**
Reversal on reduction in Shareholding of Non-controling parties and share in equity	-			**-**	(27.01)	**(27.01)**
Total Other Equity	**5,436.06**	**9,591.61**	**7.08**	**15,034.75**	**72.25**	**15,107.00**

Notes refer to above form an integral part of the Consolidated statement of changes in equity

This is the Consolidated statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-
Prof. S. SADAGOPAN
Chairman
DIN No. 00118285

Sd/-
N. MURALIDARAN
Managing Director & CEO
DIN No. 06567029

Sd/-
M.S. SUNDARA RAJAN
Director
DIN No. 00169775

Sd/-
M. N. HARIHARAN
Chief Financial Officer

Sd/-
VAIBHAV KULKARNI
Company Secretary

Place : Mumbai
Date : April 21, 2021

NSEIT Limited

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED MARCH 31, 2021

(Rs in Lakhs)

		Year ended March 31, 2021	Year ended March 31, 2020
A)	**CASHFLOW FROM OPERATING ACTIVITIES**		
	PROFIT BEFORE TAX	3,902.09	2,161.02
	Add Adjustments for :		
	- Depreciation and amortisation expense	2,132.40	1,667.80
	- Bad Debts written off	-	103.35
	- Provision for Doubtful Debts	342.14	154.68
	- Interest on lease obiligation	208.88	247.68
	- Extinguishment of lease liabilities due rent concession	(62.82)	-
	- Reversal of lease liabilities on account of closer of certain lease	(16.62)	(1.01)
	- Interest income on Bank deposits	(316.31)	(356.10)
	- Interest income on Others	(0.38)	(6.80)
	- Interest on Income tax refund	(61.02)	(28.46)
	- Interest expense	8.07	22.13
	- Net gain on sale of mutual funds mandatorily measured at fair value through P&L	(105.26)	(97.88)
	- Net gain on mutual funds mandatorily measured at fair value through P&L	(140.71)	(177.38)
	- Gain on disposal of property,plant and equipment	(4.86)	
	- Loss on disposal of property,plant and equipment	4.68	0.02
	- Excess provision written back	(826.28)	-
	- Dividend, DDT and other cost for issue of peference shares	715.91	717.40
	- Sundry Balance W/ Back	(72.55)	(41.06)
	- Foreign Currency Translation Reserve	15.55	(50.80)
	- Gain on foreign currency transaction (net)	-	3.91
	Change in Operating Assets and Liabilities		
	- Trade Receivable and Unbilled Receivable net of Unearned Liability	(6,210.32)	(405.91)
	- Trade Payable and Provisions	1,552.84	(483.59)
	- Other Financial & Non-Financial Assets	211.59	761.02
	- Other Financial & Non-Financial Liabilities incl NCI	816.63	(1,170.32)
	CASH GENERATED / (USED) FROM OPERATIONS	**2,093.63**	**3,019.70**
	- Income Taxes paid (Net of Refunds)	(655.60)	(1,896.40)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	**1,438.03**	**1,123.30**
B)	**CASHFLOW FROM INVESTING ACTIVITIES**		
	- Payment for Property Plant, Equipment	(866.49)	(1,127.63)
	- Sale Proceed from Property Plant, Equipment	5.25	-
	- Proceeds/(Payment) from sale/purchase of current investment	3,294.88	1,235.67
	- Proceeds from fixed deposits/Bank Balances other than cash & cash equivalents (Net)	(2,605.70)	524.96
	- Payment to NCI for acquisition of additional stake in subsidiary over net assets	(402.54)	(268.98)
	- Interest received	401.15	386.25
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	**(173.45)**	**750.27**
C)	**CASHFLOW FROM FINANCING ACTIVITIES**		
	- Proceeds from / (repayment of) borrowings	(8.38)	(8.38)
	- Dividend Equity shares	(100.00)	(100.00)
	- Dividend Preference shares	(700.00)	(23.01)
	- Dividend distrubusion tax paid	-	(25.29)
	- Interest paid	(8.07)	(22.18)
	- Repayment of lease liability	(1,391.67)	(1,178.29)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	**(2,208.12)**	**(1,357.15)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(943.53)**	**516.42**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	3,891.68	3,379.17
	CASH AND CASH EQUIVALENTS : CLOSING BALANCE	2,948.15	3,891.68
	TOTAL CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET	**(943.53)**	**512.51**
	- Add: Unrealised exchange (gain)/loss on cash and cash equivalents	-	3.91
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(943.53)**	**516.42**
	Reconciliation of cash and cash equivalents as per the cash flow statement		
	Cash and cash equivalents as per above comprise of the following		
	- Cash and cash equivalents	2,948.15	3,891.68
	- Bank overdrafts	-	-
	Balance as per statement of cash flows	2,948.15	3,891.68

Notes :

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow as notified under Compaines (Accounts) Rules, 2015.

2 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year classifications

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-
NARENDRA JAIN	**Prof. S. SADAGOPAN**	**N. MURALIDARAN**	**M.S. SUNDARA RAJAN**
Partner	Chairman	Managing Director & CEO	Director
Membership No.048725	DIN No. 00118285	DIN No. 06567029	DIN No. 00169775
	Sd/-	Sd/-	
Place : Mumbai	**M. N. HARIHARAN**	**VAIBHHAV KULKARNI**	
Date : April 21, 2021	Chief Financial Officer	Company Secretary	

NSEIT Limited

Notes to the Consolidated financial statements

1 Summary of significant accounting policies :

a) Group Overview

The NSEIT Limited ("the Group") is a Step-down Subsidiary of the National Stock Exchange of India Limited (NSE), the world's second largest stock exchange by trade volume. NSEIT is a global technology firm with a focus on the financial services industry. The Group is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The consolidated financial statements relates to the Parent Group, its subsidiary companies (collectively referred to as "the Group")
The Consolidated Financial Statements are approved for issue by the Group's Board of Directors on April 21, 2021

b) Basis of preparation of Financial Statements

These consolidated financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments which are measured at fair value, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

i) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial instruments that is measured at fair value, and
• defined benefit plans - plan assets measured at fair value.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.
In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

ii) **Principles of consolidation and equity accounting**
i) Subsidiaries
Subsidiaries are all entities over which the group has control. The group control an entity when the group is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affact those returns though its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transfered to the group. They are deconsolidated from the date that control ceases.
The acquisition method of accounting is used to account for business combinations by the group.
The group combines the financial statements of the parents and its subsidiaries line by line adding toghether like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.
Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii) Associates
Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost

iii) Joint Arrangements
Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.
Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

iv) Equity Method
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post - acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note (n) below.

v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.
When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.
If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

d) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management's best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

e) **Investments and other financial assets**

(i) Classification

The Group classifies its financial assets in the following measurement categories:
· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
· those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments :-

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Group's subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (l) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The Group accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-

A financial asset is de-recognised only when

· The Group has transferred the rights to receive cash flows from the financial asset or

· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition

Interest income :-

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-

Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

f) **Financial liabilities**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

g) **Transaction costs**

Transaction costs are "Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Group amortises transaction costs over the expected life of the financial instrument.

h) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i) **Lease**

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the simplified approach.

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor :

Lease for which the Group is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease.

j) **Revenue Recognition**

The Group earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method (‘POC method’) of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where Group forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by contract type, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Group’s contracts with customers could include promises to transfer multiple products and services to a 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 could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. 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 estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

k) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of Input Tax Credits, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

l) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life and in the manner prescribed in Schedule II to Companies Act, 2013 except in case of Aujas Cybersecurity Limited office equipment at 3 years as per management estimation. Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

m) **Intangible assets**

i) **Goodwill:**

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cashgenerating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments

ii) **Other intangible assets:**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Group which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Availability of adequate, financial and other resources to complete the development and to use / sell the intangible asset
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
During the period of development, the asset is tested for impairment annually.

n) **Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

p) **Cash and cash equivalents in the statement of cash flows**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignifican risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

q) **Foreign currency transactions and translation**

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian currency (INR), which is the Group's functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit or loss, as part of the gain or loss on sale

r) **Employee benefits**

i **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet since the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, and

(b) Defined contribution plans such as provident fund and superannuation

iv Gratuity obligations

The Group has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to yields on government securities at the end of the reporting period that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

v Defined contribution plans

Superannuation

Superannuation benefit for employees designated as managers and above is covered by Group Superannuation Scheme with the Life Insurance Corporation of India towards which it annually contributes a sum based on a specified percentage of each covered employees' salary. The contribution paid for the year on the Group Superannuation Scheme is charged to revenue.

Provident Fund

W.e.f. 1st August 2010, the Group had transferred the corpus balance of the NSEIT Ltd. Employees Provident Fund Trust to the Regional Provident Fund Office, Kandivali, Mumbai. As per the applicable rule the Group contributes 12% of the employee's basic salary to the said recognized provident fund and the same is charged to revenue.

vi **Bonus plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

s) **Business Combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

• the fair values of the assets transferred;
• liabilities incurred to the former owners of the acquired business;
• equity interests issued by the Group; an
• fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the
• consideration transferred;
• amount of any non-controlling interest in the acquired entity, an
• acquisition-date fair value of any previous equity interest in the acquired entit

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirers previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

t) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

u) **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent liabilities are not disclosed in case the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed in the financial statements.

x) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

x) **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

y) **Dividends**

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

z) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

aa) **Group financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

ab) **Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year.
(i) Basic earnings per share
Basic earnings per share is calculated by dividing:
• the profit attributable to owners of the Group
• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ac) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Use of significant judgements in revenue recognition

Estimation of useful life of tangible asset and intangible asset (Note 2)

Recognition of deferred tax assets [(Note 21(D)]

Estimation of defined benefit obligation (Note 31)

Estimation of contingent liabilities and commitments (Note 33 & 34)

Impairment of Assets [Note 1(n)]

Recoverability of Trade Receivables [Note 43 (C)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

ad) **Recent Pronouncement:**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ae) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

NSEIT Limited
Notes to the Consolidated financial statements
2a: Property, Plant & Equipment and Intangible Assets (Rs in Lakhs)

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-20	Additions	Deductions	As on 31-Mar-21	As on 1-Apr-20	For the year	Deductions	As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
a	**Tangible Assets**										
1	Computer Hardware and Servers & Networks	2,476.16	234.22	145.88	2,564.49	1,758.96	399.05	145.51	2,012.50	551.99	717.20
2	Office Equipment	650.56	121.20	5.40	766.35	535.27	68.39	5.40	598.26	168.09	115.29
3	Furniture & Fixtures	288.39	14.79	11.25	291.93	272.95	10.23	6.55	276.62	15.30	15.44
4	Vehicles	-	-	-	-	-	-	-	-	-	-
5	Building - Civil Work	105.53	103.46	-	208.99	105.53	34.39	-	139.92	69.07	0.00
		3,520.63	**473.67**	**162.54**	**3,831.76**	**2,672.71**	**512.06**	**157.47**	**3,027.30**	**804.46**	**847.93**
b	**Intangible Assets**										
1	Computer Software	1,585.00	609.28	-	2,194.29	976.02	333.53	-	1,309.55	884.74	608.99
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,844.07	**609.28**	**-**	**2,453.35**	**1,235.08**	**333.53**	**-**	**1,568.61**	**884.74**	**608.99**
	GRAND TOTAL	**5,364.70**	**1,082.95**	**162.54**	**6,285.11**	**3,907.79**	**845.59**	**157.47**	**4,595.91**	**1,689.20**	**1,456.91**
	PREVIOUS YEAR	**4,566.55**	**889.64**	**91.50**	**5,364.69**	**3,368.03**	**631.23**	**91.48**	**3,907.79**	**1,456.91**	

Sr No.	Category	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
		As on 1-Apr-19	Additions	Deductions	As on 31-Mar-20	As on 1-Apr-19	For the year	Deductions	As on 31-Mar-20	As on 31-Mar-20	As on 31-Mar-19
a	**Tangible Assets**										
1	Computer Hardware and Servers & Networks	2,235.22	284.59	43.65	2,476.16	1,381.89	420.72	43.65	1,758.96	717.20	853.33
2	Office Equipment	634.57	54.04	38.06	650.56	542.94	30.37	38.04	535.27	115.28	91.63
3	Furniture & Fixtures	286.72	11.45	9.79	288.39	278.01	4.72	9.79	272.95	15.44	8.71
4	Vehicles	-	-	-	-	-	-	-	-	-	-
5	Building - Civil Work	105.53	-	-	105.53	105.53	-	-	105.53	0.00	0.00
		3,262.04	**350.09**	**91.50**	**3,520.63**	**2,308.37**	**455.82**	**91.48**	**2,672.71**	**847.92**	**953.67**
b	**Intangible Assets**										
1	Computer Software	1,045.45	539.56	-	1,585.00	800.60	175.41	-	976.02	608.99	244.84
2	Software copyrights	259.06	-	-	259.06	259.06	-	-	259.06	0.00	0.00
		1,304.51	**539.56**	**-**	**1,844.07**	**1,059.67**	**175.41**	**-**	**1,235.08**	**608.99**	**244.84**
	GRAND TOTAL	**4,566.55**	**889.64**	**91.50**	**5,364.69**	**3,368.03**	**631.23**	**91.48**	**3,907.79**	**1,456.91**	**1,198.52**
	PREVIOUS YEAR	**3,927.32**	**585.07**	**226.40**	**4,566.55**	**2,983.28**	**472.73**	**212.35**	**3,368.03**	**1,198.52**	

* During the year, the Company has carried out development / enhancement of various software for rendering its existing business services. Since these software will generate future economic benefits, the company has capitalised the development/ enhancement cost of Rs. 490.71 Lakhs. The estimated useful life of these software is 3 years and are amortised over the said period

NSEIT Limited

Notes to the Consolidated financial statements

2.b : Capital Work In Progress

(Rs in Lakhs)

Particulars	As at 31-03-2021	As at 31-03-2020
Opening Balance - Carrying amount	**102.25**	**8.10**
Additions	211.36	389.13
Disposals	-	-
Transfers	288.65	294.98
Closing Balance - Carrying amount	**24.97**	**102.25**

2.c : Intangible assets under development

Particulars	31-Mar-21	31-Mar-20
Opening Balance - Carrying amount	**118.51**	**-**
Additions	531.57	609.21
Disposals	-	-
Transfers	603.17	490.71
Closing Balance - Carrying amount	**46.91**	**118.51**

*As at 31.03.2021, a sum of Rs. 46.91 Lakhs (previous year Rs. 118.51 Lakhs) has been shown as Intangible Assets Under Development. These are towards various software under development which will enhance the existing business services as well offering new products in the market.

2.d : Right to Use

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

Particulars	Category of ROU asset	
	As at 31 March 2021	As at 31 March 2020
	Building	Building
Balance as at begining	2,430.67	-
Additions	923.55	3,491.11
Deletion	(213.22)	(23.87)
Depreciation	(1,286.80)	(1,036.57)
Balance as at end	**1,854.20**	**2,430.67**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at 31 March 2021

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	1,029.42	1,070.62
Non-current lease liabilitie	971.93	1,466.00
Total	**2,001.35**	**2,536.62**

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning	2,536.62	-
Additions	923.54	3,491.11
Finance cost accrued during the year	208.87	247.67
Deletions	(229.84)	(24.88)
Payment of lease liabilities	(1,375.05)	(1,177.28)
Extinguishment of lease liabilities (refer note 54)	(62.82)	
Balance at the end	**2,001.32**	**2,536.62**

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

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	1,246.67	1,269.14
One to five years	856.03	1,614.59
More than five years	-	20.17
Total	**2,102.70**	**2,903.90**

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

Rental expense recorded for short-term leases was Rs 193.09 Lakhs for the year ended 31 March 2021 (Rs 298.37 Lakhs for the year ended 31 March 2020)

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

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	147.56	209.78

			As at 31.03.2021	As at 31.03.2020
3	i	**Non-current Investments**	(Rs in Lakhs)	
	A	**Unquoted Equity instrument**		
		NSE Foundation *	0.00	0.00
		[1000 Equity share of Rs. 10 each fully paid]		
			0.00	0.00

* NSE Foundation is incorporated under section 8 of the Companies Act, 2013 and intends to apply its profits, if any, or other income in promoting its objects and any payment of dividend to its members is prohibited.

			As at 31.03.2021	As at 31.03.2020
4		**Other Financial Assets (Non-current)**	(Rs in Lakhs)	
	i	**Non-Current Bank Balances**		
		Fixed deposits with maturity for more than 12 months	38.43	7.00
		Earmarked fixed deposits with maturity for more than 12 months *	2,026.52	369.71
			2,064.95	376.71
	ii	**Loans**		
		Security deposit (unsecured, considered good)	65.07	66.26
			65.07	66.26
	iii	**Others**		
		Interest accrued on Bank deposits	3.26	0.39
			3.26	0.39
		Total	**2,133.28**	**443.36**

* Earnmarked deposits are restricted. These deposits are earnmarked against forward contracts /performance guarantee

		As at 31.03.2021	As at 31.03.2020
5	**Income Tax Assets (net) (Non-current)**	(Rs in Lakhs)	
	Income Tax Assets (net)	1,229.41	1,770.18
	Income Tax Liabilities (net)	-	-
	Total	**1,229.41**	**1,770.18**

		As at 31.03.2021	As at 31.03.2020
6	**Other assets (Non-current)**	(Rs in Lakhs)	
	Capital Advance	8.60	13.81
	Prepaid expenses	61.85	15.71
	Deferred Transaction Cost	46.56	61.12
	Total	**117.01**	**90.64**

			As at 31.03.2021	As at 31.03.2020
7	i	**Current Investments**	(Rs in Lakhs)	
	A	**Investments in Mutual Funds**		
		Unquoted Investment in Mutual funds at FVPL (Refer Note 41)	2,273.06	5,321.96
		Total	**2,273.06**	**5,321.96**

8 **Trade receivables**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Trade Receivables	12,840.78	8,639.47
Less : Loss Allowances (Refer Note 43)	(923.33)	(581.19)
	11,917.45	8,058.28
Breakup of security details		
Trade Receivables considered good -Secured	-	-
Trade Receivables considered good -Unsecured	11,917.45	8,058.28
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired *	923.33	581.19
Total	12,840.78	8,639.47
Loss allowances (Refer Note 43)	(923.33)	(581.19)
Total	**11,917.45**	**8,058.28**

* This includes an amount of Rs.582.99 Lakhs for Provision for Doubtful Debts (Previous year Rs. 408.94 Lakhs) and Rs.340.34 Lakhs for Provison for Expected Credit Loss (Previous Year Rs. 172.25 Lakhs).

9 **Unbilled Receivables**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Unbilled Receivables	3,305.96	1,296.95
Total	**3,305.96**	**1,296.95**

10 a **Cash and Cash equivalents**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Balances with banks		
- In Current Accounts	883.17	878.87
- In Savings Accounts	2.94	3.01
- In Flexi Deposits	2,052.75	3,009.47
Fund in transit	9.10	-
Cash on hand	0.19	0.33
	2,948.15	3,891.68
b **Bank Balances other than Cash and cash equivalents**		
Fixed deposits		
- with original maturity for more than 3 months but less than 12 months	-	-
- with original maturity for more than 12 months	45.99	694.53
Earmarked fixed / flexi deposits *		
- with original maturity for more than 3 months but less than 12 months	-	-
- with original maturity for more than 12 months	3,821.94	1,884.37
Escrow Account with ICICI Bank**	-	371.57
	3,867.93	2,950.47
Total	**6,816.08**	**6,842.15**

* Earmarked deposits are restricted. These deposits are earmarked against forward contracts / performance guarantee

** Previous year amount represent the part of deferred consideration payable to ex-promoters towards investment in subsidiary (Aujas Cybersecurity Limited).

11		**Other Financial Assets (Current)**	As at 31.03.2021	As at 31.03.2020
			(Rs in Lakhs)	
	i	**Loans**		
	a	Security deposit (unsecured, considered good)	577.94	669.66
			577.94	**669.66**
	ii	**Others**		
		Interest accrued on Bank deposits	48.34	74.65
		Loan to Employee (unsecured, considered good)	33.20	24.17
		Other advances (unsecured, considered good)	0.66	-
			82.20	98.82
		Total	**660.14**	**768.48**

12	**Other Current assets**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Advance to Creditors (unsecured, considered good)	163.61	319.23
	Advance to Staff for Expenses (unsecured, considered good)	88.57	332.72
	Salary Advance (unsecured, considered good)	-	1.84
	Prepaid expenses	575.82	328.91
	Deferred Transaction Cost	14.55	15.91
	Balance with GST Authorities	-	19.81
	Total	**842.55**	**1,018.42**

13 **A Equity Share Capital**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Authorised		
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs 10 each.	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up		
10,000,010 (Previous year 10,000,010) Equity shares of Rs.10 each fully paid up.	1,000.00	1,000.00

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend 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 will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors in the meeting on April 21, 2021, have proposed a final dividend of Rs. 150.00 lakhs for the Financial Year ended March 31, 2021. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs. 150.00 lakhs.

The Board of Directors in the meeting on June 20, 2020, have proposed a final dividend of Rs.100.00 lakhs for the Financial Year ended March 31, 2020. The proposal is subject to approval of the shareholders at the ensuing annual general meeting to be held and if approved would result in a cash outflow of approximately Rs.100.00 lakhs.

Details of shareholders holding more than 5% share in the Company	**As at 31.03.2021**	
	No.	**% holding**
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%
	As at 31.03.2020	
	No.	**% holding**
Equity shares of Rs 10/- each fully paid NSE Investments Limited (Holding Company)	1,00,00,010	100%

B **Preference Share Capital**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Authorised, Issued, Subscribed and Paid-up Preference capital 10,000,000 (March 31, 2020:10,000,000) cumulative redeemable preference shares of Rs. 100 each	**10,000.00**	**10,000.00**

Details of shareholders holding more than 5%	**As at 31.03.2021**	
	No.	**% holding**
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%
	As at 31.03.2020	
	No.	**% holding**
Cumulative redeemable preference shares of Rs. 100 each NSE Investments Limited (Holding Company)	1,00,00,000	100%

14	**Other Equity**	As at 31.03.2021	As at 31.03.2020
	General reserve		
	As per last balance sheet	5,436.06	5,436.06
	Add : Transferred from surplus balance in the Statement of Profit & Loss	-	-
		5,436.06	**5,436.06**
	Retained Earnings - Surplus/(deficit) in the statement of profit and loss		
	As per last balance sheet	9,591.61	8,503.12
	Add : Profit / (Loss) for the year	2,602.14	1,254.73
	Less : Other Comprehensive Income	(19.66)	(45.68)
	Less : Equity Dividend Paid	(100.00)	(100.00)
	Less : Tax on equity dividend paid	-	(20.56)
		12,074.09	**9,591.61**
	Foreign Currency Translation Reserve		
	As per last balance sheet	7.08	57.88
	Add : Transferred from Statement of Profit & Loss	15.55	(50.80)
		22.63	**7.08**
	Total Other Equity	**17,532.78**	**15,034.75**

15	**Borrowings**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Unsecured		
	7%, Seven Years, Cumulative Redeemable Preference Shares (CRPS)	10,000.00	10,000.00
	10,000,000 (Previous year 10,000,000) Preference shares of Rs.100 each fully paid up		
		10,000.00	**10,000.00**

Terms and conditions for issue of Preference shares

Rate of Dividend : Dividend rate will be 7% p.a. (on the face value) which will remain fixed over the tenure of the CRPS

Cumulative: The CRPS will carry Cumulative Dividend Right.

Priority with Respect to payment of dividend or repayment of captial : The CRPS will carry a preferential right vis-a-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

Tenure & conversion / Redemptions Terms : The amount subscribed/paid on each CRPS shall be redeemed after 7 years from the date of allotment of the CRPS. Each CRPS shall be redeemed at the same price as received at the time of subscription i.e. Face Value.

Conversion: CRPS shall not be convertible into equity shares

Voting rights : CRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act 2013

Redemption: All the CRPS shall be redeemed at the end of 7 years from the date of allotment i.e. 20th March 2019.

16	**Other Financial Liabilities (Non-current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Lease Liablility	971.93	1,466.00
	Total	**971.93**	**1,466.00**

17	**Provisions (Non-current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Employee benefits obligation		
	Provision for Gratuity (Ref. Note 31)	220.42	253.17
	Provision for Leave Encashment (Ref. Note 31)	197.99	114.98
	Provision for variable pay and incentives	65.38	31.43
	Total	**483.79**	**399.58**

18	**Trade Payables (Current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Trade payables	3,994.00	3,117.69
	Trade payables to MSME (Refer note 35)	40.92	33.40
	Trade payables to related Party (refer note 32)	113.92	104.25
	Total	**4,148.84**	**3,255.34**

19	**Other Financial Liabilities (Current)**	As at 31.03.2021	As at 31.03.2020
		(Rs in Lakhs)	
	Creditors for Investment	-	371.57
	Creditors for Capital Expenditure	88.17	25.80
	Current maturities of Term Loan (Secured)*	-	8.38
	Lease Liablility	1,029.41	1,070.62
	Dividend payable on preference shares	700.00	700.00
	Total	**1,817.57**	**2,176.36**

* Term loan from kotak Mahindra Bank Limited : Rs. 30 lakhs taken during the previous year. It is repayable in 24 monthly instalments ; interest 16% p.a Secured by lien on fixed deposit.

20 **Provisions (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Employee benefits obligation		
Provision for Gratuity (Ref. Note 31)	169.55	221.32
Provision for Leave Encashment (Ref. Note 31)	317.02	248.98
Provision for variable pay and incentives	703.26	994.41
Total	**1,189.82**	**1,464.70**

21 **Income Taxes**

(A) The major components of income tax expense are as follows:

<u>Profit or loss section</u>

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Current tax	1,136.01	942.80
Short / Excess Tax for earlier years	14.82	39.78
Deferred taxes movement of Asset	42.10	(50.73)
Foreign tax	103.67	-
Income tax expense reported in the statement of profit or loss	1,296.60	931.85

<u>OCI section</u>

Deferred tax related to items recognised in OCI during in the year:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Re-measurement of the defined benefit liability / asset	29.65	23.75
Equity instruments through Other Comprehensive Income	-	-
Income tax gain/(charged) to Other Comprehensive Income	29.65	23.75

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before income tax expense	3,902.09	2,161.02
Applicable tax rate	25.168%	25.168%
Computed expected tax expenses	983.26	543.89
-Losses on which deferred tax assets not created by a subsidiary	-	134.36
- Disallowance due to contribution to NSE	18.19	8.95
- Income taxable on issue of equity shares	9.62	-
- Expenditure not allowable	16.22	-
-Brought forward Losses set-off during the year	(107.69)	-
- Dividend & other cost for issue of Preference shares	180.18	180.55
- Tax effect on temporary differences not recognized as deferred taxes	55.78	-
- Short / (excess) Tax for earlier years	14.82	39.78
- Foreign tax	103.67	1.80
- Other Impacts	22.54	22.52
Current Income Tax for the year	**1,296.60**	**931.86**

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Net current income tax asset/(liability) at the beginning	1,727.71	813.89
Income tax Paid / (Refund)	655.60	1,896.40
Current / Foreign income tax expense	(1,239.68)	(942.80)
Short / Excess Tax for earlier years	(14.82)	(39.77)
Net current income tax asset/(liability) at the end	**1,128.81**	**1,727.71**

NSEIT Limited

Notes to the Consolidated financial statements

(D) The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Deferred income tax assets		
Impact of difference between depreciation /amortization charged for the financial reporting and tax depreciation	97.48	70.64
Impact of difference arising on account of impairment of intangible asset and tax depreciation,	1.51	2.02
Impact of Gratuity , Leave Encashment & Perfomance Bonus	169.90	281.13
Imapct of Provision for Doubtful Debts	186.84	122.16
Impact on account of Lease obligation	18.31	17.19
Total deferred income tax assets	**474.05**	**493.14**
Deferred income tax liabilities		
Impact of fair value on Investment in Mutual Funds	49.22	55.86
Total deferred income tax liabilities	**49.22**	**55.86**
Deferred income tax asset after set off	**424.83**	**437.28**

(E) **Movement in Deferred Tax Assets**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Provision for Gratuity, Leave Encashment & Performance Pay	Disallowance u/s 40 (a)(ia) Non Deduction of TDS	Provision for Doubtful Debts	Actuarial Gain / (Loss) through OCI for Gratuity & Leave Encashment	Total
At 1st April 2019	79.15	3.11	166.41	-	113.83	21.38	**383.87**
Charged / (Credited)	-	-	-	-	-	-	**-**
- to profit or loss	(8.51)	(1.09)	69.59	17.19	8.33	-	**85.52**
- to other comprehensive income	-	-	-	-	-	23.75	**23.75**
- to retained earning	-	-	-	-	-	-	**-**
- Adjustment of Business combination							**-**
At 31st March 2020	**70.64**	**2.02**	**236.00**	**17.19**	**122.16**	**45.13**	**493.14**
Charged / (Credited)							
- to profit or loss	26.84	(0.51)	(140.88)	1.12	64.68	-	**(48.75)**
- to other comprehensive income						29.65	**29.65**
- to retained earning	-	-	-	-	-		**-**
At 31st March 2021	**97.48**	**1.51**	**95.12**	**18.31**	**186.84**	**74.78**	**474.04**

(F) **Movement in Deferred Tax Liabilities**

Particulars	Depreciation on Tangible Assets	Amortization on Intangible Assets	Financial Assets at Fair Value through profit and Loss	Total
At 1st April 2019	-	-	21.07	**21.07**
Charged / (Credited)				
- to profit or loss	-	-	34.79	**34.79**
- to other comprehensive income	-	-	-	-
- to retained earning	-	-	-	-
At 31st March 2020	-	-	**55.86**	**55.86**
Charged / (Credited)				
- to profit or loss	-	-	**(6.64)**	**(6.64)**
- to other comprehensive income	-	-	-	-
- to retained earning	-	-	-	-
At 31st March 2021	-	-	**49.22**	**49.22**

(g) **In case of Aujas Cybersecurity Limited**

i) **Brought forward losses**

The Subsidiary Company had brought forward losses of ₹ 427 lakhs (31 March 2020 : ₹ 306 lakhs) which the Subsidiary Company has set-off against the taxable income of the current year.

ii) **Recognised deferred taxes**

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carry forward losses can be utilized. Due to lack of convincing evidence, the Subsidiary Company has not recorded deferred tax assets on deductible temporary differences.

ii) The Subsidiary Company has non-current tax assets of ₹ 316.54 lakhs and ₹ 1,068.60 lakhs as at 31 March 2021 and 31 March 2020 respectively. These assets relate to tax deducted at source which are recoverable from the Government.

22 **Income Tax Liabilities (net) (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Income Tax Assets (net)	-	-
Income Tax Liabilities (net)	100.60	42.47
Total	**100.60**	**42.47**

23 **Other liabilities (Current)**

	As at 31.03.2021	As at 31.03.2020
	(Rs in Lakhs)	
Statutory dues payable	1,274.37	705.32
Advance received from customers	709.58	505.29
Income received in advance	609.79	155.50
Total	**2,593.75**	**1,366.10**

24 **Revenue from operations**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Operating revenues		
Sale of Products :		
- Software Products	13.62	2.05
- Traded Goods	1,597.79	531.94
	1,611.41	533.99
Sale of Services :		
- Software Product Revenues	719.67	599.41
- Application Development & Maintenance Services	20,628.08	17,234.21
- Infrastructure Management Services	4,297.64	3,444.65
- ITES - Assessment Services	12,010.94	15,203.79
- Customer Care Services	511.25	612.96
	38,167.57	37,095.01
Total	**39,778.99**	**37,629.00**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenues by contract type		
Fixed Price	22,469.22	25,266.00
Time & Materials	17,309.77	12,363.00
Total	**39,778.99**	**37,629.00**

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 terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021, other than those meeting the exclusion criteria mentioned above, is Rs. 1319.37 Lakhs (Pevious year Rs. 660.79 lakhs). The Company expects to recognize entire revenue within the next one year. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Revenue disaggregation by geography is as follows:

Geography	Year ended 31.03.2021	Year ended 31.03.2020
India	31,364.55	29,778.00
Singapore	65.29	72.00
Sweden	241.44	1,160.00
UK	-	10.00
Brunei Darussalam	179.71	354.00
Muscat (Oman)	-	11.00
Middle East (MEA)	3,751.56	2,388.00
US	4,176.44	3,856.00
Total	**39,778.99**	**37,629.00**

Information about major customers:

Company's significant revenue of 0.06 % (previous year 11.13%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 24.72% (previous year 21.84%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 9,835.25 lakhs in FY 2020-21 (End to End Solutions Rs. 9,413.55 lakhs and ITES-Assessment Service Rs 421.70 lakhs) and Rs. 7889.43 lakhs in FY 2019-20 (End to End Solutions Rs. 7308.08 lakhs and ITES-Assessment Service Rs 580.63 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

Changes in Contract assets (Unbilled receivable) are as follows:	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the year	1,296.95	2,992.14
Invoices raised during the year	(1,296.95)	(8,779.25)
Contract assets reversed	-	6,496.06
Revenue recognised during the year	3,305.96	587.99
Balance at the end of the year	**3,305.96**	**1,296.95**

Changes in advance received from customer are as follows:	Year ended 31.03.2021	Year ended 31.03.2020
Balance at the beginning of the year	(505.29)	(374.02)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	8.61	22.29
Advance adjusted against trade receivables	786.80	372.74
Advance received during the year	(999.71)	(526.30)
Balance at the end of the year	**(709.59)**	**(505.29)**

25 **Other income**

	Year ended 31.03.2021	Year ended 31.03.2020
	(Rs in Lakhs)	
Interest Income		
- On Bank Deposits	316.31	356.10
- Interest Others	0.38	6.80
Net gain on sale of mutual funds mandatorily measured at fair value through Profit and Loss	105.26	97.88
Net gain on mutual funds mandatorily measured at fair value through Profit and Loss	140.71	177.38
Gain on foreign currency transaction (net)	-	185.09
Gain on derecognition of right-of-use asset and lease liability	4.86	-
Excess provision written back(*)	826.28	-
Interest income on refund of income tax	61.02	28.46
Sundry Balance W/ Back	72.55	41.06
Extinguishment of lease liabilities due rent concession (refer note 53)	62.82	-
Miscellaneous Income	84.73	18.06
Total	**1,674.93**	**910.82**

(*) Includes a sum of Rs. 681.16 Lakhs, being amount of employee performance pay/ variable pay of earlier years no longer payable.

26	**Employee benefits expenses**	Year ended 31.03.2021	Year ended 31.03.2020
		(Rs in Lakhs)	
	Salaries and wages	18,793.64	15,368.26
	Contribution to provident and other funds	788.63	728.00
	Gratuity (Refer Note 31)	182.01	145.50
	Contribution to Superannuation Scheme	0.30	2.59
	Staff welfare expenses	335.58	378.82
	Total	**20,100.16**	**16,623.19**

27	**Finance Cost**	Year ended 31.03.2021	Year ended 31.03.2020
		(Rs in Lakhs)	
	Bank Charges	43.95	44.12
	Interest on lease liability	208.88	247.68
	Interest Expense (Others)	8.07	22.13
	Dividend, DDT and other cost for issue of peference shares	715.91	717.40
	Total	**976.81**	**1,031.32**

		Year ended 31.03.2021	Year ended 31.03.2020
		(Rs in Lakhs)	
28	Purchases of Stock-in-Trade	1,054.00	335.86

			Year ended 31.03.2021	Year ended 31.03.2020
			(Rs in Lakhs)	
29	i	Technical & Sub Contract Charges	2,519.73	3,729.04
	ii	**Other expenses**		
		Power and fuel	257.47	340.93
		Rent	2,371.25	2,481.39
		Insurance	246.47	208.92
		Repairs to machinery	80.65	95.10
		Rates and taxes, excluding taxes on income	65.61	144.00
		Travelling expenses	673.07	1,541.92
		Project Related Purchases	3,387.20	4,406.47
		Professional Fees	537.61	423.31
		Conveyance	259.20	434.42
		Telephone & Internet Expenses	368.07	371.72
		Security Services Charges	155.79	187.90
		Fees & Subscription	696.25	775.64
		Payment to Auditors (refer note below)	99.48	79.18
		Directors' Sitting Fees	69.75	55.50
		Office Expenses	352.97	269.23
		Contribution to NSE Foundation towards CSR (Refer Note 36)	72.27	71.11
		Loss on foreign currency transaction (net)	141.74	-
		Bad Debts Written Off	-	103.35
		Provision for Doubtful Debts / Expected Credit Loss model	342.14	154.68
		Miscellaneous expenses	591.75	846.83
		Total	**10,768.73**	**12,991.59**

Note :
Payment to Auditors

As Auditors :		
Audit Fees	54.50	49.00
Limited Review	9.00	6.00
Tax Audit Fees	5.50	5.50
In Other Capacities		
Taxation matters	4.50	4.50
GST Audit for earlier years	15.00	7.50
Certification matters	9.25	5.30
Out of pocket expenses	1.73	1.38
Total	**99.48**	**79.18**

30 In accordance with Indian Accounting Standard - 33 "Earning per Share"

Earning per share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit attributable to Shareholders		
Profit after tax (Rs. In Lakhs)	2,602.14	1,254.73
Weighted Average number of equity shares issued (in nos)	1,00,00,010	1,00,00,010
Basic earnings per share of Rs 10/- each (in Rs)		
Basic	26.02	12.55
Diluted	26.02	12.55

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Group remain the same.

31 Disclosure Under Indian Accounting Standard 19 (Ind As 19) on Employee Benefits:

(a) **Defined Contribution Plan**

The Group's contribution towards Provident Fund and ESIC and superannuation fund during the year has been charged to Statement of Consolidated Profit & Loss as follows.

	Year ended 31.03.2021	Year ended 31.03.2020
Provident Fund and ESIC	788.63	728.00
superannuation fund	0.30	2.59
	788.93	730.59

(b)

i) **Provision for Employee Benefit : Performance Pay - Holding Company**

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	995.84	792.27
Amounts paid during the year	(521.66)	(607.14)
Amounts reversed during the year	(681.16)	(2.86)
Provisions made during the year	945.63	813.57
Carrying amount at the end of the year	**738.65**	**995.84**

ii) **Provision for Employee Benefit : Leave Encashment - Holding Company**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Carrying amount at the beginning of the year	168.72	136.15
Amounts paid during the year	(65.28)	(38.65)
Amounts reversed during the year	(3.65)	-
Provisions made during the year	173.47	71.22
Carrying amount at the end of the year	**273.26**	**168.72**

(c) Gratuity: Group has charged the Gratuity expense to Profit & Loss account based on the actuarial valuation of gratuity liability at the end of the year. The projected unit credit method used to show the position as at the reporting date is as under.

(i)

Assumptions:	**Parent Company**		**Subsidiary Company**	
Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Discount Rate	6.48%	6.56%	3% to 5.50%	4% to 6.15%
Rate of Return on Plan Assets	6.48%	6.56%	-	-
Salary Escalation	8.00%	8.00%	3% to 6%	3% to 5%
Attrition Rate	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	For Service 4 years and below 30.00% p.a. and for service 5 years and above 3.00% p.a.	26.00%	26.00%
Mortality rate	IALM (2006-08) ultimate	IALM (2006-08) ultimate	IALM (2012-14) ultimate	IALM (2012-14) ultimate

(ii) Change in defined benefit obligation:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Liability at the beginning of the year	855.50	661.98
Interest cost	52.56	45.37
Current Service Cost	270.94	125.75
Past Service Cost	(116.49)	
Liability transferred out	(6.21)	-
Benefits Paid	(73.69)	(44.23)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(29.28)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(7.91)	75.23
Actuarial (Gains)/Losses - Due to Experience Adjustments	68.73	20.68
Liability at the end of the year	**1,043.42**	**855.50**

(iii) Fair value of plan assets:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair Value of plan assets at the beginning of the year	381.02	337.47
Interest Income	25.00	25.61
Expected return on plan assets	-	-
Contributions	281.41	34.53
Transfer from other Group	-	-
Benefits paid	(45.98)	(14.60)
Expected return on plan assets	11.99	(1.99)
Fair Value of plan assets at the end of the year	**653.43**	**381.02**

(iv) Amount recognised in the Balance Sheet

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair value of plan assets as at the end of the year	653.43	381.02
Liability as at the end of the year	1,043.42	855.50
Net (liability) / asset disclosed in the Balance Sheet	**(389.99)**	**(474.48)**

(v) Net Interest Cost for Current Period

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Cost	52.56	45.37
Interest Income	25.00	25.61
Net Interest Cost for Current Period	**27.56**	**19.76**

(vi) Expenses recognised in the Statement of Profit & Loss

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current Service cost	270.94	125.75
Net Interest Cost	27.57	19.75
Past Service cost	(116.50)	-
Expenses recognised in the Statement of Profit & Loss	**182.01**	**145.50**

(vii) Expenses recognised in the Other Comprehensive Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Expected return on plan assets	(11.99)	1.99
Actuarial (Gain) or Loss	60.81	66.62
Net (Income)/Expense for the Period Recognized in OCI	**48.82**	**68.61**

(viii) Balance Sheet Reconciliation

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Opening Net Liability	474.47	324.51
Expenses Recognized in Statement of Profit or Loss	182.02	145.51
Expenses Recognized in OCI	48.82	68.62
Net (Liability)/Asset Transfer out	(6.21)	-
Employers Contribution / Benefit paid	(309.12)	(64.16)
Amount recognised in the Balance Sheet	**389.99**	**474.47**

(ix) Category of Assets

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Insurer Managed Funds (Rs)	653.43	381.02
% of Insurer Managed Funds	100%	100%
Total	**653.43**	**381.02**

(x) Maturity Analysis of the Benefit Payments : From the Fund

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
1st Following Year	129.44	94.20
2nd Following Year	79.64	80.26
3rd Following Year	79.39	60.13
4th Following Year	74.15	64.22
5th Following Year	64.53	50.17
Sum of Years 6 To 10	273.19	211.47
Sum of Years 11 and above	1,844.30	1,451.63

(xi) Sensitivity Analysis

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Project Benefit Obligation on Current Assumptions	1,037.21	855.50
Delta Effect of + 1% Change in Rate of Discounting	(100.76)	(79.61)
Delta Effect of - 1% Change in Rate of Discounting	121.44	95.33
Delta Effect of + 1% Change in Rate of Salary Increase	118.14	92.40
Delta Effect of - 1% Change in Rate of Salary Increase	(109.37)	(77.59)
Delta Effect of + 1% Change in Rate of Employer Turnover	(17.38)	(12.85)
Delta Effect of - 1% Change in Rate of Employer Turnover	19.82	14.57

32 In compliance with Ind AS 24 - “Related Party Disclosures”, as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No.	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company
3	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Holding Company's Fellow Subsidiary
4	NSE IFSC Limited	Holding Company's Fellow Subsidiary
5	National Securities Depository Limited	Ultimate Holding Company's Associate
6	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
7	NSDL e-Governance Infrastructure Limited	Holding Company's Associate Company
8	Power Exchange India Limited	Holding Company's Associate Company
9	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary
10	NSE Infotech Services Limited	Fellow Subsidiary
11	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary
12	NSE Academy Limited	Fellow Subsidiary
13	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
14	TalentSprint Private Limited (w.e.f. 10th November 2020)	Fellow Subsidiary's Subsidiary Company
15	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Fellow Subsidiary's Subsidiary Company
16	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Associate Company
17	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Fellow Subsidiary's Associate Company
18	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
19	NSE Foundation	Holding Company's Fellow Subsidiary
20	Dr. N. Muralidaran - Managing Director & CEO	Key Management Personnel
21	Mr. Nilesh Shivji Vikamsey	Key Management Personnel
22	Mr. Sowmyanarayanan Sadagopan	Key Management Personnel
23	Mr. Swaminathan Sundara Rajan Mittur	Key Management Personnel
24	Mr. Ram Narayanan Colathur (upto 29th March 2020)	Key Management Personnel
25	Mr. Vikram Mukund Limaye	Key Management Personnel
26	Mr. Suryakant B Mainak (upto 15th February 2020)	Key Management Personnel
27	Mr. Yatrik Rushikesh Vin	Key Management Personnel
28	Dr Gulshan Rai	Key Management Personnel
29	Ms. Poornima Shenoy	Key Management Personnel
30	Mr. Chandrasekaran Ramakrishnan (Effective from 20th June 2020)	Key Management Personnel
31	Pattamadai Sundaram Suriyanarayanan (Resigned on 19 June 2020)	Key Management Personnel of Subsidiary Company
32	Mr. Sameer Shelke (Effective from 19 June 2020)	Key Management Personnel of Subsidiary Company
33	Mr. Navinkumar S Kotian (Effective from 19 June 2020)	Key Management Personnel of Subsidiary Company
34	Mr. Srinivas Rao M (Resigned on 30 June 2020)	Key Management Personnel of Subsidiary Company
35	Mr. Saket Verma	Key Management Personnel of Subsidiary Company
36	Aujas ESOP Trust (dissolved during the previous year)	Post Employment benefit entities

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :** (Rs in Lakhs)

Name of the Related Party	Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2020
National Stock Exchange of India Limited	Infrastructure Management Services	3,372.67	2,561.26
	Application Development and Maintenance Services	3,548.14	2,176.42
	ITES - Assessment Services	-	1.18
	Customer Care Services	360.69	341.10
	Integrated Security	248.71	247.74
	Robotic Process Automation	-	76.83
	Analytics	-	7.20
	Taxes recovered	1,134.36	974.11
	CTCL empanelment fee paid	2.50	10.00
	Usage Charges paid - STP Central HUB & other	0.16	0.31
	Reimbursement of expenses received	-	15.23
	Closing Balance - Dr./ (Cr.) Unbilled	80.24	-
	Closing Balance - Dr./ (Cr.) (Net)	1,972.36	848.94
NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Application Development and Maintenance Service	850.44	846.83
	Infrastructure Management Services	29.61	27.82
	Customer Care Services	56.72	54.91
	Integrated Security	-	7.20
	Taxes recovered	167.84	194.49
	Reimbursement of expenses received	-	143.74
	Closing Balance - Dr./ (Cr.)	369.69	396.70
	Closing Balance - Provision for Doubtful Debts	8.02	-
	Closing Balance - Unbilled Revenue	4.31	-
National Stock Exchange Investor Protection Fund Trust	Provision for Doubtful Debts	-	-
	Closing Balance - Dr./ (Cr.)	23.00	23.00
	Closing Balance - Provision for Doubtful Debts	23.00	23.00
NSE Academy Limited	ITES - Assessment Services	421.70	579.46
	Application Development and Maintenance Services	27.60	2.15
	Customer Care Services	5.46	13.99
	Taxes recovered	81.86	107.21
	Reimbursement paid for other expenses incurred	-	0.50
	Closing Balance - Dr./ (Cr.)	110.77	58.54
NSE Data & Analytics Limited (DotEx International Limited)	Application Development and Maintenance Services	19.90	106.50
	Software Product Revenues	-	34.16
	Customer Care Services	-	97.04
	Infrastructure Management Services	19.67	25.98
	Taxes recovered	3.31	47.46
	Closing Balance - Dr./ (Cr.)	9.43	71.32
Power Exchange India Limited	Application Development and Maintenance Services	16.52	44.62
	Taxes recovered	2.97	8.03
	Closing Balance - Dr./ (Cr.)	5.05	5.79
National Securities Depository Limited	Application Development and Maintenance	25.00	26.48
	Infrastructure Management Services	-	-
	Taxes recovered	4.50	4.77
	Closing Balance - Dr./ (Cr.)	12.74	13.17
	Closinig Balance - Provision For Doubtful Debts	5.86	-
NSDL e-Governance Infrastructure Limited	Application Development and Maintenance	43.28	52.80
	Taxes recovered	7.79	8.87
	Closing Balance - Dr./ (Cr.)	26.11	27.34
	Closinig Balance - Provision For Doubtful Debts	17.65	-
NSDL Database Management Limited	Application Development and Maintenance Services	66.73	100.60
	Taxes recovered	12.01	17.69
	Closing Balance - Dr./ (Cr.)	30.38	70.24
	Closinig Balance - Provision For Doubtful Debts	2.69	-
NSE IFSC Clearing Corporation Limited	Application Development and Maintenance Services	131.46	73.61
	Infrastructure Management Services	9.71	-
	Integrated Security	-	12.48
	Closing Balance - Dr./ (Cr.)	60.87	24.65

NSE IFSC Limited	Application Development and Maintenance Services	521.07	425.25
	Infrastructure Management Services	132.44	113.96
	Integrated Security	-	3.12
	Customer Care Services	10.11	-
	Taxes recovered	3.52	-
	Closing Balance - Dr./ (Cr.)	304.84	404.69
NSE Indices Limited (formerly known as India Index Services & Products Limited)	Application Development and Maintenance Services	69.17	53.25
	Taxes recovered	12.45	9.58
	Closing Balance - Dr./ (Cr.)	81.62	62.13
NSE Foundation	Contribution towards CSR	72.27	71.11
	Closing Investment	0.10	0.10
NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Cumulative Redeemable Preference Shares (Borrowings)	-	-
	Dividend paid to equity shareholders	100.00	100.00
	Dividend to payable to preference shareholders	700.00	700.00
	Dividend Paid on Prefrence share for FY-2018-19	-	23.01
	Closing Borrowings -Preference shares	10,000.00	10,000.00
Key Management Personnel - Dr N.Muralidaran - MD & CEO	(a) short-term employee benefits includes Rs 3.68 Lakhs (Previous year Rs. 2.17 Lakhs) towards leave encashment	228.90	239.87
	(b) post-employment benefits #	12.43	11.50
	(c) other long-term benefits	33.95	-
Mr. Ram Narayanan Colathur	Director Sitting Fees	-	10.50
Mr. Swaminathan Sundara Rajan Mittur	Director Sitting Fees	15.75	13.75
Mr. Nilesh Shivji Vikamsey	Director Sitting Fees	13.50	9.25
Mr. Sowmyanarayanan Sadagopan	Director Sitting Fees	12.00	10.00
Mr. Suryakant B Mainak	Director Sitting Fees	-	5.50
Dr Gulshan Rai	Director Sitting Fees	20.00	8.25
Ms. Poornima Shenoy	Director Sitting Fees	12.00	2.75
Chandrasekaran Ramakrishnan	Director Sitting Fees	20.00	2.50
Sameer Shelke	Rent paid	46.52	4.43
Pattamadai Sundaram Suriyanarayanan	Remuneration to key managerial personnel	45.79	49.31
Sameer Shelke	Remuneration to key managerial personnel	259.14	150.05
NavinKumar S Kotian	Remuneration to key managerial personnel	59.09	47.65
Srinivas Rao M	Remuneration to key managerial personnel	37.74	84.73
Saket Verma	Remuneration to key managerial personnel	127.51	10.44

As the liabilities for defined benefit plan are provided on actuarial basis for the Group as a whole, the amount pertaining to key managerial persons are not included.

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020.

33 **Capital and other commitments**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	84.92	164.19

34 **Contingent liability:**

(a)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
On Account of Income Tax Demand	13.29	41.40
On Account of GST Demand	26.81	-
On Account of Bank Guarantees	4,645.01	1,290.49

(b) The Holding Company has been providing Straight Through Processing (STP) services to its customers based on an approval granted by Securities and Exchange Board of India (SEBI) since June 2004. During the course of time there has been certain key managerial function changes within the Company and as a consequence of which the renewal which was required was missed out inadvertently though the Company continued to render the STP services. The Holding Company thereafter applied for renewal of the approval in December 2019, which was processed by SEBI and an approval was granted on 5th February, 2021 which is valid for a period of 3 years from the date of issuance.

Subsequently the Holding Company is in receipt of a Show Cause Notice (SCN) dated 26th March 2021 from SEBI, wherein it has been alleged that the Holding Company has been providing services of STP as a service provider as specified in the STP guidelines, however the Holding Company has not obtained renewal of approval from SEBI within the stipulated time. The Holding Company is in the process of filing of the settlement application under the SEBI Settlement Regulations. The Holding Company's management reasonably expects that the impact of this SCN, when ultimately concluded and determined, will not have material impact on the Group financial statements.

35 **Details of dues to micro and small, medium enterprises as defined under the MSMED Act, 2006**

Total outstanding dues to Micro, Small & Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Group.

(Rs in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year **-Principal amount due to micro, small and medium enterprises**	40.92	33.40
-Interest	0.07	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;	-	-
(i) Payment	-	-
(ii) Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.07	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

36 **Amounts Paid / Contribution to NSE Foundation towards CSR :**

a As per the provisions of Companies Act 2013, Gross amount required to be spent by the Holding Company on CSR activities during the financial year ended March 31, 2021 is Rs. 72.27 Lakhs (Previous Year Rs 71.11 Lakhs).

b Amount spent during the year on: (Rs in Lakhs)

	Particulars		**In Cash**	**Yet to be paid in Cash**	**Total**
i	Construction / acquisition of any asset	Current Year	-	-	-
		Previous Year	-	-	-
ii	Contribution to NSE Foundation towards CSR	Current Year	72.27	-	72.27
		Previous Year	71.11	-	71.11
			-	-	-
iii	On purposes other than (i) & (ii) above	Current Year #	-	-	-
		Previous Year #	-	-	-

* During the year, the Holding Company has contributed Rs 72.27 lakhs (previous year Rs.71.11 lakhs) to NSE Foundation to be spent on activities as stated in the Group CSR policy which has been adopted by the Company as Company's CSR policy.The amount unspent by NSE Foundation as on March 31, 2021 is Rs.72.27 lakhs (as on March 31, 2020 Rs. 71.11 lakhs).

37 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of

38 **Expenditure in foreign currency (accrual basis)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Cost of traded products		
Travelling expenses	86.87	45.58
Direct Fees & Subscription	4.69	2.41
Subcontract / Technical Fees	1,039.31	1,575.91
Software Licenses	436.91	56.16
Project expenses	145.28	-
Office expenses- Recruitment	12.00	-
Office expenses - Advertising and sales promotion	11.32	

39 **Earnings in foreign currency (accrual basis) :**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Application Development and Maintenance Services	964.10	341.00
ITES - Assessment Services	7.45	52.15
Sale of traded products	-	-

40 Segment Reporting:

a Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Group. The Group has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Company. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

b Segment Revenue :

Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

(Rs in Lakhs)

Particulars	2020-21	2019-20
Segment Revenue		
End to End Solution	27,768.05	22,425.20
ITES - Assessment Services	12,010.94	15,203.80
	39,778.99	**37,629.00**
Inter-segment revenue		
End to End Solution	-	-
ITES - Assessment Services	-	-
	-	**-**
Revenue from external customers		
End to End Solution	27,768.05	22,425.20
ITES - Assessment Services	12,010.94	15,203.80
Total	**39,778.99**	**37,629.00**
Segment Results		
End to End Solution	4,520.76	2,654.12
ITES - Assessment Services	1,691.93	2,172.04
Total	**6,212.69**	**4,826.17**
Less: Unallocable Expenses (Net of income)	1,711.50	2,025.19
Less : Finance cost	976.81	1,031.32
Add: Interest income	377.71	391.36
Profit before Tax	**3,902.09**	**2,161.02**
Exceptional item	-	-
Profit before tax	**3,902.09**	**2,161.02**
Less : Income Tax expense		
- Current tax	1,136.01	941.00
- Foreign tax	103.67	1.80
- Short / Excess Tax for earlier years	14.82	39.78
- Deferred tax	42.10	(50.73)
Total Tax Expenses	**1,296.60**	**931.85**
Net profit after tax	**2,605.49**	**1,229.16**

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

Particulars	31.03.2021	31.03.2020
India	31,547.15	29,762.93
Outside India	8,231.86	7,866.07
Total	**39,778.99**	**37,629.00**

d Segment Assets

Segment assets are measured in the same way as in the balance sheet. These assets are allocated based on the operations of the segment.

Segments	31.03.2021	31.03.2020
End to End Solution	18,863.14	17,405.23
ITES - Assessment Services	7,534.18	3,300.15
Total Segment Assets	**26,397.32**	**20,705.38**
Unallocable Assets	13,461.78	15,572.17
Total Assets	**39,859.10**	**36,277.55**

There are no non current assets situated outside the domicile of India.

e Segment Liabilities

Segment Liablities are measured in the same way as in the financial statements. These Liabilites are allocated based on the operations of the segment.

Segments	31.03.2021	31.03.2020
End to End Solution	14,653.60	12,894.99
ITES - Assessment Services	3,697.10	2,604.36
Total Segment Liabilities	**18,350.70**	**15,499.34**
Unallocable Liabilities	2,955.61	4,671.21
Total Liabilities	**21,306.31**	**20,170.55**

f Segment Capital Expenditure

Segments	31.03.2021	31.03.2020
End to End Solution	402.83	801.73
ITES - Assessment Services	1,192.66	77.53
Total Segment Capital Expenditure	**1,595.49**	**879.26**
Add: Unallocable Capital Expenditure	256.91	223.04
Total Capital Expenditure	**1,852.40**	**1,102.30**

g Segment Depreciation / Amortisation

Segments	31.03.2021	31.03.2020
End to End Solution	249.18	236.26
ITES - Assessment Services	1,074.94	806.46
Total Segment Depreciation / Amortisation	**1,324.12**	**1,042.72**
Add: Unallocable Depreciation / Amortisation	808.28	625.08
Total Depreciation / Amortisation	**2,132.40**	**1,667.80**

Information about major customers:

Company's significant revenue of 0.06 % (previous year 11.13%) being Rs. 22.35 lakhs (previous year Rs. 4189.73 lakhs) is derived from a customer under ITES-Assessement Services Segment. Also, the Company's significant revenue of 24.72% (previous year 21.84%) is derived from a group of entities under common control, the total Operating Revenue from such entities amounted to Rs. 9,835.25 lakhs in FY 2020-21 (End to End Solutions Rs. 9,413.55 lakhs and ITES-Assessment Service Rs 421.70 lakhs) and Rs. 7889.43 lakhs in FY 2019-20 (End to End Solutions Rs. 7308.08 lakhs and ITES-Assessment Service Rs 580.63 lakhs). No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

NSEIT LIMITED

Notes to the Consolidated financial statements

41 Unquoted Mutual funds at FVPL

(Rs in Lakhs)

Mutual Funds	**No.of Units**	**Mkt as at 31.03.2021**	**No.of Units**	**Mkt as at 31.03.2020**
Kotak Treasury Advantage Fund - Dir - Growth	-	-	7,33,065.28	240.84
ICICI Prudential Money Market Fund - Dir- Growth	60,957.22	179.99	60,957.22	170.23
Invesco India Money Market Fund-Direct -Growth	3,523.07	85.00	12,018.07	278.17
Invesco India Liquid Fund - Direct Plan Growth	-	-	9,357.08	255.29
UTI Liquid Cash Plan - Direct Growth Plan	-	-	32,711.38	1,063.59
Tata Liquid Fund Direct Plan - Growth	-	-	8,164.97	255.73
Kotak Money Market Scheme - Dir - Growth	-	-	15,448.29	511.81
HDFC Low Duration fund-Dir-Growth	11,62,196.09	552.91	11,62,196.09	513.78
ICICI Prudential Savings Fund - Dir - Growth	1,31,297.42	551.04	1,31,297.42	512.55
SBI Savings Fund - Dir - Growth	10,71,915.53	366.55	30,98,252.15	1,002.81
SBI Savings Fund - Dir - Growth	-	-	31,294.69	10.13
HDFC Money Market Fund - Dir - Growth	12,015.53	537.57	12,015.53	507.04
Total of Investments		**2,273.06**		**5,321.96**
Aggregate Book value - Quoted Investments		-		-
Aggregate Book Value - Unquoted Investments		2,273.06		5,321.96
Aggregate Market Value of Quoted Investments		-		-

NSEIT LIMITED

Notes to the Consolidated financial statements

42 (a) Fair Value Measurements

Financial Instruments by category

(Rs in Lakhs)

Particulars	31-Mar-21 FVPL	31-Mar-21 FVOCI	31-Mar-21 Amortised Cost	31-Mar-20 FVPL	31-Mar-20 FVOCI	31-Mar-20 Amortised Cost
Financial Assets						
Investments						
- Mutual Funds	2,273.06	-	-	5,321.96	-	-
Trade receivables	-	-	11,917.45	-	-	8,058.28
Unbilled receivable	-	-	3,305.96	-	-	1,296.95
Cash and Cash equivalents	-	-	2,948.15	-	-	3,891.68
Bank balances other than Cash and Cash equivalents	-	-	3,867.93	-	-	2,950.47
Non-Current Bank Balances	-	-	2,064.95	-	-	376.71
Loans	-	-	643.01	-	-	735.92
Other Financial assets	-	-	85.46	-	-	99.21
Total	**2,273.06**	**-**	**24,832.91**	**5,321.96**	**-**	**17,409.22**
Financial Liabilities						
Borrowings	-	-	10,000.00	-	-	10,008.38
Trade Payables	-	-	4,148.84	-	-	3,255.35
Other financial liabilities	-	-	2,789.50	-	-	3,633.99
Total	**-**	**-**	**16,938.34**	**-**	**-**	**16,897.71**

42 (b) Fair Value Measurements

a Fair value of the Company's financial assets that are measured at fair value on a recurring basis

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Rs in Lakhs)

Financial assets/ financial liabilities	Fair value as at 31-Mar-21	Fair value as at 31-Mar-20	Fair value hierarchy	Valuation technique(s) and key input(s)
Investment in mutual funds	2,273.06	5,321.96	Level 1	NAV declared by respective Asset Management Companies.

b Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note a above approximate their fair values.

43 FINANCIAL RISK MANAGEMENT

The Group’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group’s senior management has the overall responsibility for the establishment and oversight of the Group’s risk management framework

The Group has developed a Risk Management Policy in accordance with the provisions of the Companies Act, 2013. It establishes various levels of accountability and overview within the Group, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Group's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Group (c) Review the Group's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

Apart from this, the core business & operational risk is managed through cross functional involvement and communication across businesses and as part of the same, various functional heads submit a compliance certificate covering respective areas of operations to the Group Secretary or Managing Director and CEO who in turn submits a compliance certificate quarterly to the Audit Committee and the Board of Directors.

The Treasury department activities are designed to:

- protect the Group’s financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group’s financial investments, while maximising returns.

The Treasury department is responsible to maximise the return on companies internally generated funds.

A. MANAGEMENT OF LIQUIDITY RISK

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. In doing this, management considers both normal and stressed conditions

The Group’s treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(Rs in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12months	Total
As at 31st March 2021				
Borrowings	10,000.00	-	10,000.00	10,000.00
Trade payables	4,148.84	4,148.84	-	4,148.84
Other financial liabilities-Non Current	971.93	444.44	527.49	971.93
Other financial liabilities-Current	1,817.57	1,817.57	-	1,817.57
As at 31st March 2020				
Borrowings	10,008.38	8.38	10,000.00	10,008.38
Trade payables	3,255.35	3,255.35	-	3,255.35
Other financial liabilities	3,633.99	3,633.99	-	3,633.99

B MANAGEMENT OF MARKET RISK

The Group’s size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• price risk;

The Group’s exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The Group is mainly exposed to the price risk due to its investment in mutual funds and investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. At 31st March 2021, the exposure to price risk due to investment in mutual funds amounted to Rs. 2,273.06 Lakhs (March 31, 2020: Rs 5,321.96 lakhs)	In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the investments limits set as par the Board resolution passed	As an estimation of the approximate impact of price risk, with respect to mutual funds and investments in equity instruments, the Group has calculated the impact as follows. For mutual funds, a 0.25% increase in prices would have led to approximately Rs 5.68 Lakhs (Rs.13.30 lakhs) gain in the Statement of Profit and Loss. A 0.25% decrease in prices. would have led to an equal but opposite effect.

C : MANAGEMENT OF CREDIT RISK
Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables are limited, due to the Group’s customer base being large and diverse

Trade receivables
The Group provides for expected credit loss on trade receivables based on a provision matrix. This matrix is a simpified basis of recognition of expected credit losses in case of trade receivables.The model uses historical credit loss experience for trade receivables.

Reconciliation of loss allowance (ECL) provision for Trade Receivables

Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	172.25	204.25
Add: Provision on trade receivables based on Expected credit loss model	168.09	(32.00)
Balance at end of the year	**340.34**	**172.25**

Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	408.94	349.40
Add: Provision for Doubtful Debts	174.05	59.54
Balance at end of the year	**582.99**	**408.94**

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks, securities, investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored

Derivative Instruments - Forward Contracts
The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain payments in foreign currency. The use of foreign currency forward contracts is governed by the Group’s strategy. The Group does not use forward contracts for speculative purposes. There were no outstanding Hedging Contracts as at March 31, 2021.

Market risk - In respect of Aujas Cybersecurity Limited

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates and equity prices, which 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.

i) Currency risk
The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and loans are denominated and the functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, AED, SAR, etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analyses and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Amounts are ₹ in lacs

Particulars	As at 31 March 2021	As at 31 March 2020
As at 31 March 2021		
Financial assets		
Trade receivables	20.35	357.26
Financial liabilities		
Trade payable	29.62	6.24
Net exposure in respect of recognized assets and liabilities	**(9.27)**	**351.02**

The following significant exchange rates have been applied

	Year-end spot rate	
INR	**As at 31 March 2021**	**As at 31 March 2020**
USD 1	73.50	75.39

Sensitivity analysis
A reasonably possible strengthening (weakening) of the USD, SAR, and SGD against INR at 31 March would have affected the measurement of financial instruments denominated in foreign currency 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.

	Impact on profit after tax		Impact on other components of equity	
	As at 31 March 2021	**As at 31 March 2020**	**As at 31 March 2021**	**As at 31 March 2020**
USD sensitivity				
INR/USD - Increase by 1%	(0.09)	3.51	-	-
INR/USD - Decrease by 1%	0.09	(3.51)	-	-

E : Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
(a) Liabilities
The Group fixed rate borrowing is not subject to interest rate risk as defined in Ind AS 107, Financial Instruments - Disclosures' since neither the carrying amount nor the future cash flows will fluctuate due to change in market interest ratess.
The Group variable rate borrowing is subject to interest rate risk. Below is the overall exposure of the borrowing:

	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowing	-	8.38

(b) Assets
The Group fixed deposits carry a fixed rate of interest and therefore, are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Capital management
The Group objective is to maintain a strong credit rating health capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The management reviews the capital structure regularly and balances the Group overall capital structure through issue of new shares. The overall strategy remains unchanged from the prior financial year and the Group is not subject to externally imposed capital requirements.
Gearing ratio
The Group monitors its capital using gearing ratio, which is net debt divided to total equity as given below:

	As at 31 March 2021	As at 31 March 2020
Borrowings	10,000.00	10,008.38
Less: Cash and cash equivalents	2,948.15	3,891.68
Net debt	**7,051.85**	**6,116.70**
Total equity	18,532.78	16,034.75
Gearing ratio	**0.38**	**0.38**

Total equity includes all capital and reserves of the Group that are managed as capital.

44 Acquisition of Aujas Cybersecurity Ltd. (Aujas), Subsidiary Company

On November 28, 2018, the Holding Company had entered into a Share Purchase and Shareholder's Agreement ("SPSHA") for acquisition of Aujas Cybersecurity Limited (formerly known as Aujas Networks Private Limited), ("Aujas") for a total consideration of Rs.9750 lakhs (Rs.9345.16 lakhs for acquisition of 100% equity shareholding and Rs.404.84 lakhs by way of rights issue). In terms of the said SPSHA, on March 22, 2019, the Holding Company acquired 95.39% of equity shareholding of Aujas for a consideration aggregating to Rs.8408.06 lakhs. During the financial year 2019-20, the Holding Company paid a sum of Rs. 288.31 Lakhs to the ex-promoters of Aujas for purchase of 37,59,833 equity shares of Aujas of Re 1 each and invested a sum of Rs. 153.53 Lakhs for 26,68,705 shares by way of subscription to the rights issue. Further during the current year, the Holding Company paid a sum of Rs. 458.62 Lakhs to the ex-promoters of Aujas for purchase of 65,36,106 equity shares of Aujas of Re 1 and invested a sum of Rs. 111.69 lakhs for 14,56,594 shares by way of subscription to the rights issue, taking the total investment in Aujas to Rs. 9420.21 lakhs. As on March 31, 2021, the Holding Company holds 99.29% of equity shareholding of Aujas.

a **The assets and liabilities recognised as a result of the acquisition are as follows:**

(Rs in Lakhs)

Calculation of Goodwill	March 31, 2021	March 31, 2020
Consideration	-	8,408.00
Non Controlling Interest acquired	-	137.00
Less :- Net Identifiable Assets acquired	-	(2,962.00)
Goodwill as at	**-**	**5,583.00**
On account of restatement	-	269.53
Goodwill as at 31.03.2019 (recalculated) *	**6,121.51**	**5,852.53**
Reversal on reduction in Shareholding of Non-controling parties	7.02	(26.41)
Adjustment towards equity investment and related share premium	(174.79)	(146.46)
Cost of Additional acquisition	570.31	441.84
Closing as at balance sheet date	**6,524.05**	**6,121.51**

b **Movement in Non Controling Interest**

(Rs in Lakhs)

Particulars	2020-21	2019-20
Opening as at balance sheet date	(72.25)	(124.00)
Share in losses and total equity	(3.84)	24.74
Reversal on reduction in Shareholding of Non-controling parties	56.07	27.01
Closing as at balance sheet date	**(20.02)**	**(72.25)**

45 Derivative instruments and unhedged foreign currency exposure

The Subsidiary, namely Aujas Cybersecurity Limited is not using derivative instruments such as foreign exchange forward contracts to hedge its exposure to movements in foreign exchange and interest rates. The details of items that are denominated in foreign currency are as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Amount in USD	Amount (Rs. in lakhs)	Amount	Amount (Rs. in lakhs)
Trade receivables	27,794	20.35	4,73,914	357.26
Trade payables	40,446	29.62	8,276.00	6.24

46 INTERESTS IN OTHER ENTITIES

Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	With effect from	Place of business / country of	Owership interest held by the Group		Principle Activity
			31-Mar-21	31-Mar-20	
NSEIT (US) Inc.	04-12-2006	United States of America	100	100	IT Services
Aujas Cybersecurity Limited	22-03-2019	India	99.29	96.84	IT Security Services

47 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net Assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company NSEIT Limited								
31-Mar-21	88.16	16,356.19	87.22	2,272.46	2,450.57	(88.66)	83.93	2,183.80
31-Mar-20	89.30	14,384.12	151.26	1,859.30	74.65	(71.42)	157.73	1,787.89
Indian Subsidiary Aujas Cybersecurity Ltd								
31-Mar-21	15.11	2,802.75	12.89	335.77	(1,907.21)	69.00	15.56	404.77
31-Mar-20	14.19	2,286.24	(45.38)	(557.81)	(26.90)	25.74	(46.94)	(532.08)
Foreign Subsidiary NSEIT (US) Inc.								
31-Mar-21	(3.38)	(626.17)	(0.23)	(6.11)	(429.81)	15.55	0.36	9.44
31-Mar-20	(3.95)	(635.61)	(3.80)	(46.76)	53.10	(50.80)	(8.61)	(97.56)
Non-Controlling Interest in all subsidiaries								
31-Mar-21	0.11	20.02	0.13	3.35	(13.54)	0.49	0.15	3.85
31-Mar-20	0.45	72.25	(2.08)	(25.56)	(0.85)	0.81	(2.18)	(24.74)
Total								
31-Mar-21	**100.00**	**18,552.80**	**100.00**	**2,605.47**	**100.00**	**(3.62)**	**100.00**	**2,601.86**
31-Mar-20	**100.00**	**16,107.00**	**100.00**	**1,229.17**	**100.00**	**(95.67)**	**100.00**	**1,133.50**

48 Impact of COVID 19 (Global Pandemic) :
The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a 'Pandemic'. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Group has taken into account the possible impacts of COVID-19 in preparation of the consolidated financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Group has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Group will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

49 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

50 The Group's pending litigations comprise of proceedings pending with Tax Authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no. 34 for details on contingent liabilities).

51 In accordance with the relevant provisions of the Companies Act, 2013, the Group did not have any long term contracts as of March 31, 2021 and March 31, 2020 including derivatives contracts for which there were any material foreseeable losses. The Group did not have any derivative contracts as at March 31, 2021 and March 31, 2020.

52 For the year ended March 31, 2021 and March 31, 2020, the Holding Company and Its Subsidiary Company Incorporated in India is not required to transfer any amount into the Investor Education & Protection Fund as required under relevant provisions of the Companies Act, 2013.

53 During the year ended March 31, 2021, the Holding Company has negotiated with various landlords on the rent reduction / wavier due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Holding Company has elected to apply the exemption, as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording the same in the "Other income". Accordingly, during the year, the Holding Company has recognised ₹ 62.82 Lakhs as an extinguishment of lease liability being lease rent concession on account of COVID 19 pandemic and the same has been disclosed as 'Other Income' in the Statement of Profit and Loss.).

54 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Reg No : 105049W)

Sd/-
NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Prof. S. SADAGOPAN	**N. MURALIDARAN**	**M.S. SUNDARA RAJAN**
Chairman	Managing Director & CEO	Director
DIN No. 00118285	DIN No. 06567029	DIN No. 00169775
Sd/-	Sd/-	
M. N. HARIHARAN	**VAIBHHAV KULKARNI**	
Chief Financial Officer	Company Secretary	

Place : Mumbai
Date : April 21, 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of NSEIT (US) INC

Report on the Special Purpose Financial Statements

1. We have audited the accompanying special purpose financial statements ("special purpose financial statements") of NSEIT US INC ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information. The accompanying special purpose financial statements have been prepared by the management in accordance with the generally accepted accounting principles applicable in India, including Indian Accounting Standards, solely to enable its holding company, NSEIT Limited ("NSEIT") to prepare its consolidated financial statements.

Management's Responsibility for the Special Purpose Financial Statements

2. The Management is responsible for the preparation of these special purpose financial statements to give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.

4. We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the special purpose financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the special purpose financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements of the Company for the year ended March 31, 2021 are prepared in all material respects, in accordance with the accounting principles generally accepted in India, to enable its holding company, NSEIT to prepare its consolidated financial statements.

Restriction on distribution and use

8. This report is addressed to the Board of Directors and provided in connection with the audit of the consolidated financial statements of NSEIT, the holding company for the year ended March 31, 2021. These special purpose financial statements are prepared solely to enable its holding company, NSEIT to prepare its consolidated financial statements. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

   Our opinion is not modified in respect of this matter.

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number:105049W

Sd/-
Narendra Jain
Partner
Membership Number: 048725
UDIN: 21048725AAAABG3425

Place: Mumbai
Date: April 21, 2021

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)

BALANCE SHEET AS AT MARCH 31, 2021
(Special Purpose Financial Statement)

	Particulars	Notes	(Amt in USD) As at 31.03.2021	(Rs in Lakhs) As at 31.03.2021	(Amt in USD) As at 31.03.2020	(Rs in Lakhs) As at 31.03.2020
	ASSETS					
1	**Non-current assets**					
a	Property, Plant and Equipment		-	-	-	-
b	Financial Assets					
i	Other Financials assets					
	- Security Deposit	2	98	0.07	98	0.07
	Total Non-current assets		**98**	**0.07**	**98**	**0.07**
2	**Current assets**					
a	Financial Assets					
i	Trade receivable	3	2,00,689	147.50	71,809	54.13
ii	Unbilled Receivable	4	99,720	73.29	-	-
iii	Cash and Cash equivalents	5	84,005	61.74	4,55,510	343.35
iv	Other Financial assets	6	-	-	-	-
b	Other assets	7	8,672	6.37	312	0.24
	Total Current assets		**3,93,086**	**288.90**	**5,27,631**	**397.72**
	TOTAL ASSETS		**3,93,184**	**288.97**	**5,27,729**	**397.79**
	EQUITY AND LIABILITIES					
(A)	**EQUITY**					
a	Equity Share capital	8	10,00,000	533.69	10,00,000	533.69
b	Other Equity	9	(18,51,900)	(1,159.86)	(18,43,202)	(1,169.30)
	Total Equity		**(8,51,900)**	**(626.17)**	**(8,43,202)**	**(635.61)**
(B)	**LIABILITIES**					
1	**Non-current liabilities**					
a	Financial Liabilities					
i	Borrowings	10	9,55,000	701.93	12,75,528	961.49
	Total Non-current liabilities		**9,55,000**	**701.93**	**12,75,528**	**961.49**
2	**Current liabilities**					
a	Financial Liabilities					
i	Trade Payables	11				
	- Total Outstanding dues of micro enterprises and small enterprises		-	-	-	-
	- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,54,718	187.22	36,629	27.61
ii	Other financial liabilities	12	20,686	15.20	53,234	40.13
b	Provisions		-	-	-	-
b	Income Tax Liabilities (net)	13	3,975	2.92	2,800	2.11
c	Other liabilities	14	10,705	7.87	2,740	2.06
	Total Current liabilities		**2,90,084**	**213.21**	**95,403**	**71.91**
	TOTAL EQUITY AND LIABILITIES		**3,93,184**	**288.97**	**5,27,729**	**397.79**

Summary of significant accounting policies
Notes refer to above form an intergral part of Balance Sheet
This is the Balance Sheet referred to in our report of even date

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	(Amt in USD) For the year ended 31.03.2021	(Rs in Lakhs) For the year ended 31.03.2021	(Amt in USD) For the year ended 31.03.2020	(Rs in Lakhs) For the year ended 31.03.2020
Income					
Revenue from operations	15	5,23,102	389.07	3,28,190	234.12
Other income	16	-	-	769	0.55
Total Income		**5,23,102**	**389.07**	**3,28,959**	**234.67**
Expenses					
Employee benefits expense	17	-	-	-	-
Technical & Sub Contract Charges	19(i)	4,00,482	297.95	2,62,552	187.29
Finance Cost	18	63,999	47.35	94,025	66.91
Other expenses	19(ii)	65,444	48.49	35,222	25.43
Total Expenses		**5,29,925**	**393.79**	**3,91,799**	**279.63**
Loss before exceptional items and tax		**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Exceptional item		-	-	-	-
Loss before tax		**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Less : Income Tax expense					
- Current tax	13	1,875	1.39	2,500	1.80
- Short / (Excess) for earlier years	13	-	-	-	-
Total tax expenses		**1,875**	**1.39**	**2,500**	**1.80**
Loss after tax (A)		**(8,698)**	**(6.11)**	**(65,340)**	**(46.76)**
Other Comprehensive Income / (Loss) (OCI)					
Items that will not be reclassified to profit or loss					
- Foreign Currency Translation Reserve			15.55		(50.80)
- Remeasurements of post-employment benefit obligations		-	-	-	-
Total Other Comprehensive Income / (Loss), net of tax (B)		**-**	**15.55**	**-**	**(50.80)**
Total Comprehensive Income /(Loss) (A+B)		**(8,698)**	**9.44**	**(65,340)**	**(97.56)**
Earnings per equity share (FV USD 1 each)					
- Basic	20	**$ -0.01**	**Rs -0.61**	**$ -0.07**	**Rs -4.68**
- Diluted	20	**$ -0.01**	**Rs -0.61**	**$ -0.07**	**Rs -4.68**
Summary of significant accounting policies	1				

Notes refer to above form an intergral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

Place : Mumbai
Date : April 21, 2021

NSEIT (US) INC.
(Formerly known as *NSE.IT (US) INC*)
STATEMENT OF CHANGES IN EQUITY MARCH 31, 2021

(A) Equity Share Capital

Amount in USD

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

(Rs in Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69

(B) Other Equity

	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)
Particulars	**Retained Earnings**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Foreign Currency Translation Reserve**	**Total**	**Total**
Balance at the beginning of the reporting period	(18,43,202)	(1,176.38)	-	7.08	(18,43,202)	(1,169.30)
Loss after tax	(8,698)	(6.11)	-		(8,698)	(6.11)
Other Comprehensive Income / (Loss)				15.55	15.55	15.55
Total Other Equity	**(18,51,900)**	**(1,182.49)**	-	**22.63**	**(18,51,900)**	**(1,159.86)**

STATEMENT OF CHANGES IN EQUITY MARCH 31, 2020

(A) Equity Share Capital

Amount in USD

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
10,00,000	-	10,00,000

(Rs in Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
533.69	-	533.69

(B) Other Equity

	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)	Amount in USD	(Rs in Lakhs)
Particulars	**Retained Earnings**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Foreign Currency Translation Reserve**	**Total**	**Total**
Balance at the beginning of the reporting period	(17,77,862)	(1,129.62)	**-**	57.88	(17,77,862)	(1,071.74)
Loss after tax	(65,340)	(46.76)	-		(65,340)	(46.76)
Other Comprehensive Income / (Loss)				(50.80)	-	(50.80)
Total Other Equity	**(18,43,202)**	**(1,176.38)**	**-**	**7.08**	**(18,43,202)**	**(1,169.30)**

This is the statement of changes in equity refered to in our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of the Board of Directors

Sd/-

N. MURALIDARAN
Director

NSEIT (US) INC.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(Formerly known as *NSE.IT (US) INC)*

		(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
		March 31, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2020**
A)	**CASHFLOW FROM OPERATING ACTIVITIES**				
	LOSS BEFORE TAX	(6,823)	(4.72)	(62,840)	(44.96)
	Add : Adjustments for :				
	- Interest Expense	63,026	46.63	93,073	66.23
	- Provision for doubtful debts	-	-	-	-
	Less : Adjustments for :				
	- Interest income on Bank deposit	-	-	(1)	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**56,203**	**41.91**	**30,232**	**21.27**
	Adjustments for :				
	- Trade Receivable and Unbilled Revenue	(2,28,600)	(166.66)	(35,123)	(28.76)
	- Trade Payable including provisions	2,26,054	165.42	(1,95,110)	(132.52)
	- Other Assets	(8,360)	(6.13)	7,62,096	527.12
	- Other Liabilities	5,016	3.39	(10,875)	(6.55)
	CASH GENERATED FROM OPERATIONS	50,313	37.93	5,51,220	380.56
	- Direct Taxes paid (Net of Refunds)	(700)	(0.58)	(2,100)	(1.35)
	NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)	49,613	37.35	5,49,120	379.21
B)	**CASHFLOW FROM INVESTING ACTIVITIES**				
	- Increase in Foreign Currency Translation Reserve				
	- Interest received	-	-	1	-
	NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)	-	-	1	-
C)	**CASHFLOW FROM FINANCING ACTIVITIES**				
	Interest payment	(1,00,590)	(74.95)	(75,528)	(51.76)
	- Borrowings	(3,20,528)	(259.56)	(7,24,472)	(421.91)
	NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)	(4,21,118)	(334.51)	(8,00,000)	(473.67)
	Changes in Foreign Currency Translation Reserve	-	15.55	-	(50.80)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(3,71,505)**	**(281.61)**	**(2,50,879)**	**(145.26)**
	CASH AND CASH EQUIVALENTS : OPENING BALANCE	4,55,510	343.35	7,06,389	488.61
	CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE	84,005	61.74	4,55,510	343.35
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	**(3,71,505)**	**(281.61)**	**(2,50,879)**	**(145.26)**

Notes to Cash Flow Statement :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on Statement of Cash Flow.
2. Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current period classifications.

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

Place : Mumbai
Date : April 21, 2021

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director

1 **Summary of significant accounting policies :**

a) **Company Overview**

The NSEIT (US) INC. ("the Company") is a Subsidiary of the NSEIT Limited, NSEIT Limited is a global technology firm with a focus on the financial services industry.The Company is a vertical specialist organization with deep domain expertise and technology focus aligned to the needs of financial institutions and offering end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

The Financial Statements are approved for issue by the Company's Board of Directors on April 21, 2021.

b) **Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (including Ind AS), solely to enable its holding Company, NSEIT Limited to prepare its consolidated financial statements. The financial statements have been prepared on an accrual basis and under the historical cost convention.

i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
• certain financial instruments that is measured at fair value, and
• defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

c) **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimate are based on management's best knowledge of current events and actions, uncertainity about the assumption and estimates could result in the outcome requiring material adjustment to the carrying amount of asset and liabilities.

d) **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
· those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments :-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comphrensive Income (OCI) is reclassified from equity to profit or loss and recognised in net gain on sale of financial assets measured at FVOCI under other income. Interest income from these financial assets is included in other income using the effective interest rate method.

· Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in Net fair value gain / (loss) on financial assets mandatorily measured at FVPL under other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments (other than investments in subsidiary, associates and joint venture) :-

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Investments (in subsidiaries, associates and joint venture)

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note (l) below. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Acquisition-related costs are costs the acquirer incurs to effect a business combination. Those costs include finder's fees; advisory, legal, accounting, valuation and other professional or consulting fees; general administrative costs, including the costs of maintaining an internal acquisitions department. The company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets :-
A financial asset is de-recognised only when

· The Company has transferred the rights to receive cash flows from the financial asset or
· retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Income recognition
Interest income :-
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends :-
Dividends are recognised in profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

e) **Financial liabilities**
(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iv) Derecognition
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

f) **Transaction costs**

Transaction costs are "Incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs include fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and security exchanges, and transfer taxes and duties. Under effective interest method, Company amortises transaction costs over the expected life of the financial instrument.

g) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

h) **Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 Leases and applied to all lease contracts existing on April 1, 2019 using the simplified approach. The adoption of this standard did not have a material impact on the financial statements for year ended March 31, 2020.

As a lessee

The Companys lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of the contract. Ind AS 116 defines a lease as a contract, or a part of a contract, that convey as the right of use an asset (the underlying asset) for a period of time in exchange of consideration. To assess whether as contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on straight line basis over the shorter of the lease term and useful life of the underlying assets.

As a lessor :

Lease for which the Company is a lessor is classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on straight line basis over the term of the relevant lease

i) **Revenue Recognition**

The Company earns revenue primarily from providing end-to-end technology solutions covering the entire gamut of Application Services, Testing Center of Excellence, Infrastructure Services, Integrated Security Response Center, Analytics as a Service and IT Enabled Services (e-Assessments and e-Auctions) for BFSI segment.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

(i) Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

(ii) Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

(iii) In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

(iv) Revenue from Online examination services are recognized on the basis of exams conducted and in cases where there are multiple performance obligation, revenue is recognised using expected cost plus a margin approach where company forecast its expected costs of satisfying a performance obligation and then add an appropriate margin for that good or service.

(v) Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.

(vi) The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

(vii) Insurance claims are accounted on accrual basis when the claims become due and receivable.

(viii) Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

(ix) **Use of significant judgements in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a 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 could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. 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 estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

j) **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of CENVAT and Value Added Tax, wherever input credit is claimed.
When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
All other repair and maintenance costs are recognized in Income statement as incurred.

k) **Depreciation**

(i) Depreciation on tangible fixed assets is provided on Straight Line Method as per the useful life in line with holding company.
- Fixed Furniture and fixtures, Electrical installation and Office equipment including civil improvements at lease hold premises are depreciated over the lease period.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

(ii) Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

(iii) The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

l) **Intangible assets**

Intangible assets comprising of software are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Software products/ licenses purchased/ acquired for internal use of the Company which have expected longer life are capitalised and depreciated over a period of 3 years on Straight Line Method.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.Costs associated with maintaining software programs are recognised as an expense as and when incurred.

Development costs
Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability and intention to use the asset
- How the asset will generate future economic benefits
- The ability to measure reliably the expenditure during development
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
During the period of development, the asset is tested for impairment annually.

m) **Impairment of tangible and intangible assets excluding goodwill**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

n) **Inventory :**

The Inventory is valued at cost or net realizable value whichever is lower.

o) **Cash and cash equivalents**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These do not include bank balances earmarked/restricted for specific purposes.
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) **Foreign currency**
(i) Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is USD.
The financial statements are presented in Indian currency (INR), which is the Company's presentation currency, to enable its holding company, NSEIT Limited to prepare its consolidated Ind AS financial statements. Further, the Company also presented its accounts in functional currency which is USD.
(ii) Transactions and balances
Foreign currency transactions are translated into the presentation currency using the exchange rates at the dates of transactions.Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liablilites denominated in foreign currencies at the period end exchange rates are recognised in profit or loss.
Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.Translation differences on assets and liablities carried at fair value are reported as a part of the fair value gain or loss. For example, translation differences on non monetary assets and liablities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non monetary assets such as equity investments classified as FVOCI are recognised in othe comprehensive income.
(iii) Translation to the presentation currency
The financial statements are translated from functional currency to presentation currency by using the following procedures:
(a) assets and liablities for each balance sheet presented (ie including comparatives) shall be transalated at the closing rate at the date of that balance sheet;
(b) income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at monthly exchange rate; and
(c) all resulting exchange differences shall be recognised in other comprehnsive income.

q) **Employee benefits**

i Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are the amounts expected to be paid when the liabilities are settled. Short term employee benefits are recognised in statement of profit and loss in the period in which the related service is rendered. The liabilities are presented as current employee benefit obligations in the balance sheet.

r) **Income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

s) **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) **Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

u) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

v) **Current versus non-current classification**

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

w) **Dividends**

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

x) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

y) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

z) **Earnings per share**

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

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

• the profit attributable to owners of the company

• by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

aa) **Critical accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.
The areas involving critical estimates or judgements are:
Use of significant judgements in revenue recognition [Note-i (ix)]
Estimation of useful life of tangible asset and intangible asset
Estimation of contingent liabilities and commitments (Note -27)
Impairment of Assets [Note - 1 (m)]
Recoverability of Trade Receivables [Note -24 (B)]

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

ab) **Recent Pronouncement**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

ac) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest USD and INR in Lakhs.

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2	**Other Financial Assets**	**Non-current**		**Non-current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (Rs in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (Rs in Lakhs)**
i	**Loan**				
	Security deposit	98	0.07	98	0.07
	Total	**98**	**0.07**	**98**	**0.07**

3	**Trade receivables**	**Current**		**Current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (Rs in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (Rs in Lakhs)**
	Trade Receivables	**2,00,689**	**147.50**	71,809	54.13
	Less : Loss Allowances	-	-	-	-
		2,00,689	147.50	71,809	54.13
	Breakup of security details				
	Trade Receivables considered good -Secured	-	-	-	-
	Trade Receivables considered good -Unsecured	2,00,689	147.50	71,809	54.13
	Trade Receivables which have significant increase in credit risk	-	-	-	-
	Trade Receivables credit impaired	-		-	-
		2,00,689	**147.50**	**71,809**	**54.13**
	Loss allowances	-	-	-	-
	Total	**2,00,689**	**147.50**	**71,809**	**54.13**

4	**Unbilled Receivable**	**Current**		**Current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (Rs in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (Rs in Lakhs)**
	Unbilled Receivable	99,720	73.29	-	-
		99,720	**73.29**	**-**	**-**

5	**Cash and Cash equivalents**	**Current**		**Current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (Rs in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (Rs in Lakhs)**
	Balances with banks				
	- In Current Accounts	80,008	58.80	4,51,513	340.34
	- In Savings Accounts	3,997	2.94	3,997	3.01
	Total	**84,005**	**61.74**	**4,55,510**	**343.35**

6	**Other Financial Assets**	**Current**		**Current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (` in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (` in Lakhs)**
	Others	-	-	-	-
	Total	**-**	**-**	**-**	**-**

7	**Other assets**	**Current**		**Current**	
		31.03.2021 (Amt in USD)	**31.03.2021 (` in Lakhs)**	**31.03.2020 (Amt in USD)**	**31.03.2020 (` in Lakhs)**
	Advance to Creditors (unsecured, considered good)	-	-	-	-
	Prepaid expenses	8,672	6.37	312	0.24
		8,672	**6.37**	**312**	**0.24**

		31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
8	**Equity Share Capital**				
	Authorised				
	10,00,000 (P.Y. 10,00,000) Equity Shares of USD 1/- each	**10,00,000**	**533.69**	**10,00,000**	**533.69**
	Issued, Subscribed and Paid-up				
	10,00,000 (P.Y. 10,00,000) Equity shares of USD 1/- each fully paid up	**10,00,000**	**533.69**	**10,00,000**	**533.69**

There is no movement either in the number of shares or in amount between previous year and current year.

Terms and rights attached to equity shares
The company has only one class of equity shares having a par value of USD 1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend 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 will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% share in the company

	31.03.2021		31.03.2020	
	No.	**% holding**	**No.**	**% holding**
Equity shares of USD 1/- each fully paid				
NSEIT Limited (Holding Company)	10,00,000	100%	10,00,000	100%

		31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
9	**Other Equity**				
	Surplus/(deficit) in the statement of profit and loss				
	As per last balance sheet	(18,43,202)	(1,176.38)	(17,77,862)	(1,129.62)
	Add : Profit / (Loss) for the year	(8,698)	(6.11)	(65,340)	(46.76)
		(18,51,900)	**(1,182.49)**	**(18,43,202)**	**(1,176.38)**
	Foreign Currency Translation Reserve				
	As per last balance sheet		7.08		57.88
	Add: Foreign Currency Translation Reserve		15.55		(50.80)
			22.63		**7.08**
	Total Other Equity	**(18,51,900)**	**(1,159.86)**	**(18,43,202)**	**(1,169.30)**

		Non-current		Non-current	
10	**Other Financial Liabilities**	31.03.2021 (Amt in USD)	31.03.2021 (` in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (` in Lakhs)
	Borrowings	9,55,000	701.93	12,75,528	961.49
		9,55,000	**701.93**	**12,75,528**	**961.49**

Borrowings taken from Parent Company is unsecured.
Interest payable on the above borrowings is @ Libor (as on September 30, 2019) plus 300 basis point i.e 5.0365%
Borrowings is for tenure of 5 years from the date of borrowing taken.

		Current		Current	
11	**Trade Payables**	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
	Trade payables to micro and small enterprises	-	-	-	-
	Trade payables to other	492	0.36	492	0.37
	Trade payables to related Party (NSEIT Limited)	2,54,226	186.86	36,137	27.24
		2,54,718	**187.22**	**36,629**	**27.61**

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12 **Other Financial Liabilities**

	Current		Current	
	31.03.2021	**31.03.2021**	**31.03.2020**	**31.03.2020**
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Interest Payable to related party (NSEIT Limited)	-	-	37,564	28.32
Liabilities for Expenses	20,686	15.20	15,670	11.81
	20,686	**15.20**	**53,234**	**40.13**

13 **Income Taxes**

(A) The major components of income tax expense are as follows:

Profit or loss section

Particulars	31.03.2021	31.03.2021	31.03.2020	31.03.2020
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Current taxes	1,875	1.39	2,500	1.80
Short / (Excess) for earlier years	-	-	-	-
Deferred taxes movement of Asset	-	-	-	-
Deferred taxes movement of Liability	-	-	-	-
Income tax expense reported in the statement of profit or loss	1,875	1.39	2,500	1.80

(B) Reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2020**
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Profit before income tax expense	(6,823)	(4.72)	(62,840)	(44.96)
Current tax	1,875	1.39	2,500	1.80
Short / (Excess) for earlier years	-	-	-	-
Tax expense for the year	**1,875**	**1.39**	**2,500**	**1.80**

(C) The movement in the current income tax asset/ (liability) is as follows:

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2020**
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Net current income tax asset/(liability) at the beginning	(2,800)	(2.11)	(2,400)	(1.66)
Income tax paid (including TDS and net of refund)	700	0.58	2,100	1.35
Current income tax expense	(1,875)	(1.39)	(2,500)	(1.80)
Income tax on other comprehensive income	-	-	-	-
Net current income tax asset/(liability) at the end	**(3,975)**	**(2.92)**	**(2,800)**	**(2.11)**

13 **Income Tax Liabilities / Assets**

	Current		Current	
	31.03.2021	**31.03.2021**	**31.03.2020**	**31.03.2020**
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Income Tax Liabilities (net)	3,975	2.92	2,800	2.11
	3,975	**2.92**	**2,800**	**2.11**

14 **Other liabilities**

	Current		Current	
	31.03.2021	**31.03.2021**	**31.03.2020**	**31.03.2020**
	(Amt in USD)	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Statutory dues payable	9,454	6.95	-	-
Advance received from customers	1,251	0.92	2,740	2.06
Total	**10,705**	**7.87**	**2,740**	**2.06**

15 **Revenue from operations**

	For the year ended 31.03.2021 (Amt in USD)	For the year ended 31.03.2021 (Rs in Lakhs)	For the year ended 31.03.2020 (Amt in USD)	For the year ended 31.03.2020 (Rs in Lakhs)
Sale of Services :				
- Application Development & Maintenance Services	5,10,602	379.76	2,51,398	178.84
- ITES - Assessment Services	12,500	9.31	76,792	55.28
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31,2021 by contract-type .The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Particulars	For the year ended 31.03.2021 (Amt in USD)	For the year ended 31.03.2021 (Rs in Lakhs)	For the year ended 31.03.2020 (Amt in USD)	For the year ended 31.03.2020 (Rs in Lakhs)
Revenues by contract type				
Fixed Price	12,500	9.31	76,792	55.28
Time & Materials	5,10,602	379.76	2,51,398	178.84
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

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 terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

Revenue disaggregation by geography is as follows:

Entire revenue from operations is derived from One Country (US)

Information about major customers: (Refer Note 22)

Changes in Contract assets are as follows:	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Balance at the beginning of the year	-	-	-	-
Invoices raised during the year	-	-	-	-
Contract assets reversed	-	-	-	-
Revenue recognised during the year	99,720	73.29	-	-
Balance at the end of the year	**99,720**	**73.29**	**-**	**-**

Changes in advance received from customer are as follows:	31.03.2021 (Amt in USD)	31.03.2021 (Rs in Lakhs)	31.03.2020 (Amt in USD)	31.03.2020 (Rs in Lakhs)
Balance at the beginning of the year	**2,740**	**2.06**	**1,844**	**1.28**
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	-	-	-	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	(11,595)	(8.61)	(29,712)	(22.29)
Advance adjusted against trade receivables	-	-	-	-
Advance received during the year	10,107	7.47	30,607	23.07
Balance at the end of the year	**1,251**	**(0.92)**	**2,740**	**2.06**

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16	**Other income**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Interest Income				
	- On Bank Deposits	-	-	1	-
	Miscellaneous Income	-	-	768	0.55
	Total	**-**	**-**	**769**	**0.55**

17	**Employee benefits expenses**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Salaries, wages and allowances	-	-	-	-
	Total	**-**	**-**	**-**	**-**

18	**Finance Cost**	**For the year ended 31.03.2021 (Amt in USD)**	**For the year ended 31.03.2021 (Rs in Lakhs)**	**For the year ended 31.03.2020 (Amt in USD)**	**For the year ended 31.03.2020 (Rs in Lakhs)**
	Bank Charges	973	0.72	952	0.68
	Interest Expense	63,026	46.63	93,073	66.23
		63,999	**47.35**	**94,025**	**66.91**

19 i	Technical & Sub Contract Charges	4,00,482	297.95	2,62,552	187.29
ii	**Other expenses**				
	Rent	1,416	1.05	1,396	0.99
	Insurance	58,628	43.43	18,140	12.90
	Professional Fees	3,600	2.67	4,597	3.25
	GST on Technical & Sub Contract Charges	1,800	1.34	11,058	8.26
	Miscellaneous expenses	-	-	31	0.03
	Total	**65,444**	**48.49**	**35,222**	**25.43**

20 In accordance with Indian Accounting Standard - 33 “Earning per Share”

Earning per share

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2021**	**Year ended 31.03.2020**	**Year ended 31.03.2020**
Net Profit attributable to Shareholders	**(Amt in USD)**	**(Rs in Lakhs)**	**(Amt in USD)**	**(Rs in Lakhs)**
Loss after tax	(8,698)	(6.11)	(65,340)	(46.76)
Weighted Average number of equity shares issued (in nos)	10,00,000	10,00,000	10,00,000	10,00,000
Basic earnings per share of $ 1/- each				
Basic	$ -0.01	Rs -0.61	$ -0.07	Rs -4.68
Diluted	$ -0.01	Rs -0.61	$ -0.07	Rs -4.68

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remain the same.

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Notes forming integral part of the financial statements

21 In compliance with Ind AS 24 - “Related Party Disclosures”, as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below :

(a) **Names of the related parties and related party relationship**

Sr. No	Related Party	Nature of Relationship
1	National Stock Exchange of India Limited	Ultimate Holding Company
2	NSE Investments Limited (formerly known as NSE Strategic Investment Corporation Limited)	Holding Company's Holding Company
3	NSEIT Limited	Holding Company
4	NSE Clearing Limited (formerly known as National Securities Clearing Corporation Limited)	Fellow Subsidiary of Holding Company's Holding Company
5	NSE IFSC Limited	Fellow Subsidiary of Holding Company's Holding
6	National Securities Depository Limited	Ultimate Holding Company's Associate
7	NSDL Database Management Limited	Ultimate Holding Co.'s Associate Co's Subsidiary
8	NSDL e-Governance Infrastructure Limited	Associate Company of Holding Company's Holding Company
9	Power Exchange India Limited	Associate Company of Holding Company's Holding Company
10	NSE Data & Analytics Limited (formerly known as DotEx International Limited)	Fellow Subsidiary of Holding Company
11	NSE Infotech Services Limited	Fellow Subsidiary of Holding Company
12	NSE Indices Limited (formerly known as India Index Services & Products Limited)	Fellow Subsidiary of Holding Company
13	NSE Academy Limited	Fellow Subsidiary of Holding Company
14	NSE IFSC CLEARING Corporation Limited	Subsidiary of Holding Company's Fellow Subsidiary
15	TalentSprint Private Limited (w.e.f. 10th November 2020)	Holding Company's Fellow Subsidiary's Subsidiary Company
16	Cogencis Information Services Limited (w.e.f. 21st January 2021)	Holding Company's Fellow Subsidiary's Subsidiary Company
17	Indian Gas Exchange Limited (w.e.f. 16th March 2021)	Holding Company's Holding Company's Associate Company
18	Capital Quant Solutions Private Limited (w.e.f. 3rd March 2021)	Holding Company's Fellow Subsidiary's Subsidiary Company
19	National Stock Exchange Investor Protection Fund Trust	Ultimate Holding Co.'s Trust
20	NSE Foundation (w.e.f 5th March 2018)	Fellow Subsidiary of Holding Company's Holding Company
21	Aujas Cybersecurity Limited (Formerly known as Aujas Networks Limited / Aujas Networks Private Ltd)	Fellow subsidiary Company
22	Dr. N. Muralidaran - Director	Key Management Personnel

(b) **Details of transactions (including GST/service tax wherever levied) with related parties are as follows :**

Nature of Transactions	Year ended 31.03.2021	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2020
	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Name of the Related Party -NSEIT Limited				
Application Development and Maintenance Services	3,90,482	290.50	2,01,118	143.07
ITES - Assessment Services	10,000	7.45	61,433	44.22
Taxes recovered	1,800	1.34	-	-
Loan taken	-	-	-	-
Loan Repaid	(3,20,528)	(232.69)	(7,24,472)	(512.64)
Interest on Loan	63,026	46.63	93,073	66.23
Interest paid on Loan	(1,00,590)	(74.93)	(75,527)	(53.44)
Closing Balance - Loan taken including interest accrued	(9,55,000)	(701.93)	(13,13,092)	(989.81)
Closing Balance - Dr./ (Cr.)	(1,74,450)	(128.22)	(36,137)	(27.24)
Closing Balance - Provision for expenses	(79,776)	(58.64)	-	-
Name of the Related Party -Aujas Cybersecurity Limited				
Application Development and Maintenance Services	60,000	44.35	-	-
Closing Balance - Dr./ (Cr.)	25,000	18.38	-	-

All related parties transaction entered during the year were in ordinary course of business. Outstanding balances as at the year end are unsecured and settlement occurs in cash. There have been no guarantee provided or received for any related parties receivables or payables as of March 31, 2021 and March 31, 2020. The Company has not recorded any impairment of receivables relating to amount owed by related parties.

22 Segment Reporting:

a Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the management of the Company. The Company has identified two segments i.e. "End to End solutions" and "ITES - Assessment Services" as reporting segments based on the information reviewed by CODM.

Reportable business segment viz. offering "End to End solutions" includes revenues from sale and maintenance of software products, software consultancy services, custom software development, information technology infrastructure services provided predominantly to market participants in the securities and commodity markets and "ITES - Assessment Services" includes sale and maintenance of ITES-Assessment Services software products, online education and examination services and other incidental services as its primary segments. This takes into consideration the commonality in the risks and rewards of the products/ solutions and related services offered nature of services, type / class of customers for the products / services, management structure and system of financial reporting. Accordingly, the results of the said segments have been disclosed hereunder.

The above business segments have been identified considering :
a) the nature of products and services
b) the differing risks
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Company. Segment revenues, expenses and results include inter-segment transfers. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

b Segment Revenue :

Segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable.Transactions between segments are eliminated on consolidation. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Particulars	**2020-21**	**2020-21**	**2019-20**	**2019-20**
Segment Revenue				
End to End Solution	5,10,602	379.76	2,51,398	178.84
ITES - Assessment Services	12,500	9.31	76,792	55.28
	5,23,102	**389.07**	**3,28,190**	**234.12**
Inter-segment revenue				
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
	-	**-**	**-**	**-**
Revenue from external customers				
End to End Solution	5,10,602	379.76	2,51,398	178.84
ITES - Assessment Services	12,500	9.31	76,792	55.28
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**
Segment Results				
End to End Solution	1,20,120	89.26	50,280	35.77
ITES - Assessment Services	700	0.52	4,299	2.80
Total	**1,20,820**	**89.78**	**54,579**	**38.57**
Less: Unallocable Expenses (Net of income)	1,27,643	94.50	1,17,420	83.53
Add: Interest income	-	-	1	-
Profit before Tax	**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Exceptional item	**-**	**-**	**-**	**-**
Profit before tax	**(6,823)**	**(4.72)**	**(62,840)**	**(44.96)**
Less : Income Tax expense				
- Current tax	1,875	1.39	2,500	1.80
- Short / Excess Tax for earlier years	-	-	-	-
- Deferred tax	-	-	-	-
Total Tax Expenses	**1,875**	**1.39**	**2,500**	**1.80**
Net profit after tax	**(8,698)**	**(6.11)**	**(65,340)**	**(46.76)**

c Revenue From External Customers based on geographies

The Parent company is domiciled in India. The amount of Company revenue from external customers broken down by location of customers.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Particulars	**2020-21**	**2020-21**	**2019-20**	**2019-20**
India	-	-	-	-
Outside India	5,23,102	389.07	3,28,190	234.12
Total	**5,23,102**	**389.07**	**3,28,190**	**234.12**

d Segment Assets

Segment assets are measured in the same way as in the balance sheet. These assets are allocated based on the operations of the segment.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	2,99,899	220.42	68,964	51.99
ITES - Assessment Services	510	0.37	2,845	2.14
Total Segment Assets	**3,00,409**	**220.79**	**71,809**	**54.13**
Unallocable Assets	92,775	68.18	4,55,920	343.66
Total Assets	**3,93,184**	**288.97**	**5,27,729**	**397.79**

The non current assets are situated outside the domicile of India.

e Segment Liabilities

Segment Liablities are measured in the same way as in the financial statements. These Liabilites are allocated based on the operations of the segment.

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	2,52,504	185.60	18,400	14.06
ITES - Assessment Services	1,722	1.27	17,738	13.55
Total Segment Liabilities	**2,54,226**	**186.86**	**36,138**	**27.61**
Unallocable Liabilities	9,90,858	728.28	13,34,793	1,005.79
Total Liabilities	**12,45,084**	**915.14**	**13,70,931**	**1,033.40**

f Segment Capital Expenditure

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Capital Expenditure	**-**	**-**	**-**	**-**
Add: Unallocable Capital Expenditure	-	-	-	-
Total Capital Expenditure	**-**	**-**	**-**	**-**

g Segment Depreciation / Amortisation

	(Amt in USD)	(Rs in Lakhs)	(Amt in USD)	(Rs in Lakhs)
Segments	**2020-21**	**2020-21**	**2019-20**	**2019-20**
End to End Solution	-	-	-	-
ITES - Assessment Services	-	-	-	-
Total Segment Depreciation / Amortisation	**-**	**-**	**-**	**-**
Add: Unallocable Depreciation / Amortisation	-	-	-	-
Total Depreciation / Amortisation	**-**	**-**	**-**	**-**

Note :

Information about major customers

Company's significant revenues have been dervied from 3 no. customers (Previous year 2 no. customers). Details of the same are given as under:

Customer	**Forming part of segment**	**2020-21**			**2019-20**		
		(Amt in USD)	**(Rs in Lakhs)**	**% of revenue From Operation**	**(Amt in USD)**	**(Rs in Lakhs)**	**% of revenue From Operation**
3	End to End Solutions - Customer 3 (Previous year Customer 2	4,83,794	359.78	92.47	2,51,398	178.84	76.39
0	ITES-Assessment Services -(Previous year Customer 1)	-	-	-	47,080	33.57	14.34

No other single customer contributed 10% or more to the Company's revenue for FY 2020-21 and FY 2019-20.

NSEIT (US) INC.
Notes forming integral part of the financial statements

23 Fair Value Measurements

a) **Financial Instruments by category**

	(Amt in USD)			(Rs in Lakhs)			(Amt in USD)			(Rs in Lakhs)		
	31-Mar-21			31-Mar-21			31-Mar-20			31-Mar-20		
Particulars	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**	**FVPL**	**FVOCI**	**Amortised Cost**
Financial Assets												
Investments												
Trade receivables	-	-	2,00,689	-	-	147.50	-	-	71,809	-	-	54.13
Unbilled Revenue	-	-	99,720	-	-	73.29	-	-	-	-	-	-
Cash and Cash equivalents	-	-	84,005	-	-	61.74	-	-	4,55,510	-	-	343.35
Other Financial assets	-	-	98	-	-	0.07	-	-	98	-	-	0.07
Total	**-**	**-**	**3,84,512**	**-**	**-**	**282.60**	**-**	**-**	**5,27,417**	**-**	**-**	**397.55**
Financial Liabilities				-			-			-		
Borrowings	-	-	9,55,000	-	-	701.93	-	-	12,75,528	-	-	961.49
Trade Payables	-	-	2,54,718	-	-	187.22	-	-	36,629	-	-	27.61
Other financial liabilities	-	-	20,686	-	-	15.20	-	-	53,234	-	-	40.13
Total	**-**	**-**	**12,30,404**	**-**	**-**	**904.35**	**-**	**-**	**13,65,391**	**-**	**-**	**1,029.23**

b) **Fair Value Measurements**

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements at approximate their fair values.

24 **FINANCIAL RISK MANAGEMENT**

The Company’s business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company’s senior management has the overall responsibility for the establishment and oversight of the Company’s risk management framework

The Company has developed a Risk Management Policy. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. Risk Management policy has been formulated with an aim to (a) Overseeing the Company's risk management process and controls, risk tolerance (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The core business & operational risk is managed through cross functional involvement and communication across businesses.

The Finance department activities are designed to:

- protect the Company’s financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company’s financial investments, while maximising returns.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company’s approachto managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions

The Company’s treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in mutual funds to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

	(Amt in USD)				(Rs in Lakhs)			
Particulars	**Carrying amount**	**Less than 12 months**	**More than 12months**	**Total**	**Carrying amount**	**Less than 12 months**	**More than 12months**	**Total**
As at 31st March 2021								
Borrowings	9,55,000		9,55,000	9,55,000	701.93		701.93	701.93
Trade payables	2,54,718	2,54,718	-	2,54,718	187.22	187.22	-	187.22
Other financial liabilities	20,686	20,686	-	20,686	15.20	15.20	-	15.20
As at 31st March 2020								
Borrowings	12,75,528		12,75,528	12,75,528	961.49		961.49	961.49
Trade payables	36,629	36,629	-	36,629	27.61	27.61	-	27.61
Other financial liabilities	53,234	53,234	-	53,234	40.13	40.13	-	40.13

B : MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Concentrations of credit risk with respect to trade receivables is high, due to the Company’s customer base being small.

Trade receivables

All trade receivables are reviewed and assessed for default on a quarterly basis.
Basesd on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is low.

25 Capital and other commitments - NIL

26 The company has incurred losses during the year amounting to USD 8,698 (Rs.6.11 lakhs), it has accumulated losses of USD 18,51,900 (Rs.1159.86 lakhs) and has negative net worth of USD 851,900 (Rs.626.17 lakhs) as at March 31, 2021. Considering long term and strategic nature of the business and future business plans, the accounts of the company has been prepared on a going concern basis.

27 Contingent liability - NIL

28 Expenditure in foreign currency (accrual basis) - NIL

29 Earnings in foreign currency (accrual basis) - NIL

30 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.

31 **Impact of COVID 19 (Global Pandemic) :**

Impact of COVID 19 (Global Pandemic) :
The Coronavirus (COVID-19) outbreak is an unprecedented global situation. World Health Organization (WHO) has declared the COVID-19 virus a 'Pandemic'. The Government of India and various state governments had put in place several measures including instituting a complete lockdown w.e.f March 25, 2020 to combat the spread and transmission of the virus. Effective June 8, 2020 the said lockdown has being partially lifted in a phased manner. Post unlock advisory issued by the Government, COVID-19 continued to impact the business operations and revenue of the Company in respect of ITES-Assessment Services (On-Line Examination Services).

The Company has taken into account the possible impacts of COVID-19 in preparation of the standalone financial statements including but not limited to its assessment of impact on revenues, operating costs and impact on leases. Based on the current indicators of future economic conditions and the impact of COVID-19 on its operations, the Company has also made an assessment of its liquidity position, recoverability and carrying values of its assets and ability to pay its liabilities as they become due and is of the view that there is no material impact or adjustments required to be made in these financial results. The impact assessment of COVID-19 may be different from that presently estimated and the Company will continue to evaluate any significant changes to its operations and its resultant impact on the financial performance.

32 Previous years figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year / period classifications.

As per our report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants
(Firm Reg No : 105049W)

Sd/-

NARENDRA JAIN
Partner
Membership No.048725

For and on behalf of Board of Directors

Sd/-

N. MURALIDARAN
Director
DIN No. 06567029

Place : Mumbai
Date : April 21, 2021