IRIS Business Services Limited

Annual report 2021-22

Building Transparency. Driving Growth.

Contents

XBRL
Data का biodata

"We are entering a new world in which data may be more important than software."

Tim O'Reilly,
Founder and Chief Executive officer of O'Reilly Media

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions should be known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Online Annual report
www.irisbusiness.com

The world is gravitating towards irreversible realities.

Abundance of data. Need for structured information. Extensive compliance commitment. Sustainability reporting mandates extending beyond financial reporting.

At IRIS, we have structured our business around these supposedly disparate realities.

We leverage the use of a structured reporting format customised around the needs of companies.

We empower companies and regulators to file and comply as per globally accepted reporting structures.

We make it easy for companies to be compared to each other based on their disclosures.

We are facilitating the emergence of a global order where companies report data around the same disclosure formats.

We believe that in doing so, we are helping reconcile the different reporting standards of countries into a harmonised commonality.

Corporate snapshot

IRIS Business Services Limited.

A specialised RegTech solution provider.

The only listed SaaS player in India's RegTech space.

Increasingly relevant in a world marked by compliance, reporting and disclosures.

Enhancing reporting ease, reducing compliance costs and improving comparison.

Taking governance ahead.

Background

IRIS Business Services Limited commenced business in 2004. Over the years, the Company evolved as a premier global player in the regulatory technology space. The Company offers services across compliance, data and analytics with products across the information supply chain and data reporting standards (XBRL and SDMX, among others). Over the past five years, the company has successfully transformed from a services-oriented business to a product-led model.

Promoters

IRIS has been founded by Mr. Swaminathan Subramaniam, Mr. Balachandran Krishnan and Ms. Deepta Rangarajan. The promoters initially went into business to fulfill the research requirements and address the data challenges of institutional investors. The promoters possess a cumulative experience of more than six decades and have been together since 1994.

Products and services

IRIS started its journey by providing XBRL-related services and consultancy to domestic and offshore clients. The Company's product offerings are segregated into three segments - Collect, Create and Consume – to enhance customer clarity, selection and solution.

Presence

IRIS is headquartered in Navi Mumbai, India. The Company operates its international business through subsidiaries in US, Singapore and Italy. The Company enjoys a growing customer presence in 44 nations across four continents.

Positioning

IRIS is not a KPO, BPO or an IT services company. The company provides Software as a Service (SAAS), Data as a Services (DAAS) and software products.

Business health

The order book as on March 31, 2022 was ₹67 cr with an ARR of ₹47 cr (₹40.23 cr a year ago). Recurring revenue contributed 78% to the total revenue during the year under review compared to 70% as on March 31, 2021.

Listing

The Company was listed on November 08, 2021 on the Main Board of the National Stock Exchange and Bombay Stock Exchange .

67

Order book
₹ cr
March 31, 2022

400+

Resource strength
Count
March 31, 2022

194

Market capitalisation
₹ cr
March 31, 2022

38.10

Promoter group stake
%
March 31, 2022

Revenue mix by geography

(in ₹ Lakh)	FY21-22	FY20-21
India	2749	2436
Middle East	576	790
Asia-Pacific	400	428
Africa	876	978
USA	334	117
Europe	662	338
United Kingdom	530	628

(in %)	FY21-22	FY20-21
India	45	43
Middle East	9	14
Asia-Pacific	7	7
Africa	14	17
USA	5	2
Europe	11	6
United Kingdom	9	11

Brand refresh

Our new logo is a reflection of our intent to pioneer a series of innovations in an increasingly digital and connected world. It retains the familiarity of the brand that has withstood the test of time and helped the Company reach where it is today.

Building Transparency. Driving Growth.

IRIS is an evangelist and pioneer in building regulatory compliance solutions centred around data standards that enhance transparency through cleaner, verifiable and consistent reporting and data sharing. As an expert in the field of regulatory reporting, an innovator building newer solutions and a nurturer retaining its caring nature while providing solutions and services to its clients, our new positioning blends the past, present and future.

Our tagline 'Building Transparency. Driving Growth' builds on our belief that 'compliance is good business' and dovetails our passion to build trust and transparency and drive growth across our markets. We aim to realise this by reimagining compliance in new ways and delivering value through world-class RegTech SaaS solutions.

In line with our new corporate logo, we have also made corresponding changes in our product logos.

Product Logos

iRIS iFILE iRIS GST iRIS CARBON

iRIS iDEAL iRIS IRP

Our journey over the years

2005

Edgar Online contracts IRIS to convert historical filings of US companies into XBRL

2006

ICERS built on IRIS iFile for BSE

2007

CFDS built on IRIS iFile for BSE / NSE; SEBI replaces EDIFAR with CFDS

2008

RBI adopts IRIS iFile for Capital Adequacy Returns

2009

- Pilot IRIS iFile implementation for JSE, South Africa
- IRIS iFile in Macedonia in partnership with ERS of Ireland
- Won XBRL conversion mandate for US SEC filings

2010

Taxonomy for XBRL, SA and JSE developed with Deloitte. Full IRIS iFile implementation for JSE. iFile in UAE for ESCA

2011

Deloitte awards iXBRL conversion contract for UK. IRIS iDeal implemented in Canara Bank and several mutual funds

2012

IRIS iFile 2nd phase for RBI

2013

IRIS iFile live at Saudi Arabia's Tadawul Stock Exchange. CARBON: Enterprise SaaS product development begins

2014

IRIS iFile goes live in Singapore at ACRA. iDeal gets its 100th customer. Work begins on DCP, Data Analytics Platform. iFile goes live in Qatar

2015

IRIS iFile goes live at MCI (Saudi Arabia), DBD (Thailand) and Bank of Mauritius. iFile SaaS model launched for CBRD. Mauritius IRIS iDeal wins first international client. AfrAsia Bank iDeal e-audit solution launched in Turkey

2016

FATCA reporting solution launched for BFSI segment. Early customers for CARBON in US and Italy markets. iFile implementation begins in Kuwait. CMA IRIS iFile 3rd phase for RBI awarded to IRIS

2017

Vice President of India inaugurates SAI Portal built by IRIS. IRIS selected as GSP, launches GST solution. IRIS iFile enters Malaysia, Jordan and the Company reports another win in South Africa

2018

IRIS CARBON enters South Africa to help enterprises meet the CIPC mandate. The Central Bank of Jordan awards a collection platform project to IRIS iFile. Selected as a Company reporting platform for Ministry of Commerce and Industry, Qatar

2019

IRIS selected as part of a consortium for the RBI CIMS project. IRIS awarded a contract to build a reporting and analytics platform for the Capital Market Authority, Oman. IRIS CARBON enters the European market for the ESMA mandate

2020

IRIS GST eInvoicing solution launched. Based on the ESMA mandate, companies in Europe create and publish Inline XBRL annual reports using IRIS CARBON. Assurance tool for auditors introduced on IRIS CARBON platform.

2021

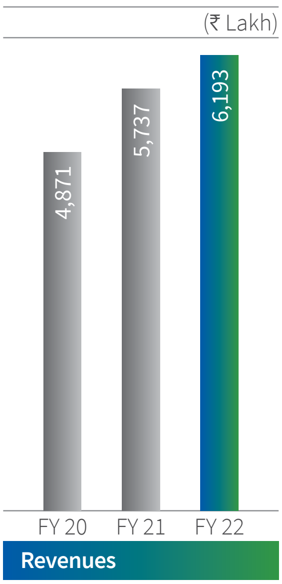
Based on the Federal Energy Regulatory Commission (FERC) XBRL mandate, energy and utilities companies in the United States create and publish inline XBRL quarterly and annual reports using IRIS CARBON.

2022

IRIS awarded the Invoice Registration Portal (IRP) license.

Gap Inc, one of the largest American specialty apparel company, was among the first companies in the US to release its 2021 sustainability report in a digital format using the SASB XBRL taxonomy. GAP used IRIS CARBON for creating its sustainability report in inline XBRL.

The financial growth story of IRIS

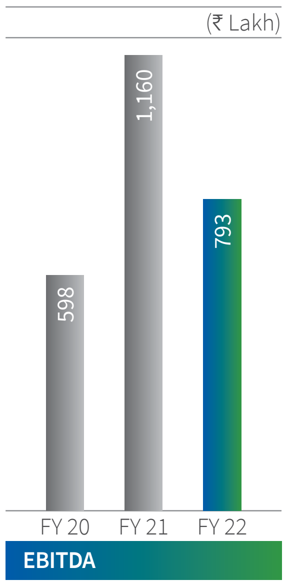


Definition
Proceeds generated from the sale of products (net of taxes) in addition to treasury income, if any

Why is this measured?
It is an index that showcases the Company's competitiveness in servicing customers with products; can also be used as an index to compare size with other companies

What does it mean?
This indicates the capacity of the company to carve out market presence cum share, a foundation on which to amortise focused costs

Value impact
Aggregate sales increased from ₹5,737 Lakh in FY 2020-21 to ₹6,193 Lakh in FY 2021-22.

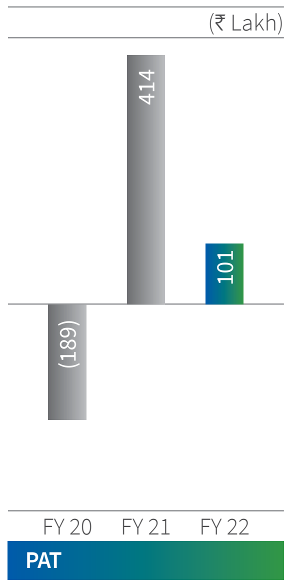


Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax

Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
Helps create a robust growth engine

Value impact
The Company's EBITDA reduced from ₹1,160 Lakh in FY 2020-21 to ₹793 Lakh in FY 2021-22 due to a slowdown in markets and increase in costs

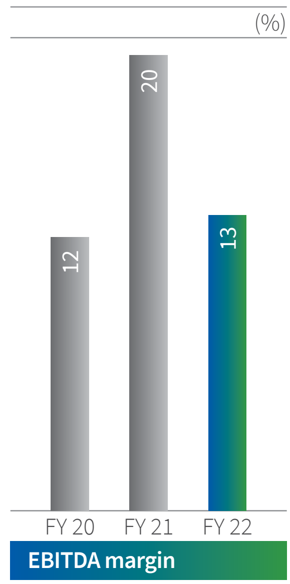


Definition
Profit earned during the year after deducting all expenses and provisions

Why is this measured?
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?
Ensures that adequate surplus is available for reinvestment.

Value impact
The Company's PAT reduced from ₹414 Lakh in FY 2020-21 to ₹101 Lakh in FY 2021-22.

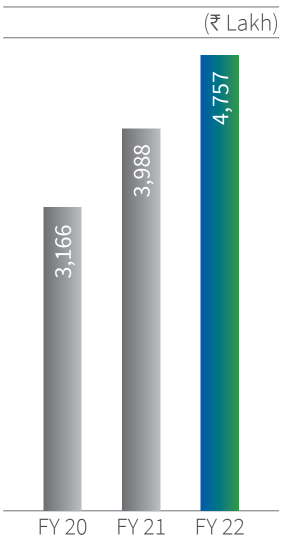


Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

Why is this measured?
The EBITDA margin provides a perspective of how much a company earns (before deduction of interest, depreciation and taxes) on each rupee of sales.

What does it mean?
This demonstrates adequate buffer in the business expressed as a percentage, which, when multiplied by scale, enhances surpluses.

Value impact
The Company's EBITDA margin reduced by 700 bps from 20% in FY 2021-22 to 13% in FY 2020-21.



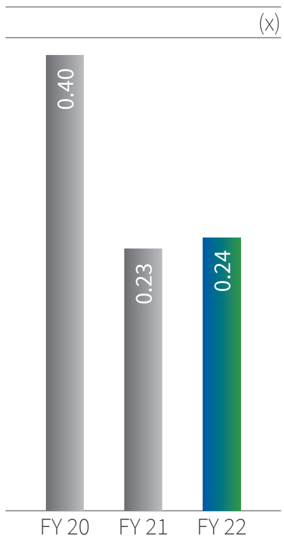
Annual recurring revenues

Definition
It is a portion of the company's revenues that is expected to continue in future

Why is this measured?
It enables a measurement of the company's progress and is a reasonable estimate of future growth

What does it mean?
Enhanced ARR provides a better chance to attract investors as it is an indicator of business health.

Value impact
Recurring revenues increased 19% to ₹4,757 Lakh in FY 2021-22 compared to ₹3,988 Lakh in FY 2020-21. Recurring revenues contributed 78% to the total revenue in FY 2021-22 compared to 70% in FY 2020-21



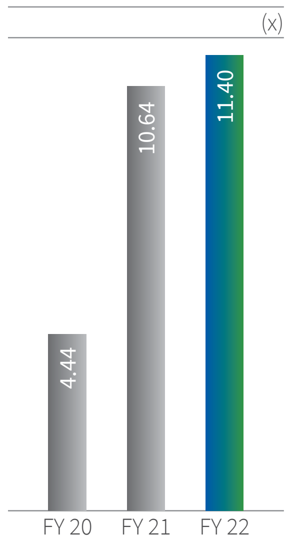
Gearing

Definition
This is derived through the ratio of debt to net worth

Why is this measured?
This is a defining ratio of a company's financial solvency

What does it mean?
This measure enhances a perception of the borrowing room within the company; the lower the gearing, the better.

Value impact
The Company's gearing increased marginally by 0.1x



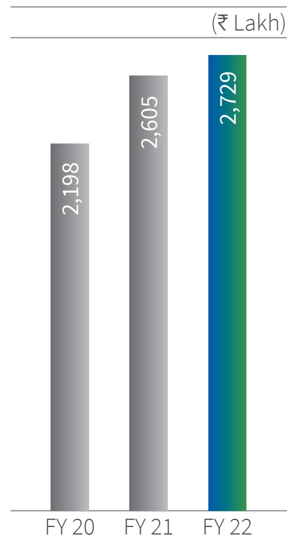
Interest coverage

Definition
This is derived through the division of EBITDA by interest outflow

Why is this measured?
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

What does it mean?
A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in assuring sizeable returns to shareholders.

Value impact
The Company's interest cover strengthened by 76 bps during the year under review.



Net worth

Definition
This is derived through the accretion of shareholder-owned funds

Why is this measured?
Net worth indicates the financial soundness of the company – the higher the better.

What does it mean?
This indicates the extent of shareholder funds available within the company to grow the business

Value impact
The Company's net worth strengthened during the year under review.

Our footprint

We enjoy a global presence with renowned clients spread across various parts of the world

44

Countries of presence

30+

XBRL projects

300+

XBRL experts

1 Argentina*
2 Austria
3 Belgium
4 Brazil
5 Croatia
6 Cyprus
7 Estonia
8 Finland
9 France
10 Germany
11 Greece
12 Hungary
13 India
14 Ireland*
15 Italy
16 Jordan
17 Kuwait
18 Lithuania
19 Luxembourg
20 Macedonia*
21 Malaysia
22 Malta
23 Mauritius
24 Nepal
25 Netherlands
26 Nigeria
27 Norway
28 Oman
29 Poland
30 Portugal
31 Qatar
32 Romania
33 Saudi Arabia
34 Singapore
35 Slovakia
36 Slovenia
37 South Africa
38 Spain
39 Sweden
40 Turkey
41 UAE
42 United Kingdom
43 United States
44 Uzbekistan*

*No Current Clients

Our prestigious clientele

Business registries

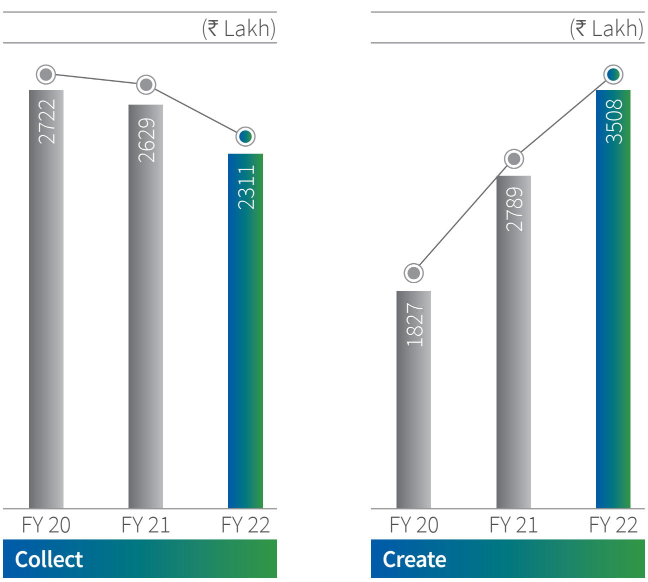
- Accounting and Corporate Regulatory Authority (ACRA), Singapore
- Corporate and Business Registration Department (CBRD) , Mauritius
- Companies and Intellectual Properties Commission (CIPC) , South Africa
- Ministry of Commerce and Industry (MCI), Qatar
- Ministry of Commerce and Investment (MCI) , Saudi Arabia
- Suruhanjaya Syarikat Malaysia (SSM), Malaysia

BFSI regulators

- Reserve Bank of India
- Bank of Mauritius
- QFCRA Qatar
- Central Bank of Jordan
- Nepal Rashtra Bank

Our revenues across our business verticals

Revenue mix by segment

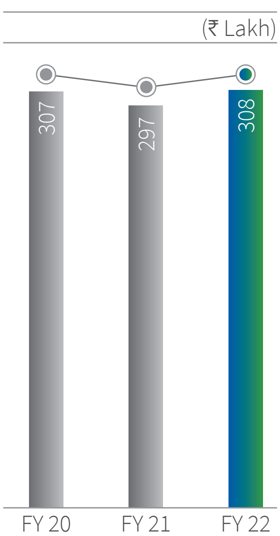


Capital market regulators

- Amman Stock Exchange
- Kuwait Boursa
- CMA Kuwait
- ESCA UAE
- SEBI
- Tadawul Saudi Arabia
- Qatar Stock Exchange
- CMA Oman
- Abu Dhabi Securities Exchange
- Dubai Financial Market
- SCM, Malaysia

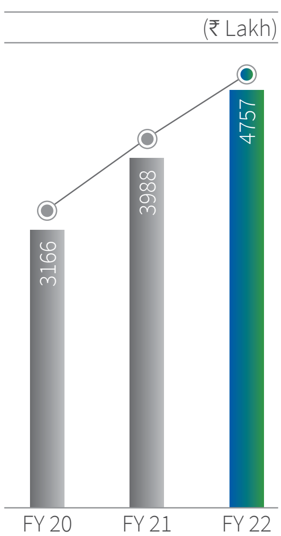
Filers / others

- 1&1 Drillish , Germany
- Aegon , UK
- Bajaj Auto, India
- Basware, Finland
- Bergen Bio SA , Norway
- Bidvest, South Africa
- BMW, South Africa
- Bpost, Belgium
- British American Tobacco, South Africa
- Collector AB , Sweden
- Colruyt Group , Belgium
- Dermapharm SE Germany
- Digi Communications, Romania
- Eesti Energia AS, Estonia
- ENI spa, Italy
- Friwo, Germany
- HDFC Bank, India
- Hellenic Bank, Cyprus
- ICICI Bank , India
- KBC Bank NV, Belgium
- Kinder Morgan Inc US
- Kotak Bank, India
- Larsen & Toubro, India
- Nordecon, Estonia
- Old Mutual Limited, South Africa
- PETROL, Slovenia
- Reliance Industries Limited, India
- State Bank of India
- Tata Motors, India
- VP Plc , UK

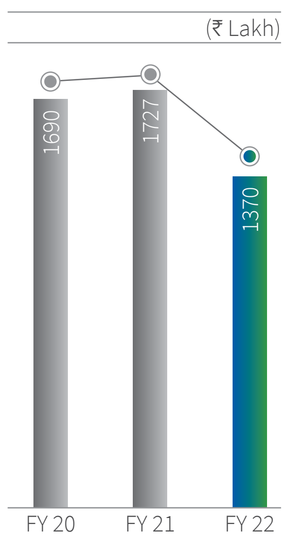


Consume

Recurring revenue



Non-recurring revenue



CEO's statement

While we have always known just how impactful our work in banking and tax has been for the country, it feels good to be recognised for it.

By **Swaminathan Subramanian**, Chief Executive Officer

Overview

On March 24, I turned 60. I celebrated the occasion by participating in an ultra-marathon of 60 km. An ultra-marathon along the route that I planned was with a colleague, Ratheesh Acharya, who stayed the whole distance. Many others participated - friends, family and colleagues – and they stayed a part of the way.

I took forever to finish. But I was ok with that. What matters is that I finished. What matters is that I did not fall by the way side. What matters is that I did not give up. When I finally finished, I wept with relief and joy. What a great way to mark the completion of 60 years on earth, I thought to myself.

Why did I do it? Simply because I don't know how to give up. There are many moments when the thought of giving up came to me. But I kept going. Sometimes motivated by Ratheesh. Sometimes others. We completed the distance.

IRIS is a triathlon for us in which Balu, Deepta and I are in it together with all of our other colleagues. Except that while this triathlon had a start, it won't have a finish. Unless we give up. Unless we collapse. Entrepreneurship is about endurance. About not giving up when the chips are down. Knowing that just as good times happen, so do bad times and are inevitably followed by the good. That is how the law of averages work.

In the triathlon that is IRIS, the running segment is over, as is the swimming in the open sea. The stage is now set for a period of frenetic cycling. We are ready for it and we have prepared for it. Our performance in the year gone by has left us in a good place from which we can move to a higher growth path. We are starting the next phase of our life. We are embarking on the next leg of our triathlon.

Fantastic year

So when I tell you that the year gone by has been a fantastic year, that is the way it is. The numbers will tell you that the revenue growth has been subdued. The numbers will tell you that EBITDA has fallen. The numbers will tell you that profitability has taken a huge dip. All of this is true. We are mindful of all of these numbers. We see this as a pause, caused mostly by external factors. Even the best of endurance athletes has to stop once in a while to catch his or her breath. We have always maintained that if we do not have the resources to fund our growth, we should manage to grow at 10-15%. In the year gone by, we did just that. That is not all. Our annual recurring revenues registered an increase of just under 20%, it could have been more but for the extension of the filing deadline in South Africa and the loss of a few clients in the UK. We also managed to get better terms on the bank limits.

All in all, we emerged much stronger. For starters, all employee dues have been cleared. It also means that I am finally getting a salary. I had made a commitment way back in 2015, that I would not draw my salary until such time as clear all employee dues. Today only the promoters are owed money by way of past salaries. The clearance of employee dues has left us stronger, much stronger. Not just financially, but emotionally too. The strength is back in our voice. My colleagues too are fired up. The improved financial situation gave us the latitude to make some salary adjustments to take the compensation of many of our colleagues closer to the levels that are prevailing in the market. And with the dues cleared, we are hiring to strengthen the senior management. You will hear announcements in the weeks and months ahead. Things are good and we are working to make it better.

Recognition

Much happened in the last year which left us feel good. There is much that has given us reason for celebration too. As a company we take inspiration from what JRD Tata is quoted as having said, “Common people have an appetite for food, uncommon people have an appetite for service.”

We hold the belief that while our offerings must make money and add value to our shareholders’ wealth, we have a larger purpose too. Companies with offerings that impact the life of others positively are generally known to do better for shareholders. Maximising profits is a cause that gets served automatically when a company is relevant to society. Our work has transformed India and we are beginning to get recognised for that.

The day after we meet at the AGM to seek your approval for the accounts of the company, Union Finance Minister, Nirmala Sitharaman will be handing over to us the Best Regtech award at a glittering function in Mumbai. Part of the most coveted Best Bank Awards instituted by the Financial Express newspaper some 25 years ago, it is an honour for us to receive this recognition in the very first year that this award under the RegTech category has been instituted. As a company, we do not ordinarily apply for awards, because we are small and we know that our financials do not convey the true impact of our work. Which is why the Financial Express Award being conferred to us based on a jury decision has us over the moon; it is a recognition of the lasting contribution we have made to the Indian banking system for all times to come. Our work got noticed in the media when former ICICI Chairman K V Kamath declares that “He has not seen the banking system so clean in the last 50 years.” That is our contribution, that is your company’s contribution. It is wonderful to know that it is finally getting recognised. Go on, tell your neighbour, tell your family, tell your friends that you hold shares in the company, which has helped make the Indian banking system strong. You cannot imagine just how proud we were to hear that comment of Mr Kamath. We have been working with RBI since 2008 and it has taken us 14 years to get this recognition but we are grateful for it. We thank the eminent jury that found us worthy, a jury which included S Ramadorai, ex CEO & MD of TCS, R Shankar Raman, CFO of L&T, Amit Chandra, Chairman of Bain Capital in India, Biswamohan Mahapatra, ex ED, RBI, Amit Tandon, CEO of IIAS and Sharad Sharma, a co founder of the Spirit Foundation with EY as the knowledge partner.

The FE Award is not the only one that has been bestowed on us in recent times. The other prestigious award that came our way was when the company was declared winner for the Silver trophy by TIOL Knowledge Foundation under Tax Technology Service Providers. The TIOL National Taxation Awards is the most prestigious award in that genre, mentored as TIOL by the former Chief Justice of India, the Late Justice R C Lahoti. The jury was headed by a former Judge of the Supreme Court, Justice Shiva Kirti Singh. This too is huge.

While we have always known just how impactful our work in banking and tax has been for the country, it feels good to be recognised for it.

Recognition also came our way from GSTN when it granted us the status of an IRP. As you may know already, IRIS has been appointed as Invoice/E-invoice Registration Partner (“IRP Partner”) of GSTN, which permits us to act on behalf of GSTN to register B2B e-Invoices of trade and industry. We may not be the biggest software company in the

We hold the belief that while our offerings must make money and add value to our shareholders wealth, we have a larger purpose too. Companies with offerings that impact the life of others positively are generally known to do better for shareholders.

GST ecosystem but we are among the most impactful. The team led by Gautam Mahanti has ensured that it stays that way. A message sent by a GST Commissioner to my colleague Shilpa Dhobale underscores the point: "The revenue year has passed and I must thank you for your help. My division could realise 28% more in revenue target. 88% of the high revenue payees filed their returns before March 31, which was 63 % in the last consecutive years. I have 156 tax payers contributing more than ₹25 Lakh per year and only 11 missed the bus. Interestingly none of the tax payers above ₹5 cr missed the bus. I could monitor their payment and nudge them from time to time. All because of your timely support. Thank you very much." The Commissioner was using IRIS Peridot. We were thrilled to be able to make a difference. That in our view is the calling of business. To make a difference to the people around us. To society. Because doing good is good for business.

More confident

So, as we now enter the next phase of the triathlon, we do so with a huge amount of confidence. Covid-19 may not be over but over the years, people have started coming back to work. We are beginning to see regulators announce plans for the deployment of a digital disclosure platform, which augurs well for us. We expect existing customers to do more even as we hope to bag new customers. You would know that revenues from our Collect business had declined in recent times due to the absence of any new regulatory customers. We are hopeful that this will now change.

That is not all. ESG reporting is the new mandate that we hope to serve. If well begun is half done, we have reason to be pleased. Gap Inc., the largest American specialty apparel company, with iconic brands such as Old Navy, Gap, Banana Republic and Athleta, became our first customer when they created its 2021 sustainability report in digital format on IRIS Carbon using the SASB XBRL taxonomy.

The next 12 months will also see a pick up in XBRL adoption in the United States by the State governments and the Federal government. This throws up new opportunities in the US which we hope to profit from. Which is why we are adding to our sales team in the USA.

So today, as we embark on the next stage of the triathlon, we are hopeful. We urge you to keep the faith. As our shareholder I ask three things of you. I hope you will honour all of my requests.

One, I ask that you download IRIS PERIDOT on your mobile phone and start using it. It is free. It will tell you the GST filing status of any business in India. Before you invest in a company, before you do business with any company, check their filing status on IRIS Peridot. It is easy to use and simple to navigate.

Two, later this year, we will launch our IRP solution. If you are in business or if you know people in business, please encourage the adoption of our IRP solution for generating e-invoices. It too is free.

Three, finally, and this is the most important, remember to thank yourself for being a shareholder of the company which is playing such an important role in keeping Indian banks safe. I want you to know that if the Indian banks have never been as strong in the last 70 years, it is because your company helped RBI make it happen. As the owner of IRIS, you can take pride that you made it happen. Go tell the world about it.

Thank you for your attention.

IRIS.
Right product.
Right place.
Right time.

India's only listed SaaS company in the RegTech space

Overview

There could never be a more opportune time for the business of IRIS Business Services Limited than now.

Two realities are sweeping the world.

One is governance, underscored by the need for enhanced disclosures, digitalised filings and increased reporting

The other is a need to moderate filing and disclosure costs through a lower team size and increased convenience.

This is where RegTech and Software as a Service (SaaS) come in.

These two cutting-edge technology developments are enhancing reporting ease on the one hand and moderating the cost of compliance.

There is only one listed Indian company – IRIS - that has combined RegTech and SaaS into its business model.

Now poised at an inflection point of a large and growing addressable market in India and the world over.

Operating review

The resilience that we demonstrated during FY 2021-22 is likely to translate into an improved performance starting FY 2022-23”

K. Balachandran, Chief Financial Officer,
reviews the performance of the company in 2021-22

Q: Was the management pleased with the performance of the company in 2021-22?

A: There were two ways of looking at our performance during the year under review. On the one hand, the company's revenues grew a mere 8% in FY 2021-22, which represented a sizable decline when compared with the 18% growth in revenues reported in the previous financial year. The company's EBITDA declined by 32%, the operating cash flow was lower and the post-tax profit was 76% lower than the previous year. To this extent, the company underperformed on its potential when compared to performance of the previous financial year.

On the other hand, the company performed satisfactorily in staying PAT-positive at a time when only one part of its business delivered as per expectations (the Enterprise business). It would also be pertinent to indicate that from a cash flow point of view, the company spent in excess of ₹5 cr to clear almost all the liabilities due to its employees. The company also expensed some costs related to new product development during the last financial year that will translate into revenues only during the current financial year. I would conclude by saying that we performed creditably during the year under review and that we expect a better performance going ahead.

Q: What were some of the reasons behind the company's relative lacklustre performance during the last financial year?

A: During the last two years, in our 'Collect' segment, the 'regulatory' attention was focussed on fighting the pandemic and reviving respective economies. The impetus to try new alternatives appeared low on their priorities and the result was that the introduction of XBRL reporting within these countries took a back seat. This was reflected in longer decision-making cycles and a low number of requests for proposals (RFPs). Under these circumstances, the regulatory side of our business declined by 12% (38% of our revenues in FY 2021-22 compared to 46% in FY21). The new business development cycle on the regulatory side of the business normally takes a year or more and we hope that market conditions will improve from this year onwards.

Q: And yet, the company repeated an overall revenue growth of 8% during the year under review. How did that transpire?

A: The Enterprise side of our business performed quite well during the year under review. This segment reported a 26% revenue growth; the proportion of revenues within the company's business increased from 49% to 57% during the year under review. The reason behind this encouraging growth was that as business reporting became increasingly digitised, customers needed sophisticated and convenience-enhancing tools that our products addressed. The result is that our business from Europe and US grew 119% during the year under review. The enhanced credibility and positioning of our products contributed to an encouraging undercurrent. The company also entered new markets such as FERC and performed creditably. The improved performance of this business contributed significantly to the company's overall improvement.

Q: What were some of the other sectorial or corporate upsides?

A: A positive development with a long-term impact was the decision of the US energy and utilities regulator (FERC) to collect data from hundreds of players through the XBRL reporting standard. We believe that this is a development of long-term significance – not only in terms of the shift to the XBRL format but also on account of the number of companies that could potentially become customers. The gain coming out of XBRL reporting for the regulator comprises an ability to discern trends, easy comparability, low manual engagement and relatively low cost. Suddenly the task of negotiating mountains of data is seamless, structured and swift, which is of particular significance in a world where information transparency is becoming increasingly important and there is a premium in the need to identify deviations from the mean with proactive speed leading to informed corrective action.

There is a second sectoral development that assumes importance. There is an increased mind space being allocated for ESG reporting. One of the tenets of responsible global environment action will be information availability.

Companies will be expected to periodically report their environment management numbers for informed action by regulators, investors and communities. What makes me optimistic is that XBRL is not only the preferred reporting format for this information set; the XBRL taxonomy of how to report ESG data is in the making as well. At present, the Sustainability Accounting Standards Board Standards and the corresponding XBRL taxonomy is used by many companies on a voluntary basis, which is now being folded into the newly formed International Sustainability Standards Board, which operates under the oversight of the IFRS Foundation.

Given the magnitude of the problem of climate change, we foresee that the need for XBRL reporting of environment related numbers and initiatives will not be limited to a handful of countries; it could become a global market that touch virtually every country, widening the market for a focused company like ours. What makes us optimistic is that this substantial upside is only from one application; there could be a number of other critical information sharing applications, widening the market for us into spaces that cannot even be conceived today.

Q: How has the company performed in this growing FERC segment?

A: The Company performed well in this large and growing space during the last financial year. It was number two in market share, the market leading entity being a large US company. What makes our achievement creditable is that our services stood up to the rigour of the US market; we passed the due diligence of a couple of Fortune 500 customers and we widened our footprint across reporting segments. The result was that we established our credibility during the last financial year and expect to build on it from the current financial year onwards.

Q: What was the upside reported by the Company during the last financial year?

A: The Company reported a higher proportion of revenues from long-standing customers. This is particularly relevant in a subscription-based software product business like ours where products are no longer purchased outright but paid for as per use. This has made it imperative for us to create habit-forming products that retain customers, resulting in annuity revenues, enhancing our revenue visibility. During the last financial year, the average recurring revenue (ARR) increased from ₹3,988 Lakh to ₹4,757 Lakh, the proportion of our revenues from this annuity income stream was around 78%, up from 70% in the previous year.

This validates the effectiveness and perceived value of our products in a competitive market place at a time when one segment of the business did not perform well. We foresee better prospects from the current year onwards when the regulatory side of our business begins to kick in. Looking ahead, the lifetime value of our existing customers should extend for the next many years, enhancing our organisational stability from its existing product portfolio.

Q: You mentioned a recent word – ‘portfolio’. How did the Company protect or enrich its portfolio in a competitive environment?

A: The one message that I wish to send out to our shareholders is that during a challenging year, we continued to go back to our drawing board and respond with new products addressing unmet market needs. The result is that we developed a disclosure management tool that built in some of the characteristics of our earlier products. This product version 1.0 (aimed at the CFO’s office) could be considered as a backward integration of one of our products and also possesses standalone value. This product is built around the robust Microsoft Office 365 suite and should start generating revenues starting the current financial year.

Q: What were some challenges encountered by the company in FY 2021-22?

A: Apart from some of the challenges indicated earlier, the ongoing challenge was attrition and a dearth of the right talent. This was not just a challenge encountered by our company; this challenge was encountered virtually all across the country’s IT sector. Our people retention declined from 91% in FY 2020-21 to 79% in FY 2021-22; however, we successfully retained 100% of our senior management. One of the principal impacts was that our people costs increased – from ₹3,142 Lakh in FY 2020-21 to ₹3,500 Lakh in FY 2021-22; as a proportion of revenues, our people costs increased from 55% to 57%.

Q: How did the Company address this challenge?

A: The Company continues to provide a passion-driven workplace environment. The talent that works with the company is cognizant of the fact that the company is playing a missionary role in enhancing the acceptability of RegTech. This body language is evident in virtually every single employee of our company, making their engagement with us meaningful and extending well beyond the transaction. I must also mention that during the last financial year we cleared the dues backlog of dues that had been pending for some years. It is a credit to the company that this outflow could be addressed without affecting the working capital. The only amount pending on this account is the liability for promoter Directors, which should result in an outgo of a little below ₹2 cr during the current financial year.

Q: Are you optimistic of prospects for the sector and the company?

A: The worst appears to be over, 'From the relative inaction of the last couple of years from the regulators' side, there are now signs of an emerging capital expenditure environment. This may not transpire overnight; we see this translate into revenues for companies like ours in a couple of years. Once that scenario emerges, we see the beginning of a large and long cycle. It would be fair to say that we are the cusp of an attractive revenue trajectory.

Q: What are some of the other business segments you are confident will do well?

A: The GST reporting side of our business appeared to be consolidating. The government intends to widen the application of e-Invoicing related to GST compliance to all businesses with the perspective to widen tax coverage. The Invoice Registration Portal (IRP) that addresses this invoicing mandate has been so far managed by NIC. The GSTIN awarded IRP status to four private sector companies, of which we are one. What encourages us is that out of the 90 applicants that were originally appraised for this, we were among the four to be selected. We are optimistic not just on account of the probable business that could emerge from wider GST coverage; we are also optimistic that this could grow into a digital invoice driven eco-system that opens up other opportunities. In addition to GST-related developments, the RBI-driven business related to automated risk and financial reporting by banks increased in the last financial year and this trend is likely to sustain.

Q: How will these growth initiatives translate into the company's performance during the current financial year?

A: The outlook is one of guarded optimism. We foresee revenue growth moving up in the current year. We foresee a deceleration in expenditure growth, which could widen our margins. We also foresee a higher ARR that could enhance revenue visibility that could potentially enhance value for all those engaged with our company.

Snapshot of how our business segments performed

Collect: In the wake of the Covid pandemic, most regulators slowed ongoing implementations and new initiatives and this affected the 'Collect' business. Revenues declined 12% following the contraction in our markets in 2021-22; the proportion of this business declined from 46 % to 38% of our overall revenues and we were not able to add new clients in this business.

Create: Though travel bans prevented in-person meetings and affected sales and marketing activities, the growth in this segment saved the day for the company, increasing 26% and rising from 49% to 57% of our overall revenues as we added clients in Europe (ESMA mandate) and in the US (FERC mandate).

Consume: This segment is largely pre revenue as we are in the process of introducing products in the market. Revenues from this business increased 4% while within the overall corporate scheme of things, the contribution remained at the same level of 5%.

The evolving world of RegTech

In the world of reporting compliances, the one decisive step forward is in the area of technology harmonisation.

The world is moving to data and reporting standards so that inputs from different sources can 'talk' to each other.

Going paperless no longer refers to when the same document is emailed or uploaded electronically. It refers to a world where documents give way to data. The document is no longer material; the data is.

As data moved to the centre stage, questions were asked about how data should be submitted, should be machine-readable and should be inter-operable, leading to the emergence of data formats and data standards. New improved formats emerged as and when old standards were found to have limitations.

The full benefits of the initiatives will accrue when standardisation happens across the country, across regulators and across government departments. Businesses will gain as the regulatory burden eases and oversight by regulators improves. Access to capital could get easier. Corruption could decline as transparency increases.

The results could be sweeping, enhancing business and life ease for millions.

As a company based in Navi Mumbai, we have to deal with three sets of regulators: Central, state and local. We are accountable to more than 30 regulators, who, between them, require us to submit data at least 100 times every year, if not more. For example, to the Government of India, we submit data on Income Tax, the Goods and Services Tax (GST), Provident Fund etc. As a public company, the listing agreement with the Bombay Stock Exchange (BSE) requires us to make disclosures as well. And then as an exporter, there are disclosures to be made to Reserve Bank of India (RBI). At the state level, the Maharashtra government requires us to pay Professional Tax and submit a monthly report. The state government also requires us to make a whole set of disclosures pertaining to the staff employed in the organisation.

And finally, we have Navi Mumbai Municipal Corporation (NMMC), the local government whose nod we need to operate a business under the provisions of the Shops & Establishment Act. Some of our submissions are in a standard called XBRL, some in XML, and GST in a format called JSON even as we submit much else in free text and by hand. We submit our annual report to the Registrar of Companies in XBRL and to the stock exchange too (separately). In this 21st century, many regulators continue to ask for submissions in paper forms that need to be filled out, which is inefficient.

Regulators will benefit from being able to share information with each other more easily. For the regulated, the compliance burden will decline, leading to significant savings in the cost of compliance and an improvement in the ease of doing business.

XBRL is a form of XML but delivers data much richer than XML and goes way beyond. With XML, the computer can figure out what the data is but with XBRL, the computer knows what the relationships may be between the various data elements in the submission, making it richer. For example, an XML file will let the computer know where in the file a company may have reported 'Profit after tax,'; the XBRL file will tell the computer additionally that 'Profit After Tax' is 'Profit before Tax' minus 'Taxes.' With this knowledge, the software can check the data for errors. This ability to validate data is why XBRL is rapidly emerging as the preferred standard for regulators worldwide.

SEBI, the Indian capital markets regulator, has asked all public companies to make their disclosures in XBRL. In USA, all government grant reporting is beginning to move to this structured format. Following the signing into law of Data Act by President Obama, the law has bipartisan support. At least one regulator in as many as 60 countries around the world has adopted it and the rush to embrace it is visible.

XBRL is just one format; there are other formats that have come up because of the limitations of XBRL. For one, it is viewed as complicated and, given the richness of the data, the XBRL file turns out to be heavy and may end up consuming not just bandwidth but also processing power at both ends, the sender and the recipient.

India's agency for collecting information on GST, after initially toying with the idea of implementing XBRL, decided to finally settle for JSON. Similarly, the Financial Intelligence Unit asks for data in XML, even as the Internal Revenue Service (IRS) in the US asks for FATCA reporting in their own flavour of XML.

When data is structured based on the globally available standards, for preparing (such as IFRS) and reporting (such as XBRL), value is created with enriched information. Use of standards for data makes it consumable and comparable.

With 200 countries and at least than 10 regulators in each country, the opportunity size, with even a low USD 0.5 Mn spend by a typical regulator, could lead to a USD 1 billion opportunity.

There is another perspective that has emerged in the last few years, underlining the importance of business models centred on compliance and analytics. A vast majority (83%) of 150 North American and European companies (with revenues >USD 1 billion) surveyed by the Harvard Business School were found to be generating losses amounting to USD 1.38 billion per annum on an average. Interestingly, these losses were derived not from below-par products, inefficient marketing or supply chain discrepancies but from regulatory transgressions. The cost per incident stood at USD 325 million while the average total loss per annum stood at USD 260 million (0.7% of annual revenues) with regulatory issues being the most common cause of alarm – a stunning 44%.

There is another factor that makes the case for data structuring compelling. With the global economy growing swiftly, there is a premium on the need to report periodically to regulators with the objective to keep the system immune to financial risks. Corporates are convinced that regulatory compliance (a part of the overarching governance movement) represents the bedrock of the modern world. Each of these factors – data analytics and regulatory compliance – are driven by a fundamental application of data structuring solutions comprising the use of a clutch of information standards such as XBRL.

Big numbers

780

Billion, USD, cost due to financial regulation fragmentation

(Source: IFAC)

Enterprise	Government	Financial system	Industry
Reduces compliance cost Enhances data quality Better access to government grants	Efficient regulations and policy decisions High investment inflow Opportunities in data business	Promotes digital lending frame work Lower number of frauds Lower credit cost	Surge in IT and compliance industry Promotion of fintech Automation/data availability of data apps

Format	Paper	Documents	Data
Format	Handwritten Typed	Disk Documents PDFs Files	<XML> {JSON} <XBRL> {SDMX}
Method	Manual/Physical submission	Emails/Internet/ Physical submission	System-to-system interaction, zero manual intervention

Perhaps the most successful case of XBRL adoption in India is by the Reserve Bank of India. Even as it led to improved regulatory oversight, it reduced compliance burden for banks while rendering data of higher quality. The NPA crisis in India was on account of misreporting, which became expensive for banks that choose to fudge data. The inbuilt validations compel banks to report truthfully, resulting in informed policy making. The Reserve Bank of India implemented XBRL in a phased manner to bring all the prudential returns which the regulated entities need to file.

The global RegTech segment is at an inflection point

Big numbers

7.6

USD Bn, global RegTech market size, 2021

19.5

USD Bn, global RegTech market size, 2026

20.8% growth during the forecast period

(Source: markets and markets. com)

Value from RegTech

- Deployment of regulatory technology to enhance Know Your Customer & Anti Money Laundering by implementing regulatory technologies
- Changing government policies and country regulations
- Increase in collaboration between national regulators and financial institutions
- Varied & conflicting regulations across different jurisdictions
- Increase in GDPR concerns across regions
- Detection of fraudulent activities; minimisation risks of errors
- Integration of connected devices with Internet of Things (IoT) and artificial intelligence (AI) solutions
- Automation of manual compliance processes, enhancing efficiency
- Creation of a fully integrated technology stack optimised for business

Why SaaS represents the future

Big numbers

212.20
USD Bn, global SaaS market, 2021

240.61
USD Bn, global SaaS market, 2022

374.48
USD Bn, global SaaS market, 2026

(Source: the business research company)

Value from SaaS

Incremental: Every line of additional code makes the product better and generates a higher realisation

Revenue visibility: Improved product protects customer retention

Value-addition: Reconciles declining marginal cost and limitless scalability

Cost-light: Removes the need for complex software and hardware.

Remote working: SaaS facilitates remote working from anywhere.

Talent-light: SaaS reduces customer's IT staff and costs

Scalability: SaaS offers scalability, which gives customers the option to access more or fewer services or features on demand.

Low involvement: Customers merely need to subscribe to a SaaS offering with predictable budgeting and the flexibility discontinue anytime

Customisation: SaaS applications are often customisable; they can be integrated with other applications, especially those from a common software provider.

Economical: SaaS products are more cost-effective than a traditional software license for enterprise software

Perspectives of global business leaders on the growing importance of XBRL

Select excerpts from their exclusive conversations with the IRIS senior management

"I have often been asked: why are you optimistic about the XBRL format? The simple answer: Better data equals better decisions. In an increasingly digitised world, credible data represents the heart of all informed decision-making. By this definition, the most competitive companies are those that possess superior data quality. The XBRL format enhances access to structured data, which makes informed decision-making and superior responses a reality."

"There is a movement towards the simplification and modernisation of reporting standards. This is leading to increased accessibility, discoverability and impact. We believe that one needs to keep hammering this message at regulators. One is hopeful that this patient communication will continue to widen the market for the XBRL format."

"Seventy countries have embraced XBRL, which is a fair critical mass or network effect for the rollout to be deeper within those adopted and wider across the yet to be adopted countries that are yet to embrace XBRL. This growth has been the result of the early pioneers who evangelised this format, helping moderate the complexity related to reports submission and analysis. The building blocks – skills, taxonomy etc. - are in place for XBRL reporting to graduate to the next level."

"The opportunities for XBRL will come from wider applications inspired by different regulatory agencies within existing markets and entry into completely new markets. There are some markets where XBRL reporting has made appreciable inroads in securities filings; there are others where it has not. There are some countries where it is finding traction in ESG reporting; that are a lot of countries where this trend is yet become evident. This provides me with optimism that the market for XBRL reporting will not only widen but also deepen."

"Only a moderate per cent of all regulators get their reports in the XBRL format, which leaves a vast head room waiting to be exploited."

"The optimism related to XBRL's acceptance as a reporting format is derived from the fact almost every central bank in a country is seeking to do new productive things. Several CEOs are being asked 'What are you doing today to ensure that you graduate to a stronger reporting benchmark across the future?' In turn, this question is being inspired by a greater need for granular data across various sectors. Data and information represent the foundation of modern-day governance; reporting in the XBRL format is completely aligned to this trend by facilitating the transition. Having said this, let me also say that even as most regulators are conscious as trustees of public wealth with corresponding accountability, there is an irreversible movement towards XBRL reporting. The direction is not under question; the speed could be better."

"The question generally asked: is there a competition to reporting in the XBRL format on the horizon? An honest answer: not that one can see any. In a technical sense, the PDF and MS Excel formats could be considered as 'competition' when submitting documents to financial regulators. However, there is an important point: these formats present data in an unstructured format at a time when most regulators need data that can be read, classified, cross-references and deduced. In view of this, XBRL continues to be the preferred format. There could always be a start-up claiming that it developed a superior reporting format but the reality is that it would still need to compete with XBRL for functional ease, critical mass and supporting eco-system. "

"The one way in which XBRL reporting could be catalysed is if some of the most influential global agencies start asking their affiliates and reportees to start submitting documents in the XBRL format. Take the US Exim Bank for instance. The day this institution begins to insist that all its customers and stakeholders begin to submit documents in the XBRL format, there could be a cascading impact across thousands of organisations. The same applies to USAID; the day it begins to insist on this direction, a fresh XBRL ripple could extend across the world. If service providers address the entire cake of offerings when this happens instead of merely addressing the icing on the cake, then there would be a considerably deeper traction for XBRL reporting."

"The one area that provides considerable optimism is that there is a greater insistence on the use of XBRL reporting in ESG reporting. This is where the International Sustainability Standards Board comes in: a new reporting mandate is expected to come into play in Europe in late 2021; Asia is expected to follow the ISSB standard; USA will come in; more regulators will embrace the ISSB taxonomy, deepening XBRL's acceptance. That is on the reporting side; the fundamental direction towards green projects, financing and reporting is likely to accelerate at an unprecedented pace as the world decarbonises faster than ever. The bottomline is that if green energy investments increase there will need to be a corresponding increase in audited ESG disclosures in the XBRL format inspiring informed investment and policy decisions. By this yardstick, the greener the world becomes, the wider the use of the XBRL format."

Foundation

In a world where data is abundant, there is a growing need for its structured streamlining

IRIS offers products that streamline extensive data leading to solutions and conclusions

Overview

In April 2022, there were five billion internet users worldwide, 63% of the global population. Some 4.65 billion individuals were social media users. In 2021, users spent an estimated 192 minutes per day online, primarily via smartphone. The average monthly usage per smartphone is expected to surpass 15 GB globally in 2022 (Source: Ericsson.com)

Following 5G introduction, data traffic generated per minute of use will increase significantly in line with the expected uptake of new XR and video-based apps. In 2027, 5G subscription penetration in North America is predicted to be the highest of all regions at 90%.

In this rapidly exploding world of data, there is a priority on its structured accessibility leading to informed decision-making. At IRIS, we are engaged in work that is important for the world: we create the software products that classify sizable data under respective heads that makes it possible for patterns to be deduced. In a world that increasingly trusts facts and contexts, the relevance of a company like ours is expected to perpetually grow.

Ethics: At IRIS, we are referred to by our stakeholders as a company with its 'heart in the right place.' We will not engage in anything against established moral norms. The result is that we practice the highest standards of gender respect, sexual harassment intolerance, impatience with ethical impropriety, recruitment without partialness, respect for human dignity and compliance with environment integrity.

Holistic: At IRIS, we focus on the benefit of all our stakeholders. Our customer must benefit from an effective and cost-effective way of doing things; our employee must derive a sense of ownership and purpose; our investor must generate a superior investment return; the community must benefit from our presence; the government must benefit through taxes and livelihood creation; our vendors must benefit through the outsourcing of products and services

Endurance: At IRIS, we have survived, adapted and succeeded (relatively) because we have brought to our business a focus that extends beyond short-term arbitrage and seeks to build long-term value. This commitment has translated into decisions related to recruitment, technology investments, locations and customer selection.

Board of Directors: At IRIS, we have placed a premium on our Board composition. Our Board members have enriched our business understanding and experience bandwidth. In a seven-person Board of Directors, four are Independent. An Independent Director is the Chairman of the Board.

Role: We create taxonomies on how we expect to collect and utilise information customised around the businesses of our customers. We collect information, classify, store and compare information, leading to responsive decision-making. Besides, our products enter customer domains and handle privileged information, an index of the trust we evoke.

Delight: At IRIS, we positioned our company around a high benchmark – superior customer satisfaction derived from the ability to understand the customer's need and respond with a neat-fit solution. The result is a recall that 'IRIS will generate a solution that will exceed our expectation.'

Personality: At IRIS, we believe that the future lies in pay-per-use as opposed to outright product sale. The result is that we have positioned ourself as a Software as a Service company where our product offering translates into customer stickiness, predictable cash flows and higher revenue visibility.

Frugal: At IRIS, our culture can be described as responsibly frugal. Our increase in fixed expenses have matched or under-performed historic inflation. We have also grown our revenues without sizable net worth infusion. The cost of customer acquisition is below the SaaS sector average.

Focus: At IRIS, we have not generalised; we have selected to specialise. This has empowered us to deepen our business understanding which is then adapted to the products we provide. The result is that our products are deepening a culture of compliance, the license provided by regulatory agencies for companies to remain in business. We do not just make compliance a reality; we increase compliance effectiveness, convenience and cost-effectiveness for customers.

Audit and compliance-driven: At IRIS, we do not just market compliance-strengthening products; we practice on ourselves. We strengthened our audit-driven and compliance-driven commitment. Our compliance process has graduated from a paper-driven to digital discipline marked by alerts and stage-wise escalation of issues.

Case study

How Eni. S.p.A, one of the early adopters of ESEF iXBRL mandate chose IRIS CARBON®

Customer profile

Eni is an Italian multinational oil and gas supermajor operating in 68 countries. It operates in sectors like refining, extraction, distribution machinery, nuclear power, chemicals and plastics, mining, textiles, hospitality and event news.

Business challenges

Eni's financial reporting team was unsure about the best way to tackle the oncoming mandate for their own Annual Financial Report (AFR). It was a crucial decision to get a large reporting team to work on an entirely new format and choose between the two routes to compliance. Eni also had to ensure that its system, platform or service of choice did not disrupt its processes and workflows and worked seamlessly in conjunction with them. It became imperative for Eni to find a solution that would augment its existing systems.

Why Eni chose IRIS CARBON®

Eni chose IRIS due to its proven expertise and more than a decade's XBRL-based regulatory reporting experience. IRIS CARBON®'s approach to ESAF reporting was straight forward: allowing Team Eni to adapt with the mandate in no time. Eni found the IRIS CARBON® platform user-friendly, offering a comprehensive set of features to enhance efficiency. The platform offered the best price-to-performance ratio, allowing Eni to accomplish all reporting objectives cost-effectively.

The IRIS CARBON®'s approach

Eni's first mandatory 2021 iXBRL was created using the previously approved 2020 iXBRL. The same set of tags used in the 2020 iXBRL was reapplied to the 2021 annual report by our XBRL expert team. The team reviewed and validated the ESEF package before providing access to the Eni team for review. Eni's team reviewed the tagging and validated the report using the IRIS CARBON® platform and published the 2021 ESEF iXBRL AFR with the regulator and on their corporate website.

Key results achieved

Eni conclusively finalized the approach to file ESEF reports on iXBRL. Comprehensive training with IRIS CARBON® experts equipped Eni to manage the entire ESEF filing. Eni could conduct dry runs and test all processes in iXBRL generation using the 2020 Annual Report. IRIS CARBON®'s review module allowed Eni's teams to review and sign off on all the relevant sections of Annual Report. The culmination of all these activities led to the creation of a successful 2021 ESEF iXBRL Annual Financial Report, filed well in time.

Case study

How we pleasantly surprised Southwest Power with our IRIS CARBON® product

Customer profile

Southwest Power Pool is a US regional transmission company that supplies power to the central United States. The company manages the electricity distribution of high-voltage electricity across 60,000 miles.

Business challenges

When Federal Energy Regulatory Commission announced its XBRL mandate in June 2019, Southwest Power Pool needed to file its Form 1-3Q in the new format. The finance team at SPP needed a solution that would make the FERC XBRL filing smooth. The immediate challenges comprised:

- Understanding a new mandate with a closed XBRL taxonomy
- Identifying the right software for FERC XBRL compliance
- Selecting a team with the right XBRL expertise and experience
- Getting the SPP finance team trained in this new software

Southwest Power Pool used the user-friendliness of a FERC XBRL filing platform as a key criterion in its quest for suitable compliance software.

Project objectives

SPP's financial team determined that IRIS CARBON® was the best FERC filing solution. Team IRIS CARBON® demonstrated the utility of the platform to the SPP finance team to familiarise with the platform's capabilities. Both teams jointly identified the objective of error-free 2021 Q3 FERC XBRL filings, IRIS CARBON® platform training and support throughout the filing process.

The IRIS CARBON® approach

IRIS CARBON® handled the FERC Q3 2021 XBRL submission for Southwest Power Pool in three phases. A successful partnership was key to the approach's success. IRIS' 24/7 support ensured that the quarterly filing was error-free, punctual and a success. The auto data-upload capability and timely support from the customer success team were two of the highlights of this project that the SPP team appreciated. The upsides of the project comprised the following: smooth XBRL compliance software selection, seamless transition to a new platform and timely Q3 2021 FERC XBRL filings.

"I liked the template upload feature for easy data capture into the platform. This platform is easy to navigate across different schedules. I appreciate the response of IRIS' well-informed customer support team".

Anita Mitchell
Senior Accountant Southwest Power Pool

Case study

How we delighted Reka Industrial Oyj with iXBRL creation using IRIS CARBON®

Customer profile

Reka Industrial Oyj is a Finnish industrial company operating in the cable and rubber industry.

Business challenges

The European Single Electronic Format (ESEF) mandate, which became effective in January 2020, requires publicly traded European Union companies to submit their annual reports in the xHTML format (instead of PDF). The Inline Extensible Business Reporting Language (iXBRL) format makes the document human-readable and machine-readable, a transparent business reporting environment. Besides, the new iXBRL format facilitates the analysis and comparison of financial statements. While the format does not alter the rules of financial reporting as specified by regulators, it changes the manner in which financial reports are made.

Reka Industrial Oyj needed to comply with the ESEF mandate, seeking solutions that overcame the fact that no Reka was unfamiliar with the iXBRL format and there was a need to address the filing deadline.

Reka began to look for an ESEF compliance software to help build Reka's capability related to iXBRL reporting and reconcile quality reporting with affordability.

Project objectives

Reka and IRIS CARBON® commenced the ESEF compliance journey to address the following goals: understanding the scope of XBRL, iXBRL and ESEF's mandate; training in iXBRL report creation and review using the IRIS CARBON® platform; managing iXBRL report creation (Finnish and English); there was a need for a smooth audit process for Reka's ESEF documents; there was a need for the independent handling of ESEF documents (voluntary and live filings).

The IRIS CARBON® approach

Reka's ESEF reporting was handled by IRIS CARBON® in methodical stages that comprised setting up the annual report, training, starting out, tagging, extensions, anchoring, validation, generation of the output file and tagging the next year's report from the previously approved iXBRL document.

Key results achieved

Team Reka achieved its objective by leveraging the iXBRL reporting and compliance solution provided by IRIS CARBON®. The solution built Reka's capability to manage iXBRL, set up a process to manage the company's ESEF iXBRL filings, provided end-to-end handling of the 2020 iXBRL tagging process for voluntary filing and concluded a successful 2021 ESEF iXBRL filing.

"I would recommend IRIS CARBON® to everyone searching for ESEF reporting software. The platform is functional and facilitates efficient tagging. The support team was helpful. The training sessions were helpful and queries were resolved quickly."

Minna Palander
Chief Accountant, Reka Industrial Oyj

Case study

How IRIS CARBON® made iXBRL tagging easy for Vilkyskiu Pienine

Customer profile

Vilvi Group is one of the largest producers of dairy products in the Baltic states. The company processes more than 670 tons of milk and turns out over 200 tons of dairy products each day. The group operates five food processing factories and approximately 80% of the company's turnover comes from exports.

Business challenges

From January 1, 2020, the European Securities and Markets Authority (ESMA) required listed EU companies to prepare annual reports in the digital Inline XBRL (iXBRL) format as per the ESEF mandate. The iXBRL format was intended to replace the PDF format on account of functional comparison. The Lithuanian Stock Exchange-listed Vilkyskiu Pienine AB encountered the following challenges: no expertise in iXBRL tagging; needed assistance with the auditors' review of ESEF reports.

Why Vilkyskiu Pienine chose IRIS CARBON®

Team Vilkyskiu Pienine AB needed an ESEF compliance process that was cost-effective. IRIS CARBON® was strongly referred for its ESEF reporting solution and services leading companies around the world. The project objectives comprised the following: comply with the ESEF mandate within the defined timeline; working with instant support for iXBRL creation and deliverables; error-free generation of ESEF iXBRL documents.

The IRIS CARBON® approach

Vilkyskiu Pienine AB's ESEF reporting assignment was addressed by IRIS CARBON® in the following manner: A dry run iXBRL report was created for the 2019 Annual Report; the report was uploaded on the IRIS CARBON® platform and the XBRL tags relevant to Vilkyskiu Pienine AB's disclosures were selected from the ESEF taxonomy and applied to the disclosures. For company-specific disclosures with no corresponding ESEF taxonomy tags, IRIS CARBON® experts created extension elements. These extensions were further defined by anchoring relationships. Team IRIS CARBON® proceeded to validate the report to ensure it was error-free.

IRIS CARBON® trained the client team with an overview of the dashboard to help track progress. The auditors reviewed Vilkyskiu Pienine AB's 2020 iXBRL annual report and signed it off (as approved), which could be leveraged while creating the next year's (2021) iXBRL annual report. The IRIS CARBON® platform with an XBRL International-certified validator – IRIS Bushchat – enabled Vilkyskiu Pienine AB to conduct real-time validations and identify errors in the iXBRL 2021 annual report, saving time, making the file error-free and of the highest quality.

Key results achieved

Vilkyskiu Pienine AB used IRIS CARBON® to comply with the ESEF mandate. Its team found IRIS CARBON® available to support them through each phase of the ESEF reporting process. IRIS CARBON®'s educational videos and self-help material helped team Vilkyskiu Pienine AB understand the ESEF mandate and its requirements, setting the stage for quality compliance.

> "IRIS CARBON was exceptionally helpful in assisting us with the ESEF iXBRL mandate. The platform is user-friendly and easy to use. The ability to write comments to the support team proved to be absolute godsend. Its XBRL expert team was quick to respond to queries and provided all the information and training material that we needed to make our ESEF filing extremely smooth."
>
> **Karolina Šematulskienė**
> Chief Accountant, Vilkyskiu Pienine

What makes the prevailing global reality exciting for IRIS

Unification: The age of paper is over; compliances are carried out on technology platforms today. This is one part of the story. The other part is that the world is moving towards standardised technology platforms for convenience and elimination of keying information multiple times.

Data-driven: The world is abundant with data, putting a premium on selectivity. Besides, governments are now making an increasing use of data for their decision-making, enhancing the importance of compliance.

Report-format agnostic: The world is moving towards format-agnostic reports, irrespective of whether the format required is PDF, MS Excel, MS World, XML or XRBL. In a world where the customer does not want to know that it cannot be done, we believe this is a huge opportunity for the format-agnostic work we do.

Cost advantage: There is a growing need for companies that need to comply to moderate their cost of compliance (by reducing multiple filing through superior technology).

Pandemic relevance: In a post-pandemic world, remote solutions have gained root, empowering auditors to address responsibilities without compromising safety.

Foundation

The IRIS competitive advantage

RegTech

Specialisation: Focus on RegTech through SaaS offerings

Commitment: Focus on growing the business through the long-term and not seeking the next opportunity to flip or exit

Conservative: Resistance to burning the promoter's equity stake to grow the business, protecting the promoter's skin in the game

Discipline: Run an unconventional business around cost austerity, cross-segment funding lines and remaining viable across market cycles

Conventional: Will not blow money to 'buy' customers and recover investment across the long-term

Strategic: The Company is managed by contrasting promoter personalities, serving as a check and balance

SaaS focus

Products priced as pay-per-use

Low upfront cost for the customer

One-time product development costs

Margins traction after a sales threshold

Multi-year customer engagement

Possibility of creating a multi-year cash-rich business

Business adjacency

Revenues from products increasing steadily

Increase in annuity revenues from ₹3,166 Lakh in FY 2019-20 to ₹4,757 Lakh in FY 2021-22

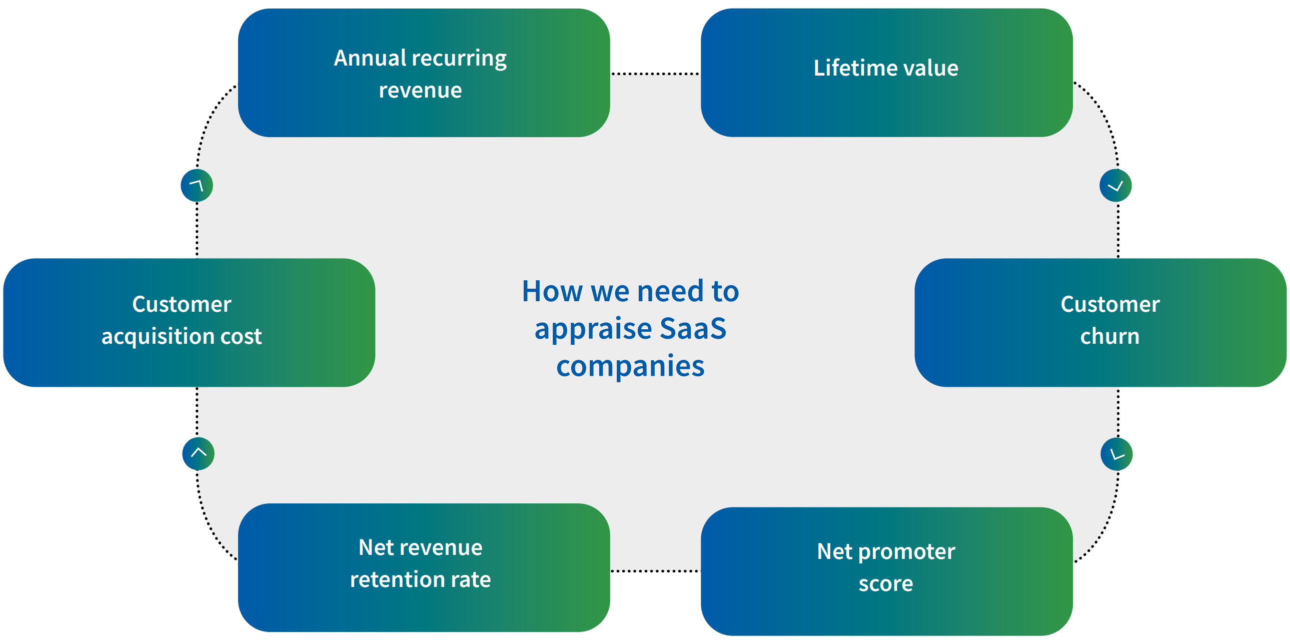
Attracted innovation-driven software engineers focused on product creation

Product 'ownership' enhanced people retention

Costs moved up marginally, while revenues increased through enhanced productivity

Business growth

IRIS addressing growth opportunity; limited XBRL competition	IRIS attractively placed on account of attractive price points, customer credibility and quality services.	IRIS will invest deeper in sales and marketing to widen geographic footprint
IRIS will focus on enhancing annual recurring revenue and annuity-like incomes	IRIS will strengthen its Create business, marked by quicker receivables.	IRIS is a geographically diversified company; small increase in geographies could scale growth



What our employees have to say about working in IRIS

"My best at IRIS was when I worked with overseas clients. I was thrown into a zone where I needed to manage everything. I was given key responsibilities by Senior Managers and Directors, getting queries resolved and managing offshore-on-site teams. These responsibilities shaped me in various ways as a person and professional."

Shraddha Bagul,
Customer Success Head-Europe and XBRL Domain Expert

"During the process of obtaining an IRP license, we went through a rigorous work resolution where the management gave me enough liberty. The senior management team did not interfere in any of my instructions and decisions. There was constant management support, which did not scrutinise my part and gave me the full independence to express my ideas to put across to technology partners."

Sourajit Basak,
Senior Solutions Architect, Kolkata

"The best part about the company is the opportunities it gave me to interact with and visit overseas clients. When the ESMA mandate was introduced, I had a chance to go to Europe to train one of our Italian clients to use our product. In the evening, after the day's training sessions were over, I would walk the streets of Rome – one of my most cherished memories. I also went to Lisbon to meet prospective clients and demonstrate what our product could do for them."

Rohit Bansal,
Customer Success Head-US and XBRL Domain Expert (US & Europe)

"IRIS is like a family, where employees often return after moving to another company. This is because IRIS provides freedom at work, sometimes bottom-up research and explores new ways of working. This facilitates all-round employee development. Even though it is a small enterprise, many employees learnt entrepreneurial skills in IRIS and went on to establish their own companies because of the all-round development opportunity provided by IRIS."

Hemant Trivedi,
Project-Lead, Mumbai

"In other organisations, the communication is restricted and the employees talk about only work. IRIS has always provided the opportunity to express one's view point without being judged. This is something I have always enjoyed: the ability to voice my thoughts without fear."

Neena Sethi,
Product Manager, Mumbai

Our RegTech business is structured across three verticals

Enhancing customer clarity

Facilitating specialisation

Enhancing responsibility and accountability

Helping create brands for the vertical

Collect

Software platform for regulators to collect pre-validated submissions from those that they regulate

Taxonomy & consulting

Taxonomy design and development, Taxonomy testing and review, Training, R&D

IRIS iFile

On-Prem Filing platform for regulators to help them receive pre validated data

Create

Offerings range from enterprise software to Cloud / SAAS to create documents ready to be filed with regulators

IRIS CARBON

SAAS-based Structured Document Authoring and Compliance Reporting Platform

IRIS iDeal

On-Prem Solution for banks to automate their reporting

IRIS GST

SAAS-based end-to-end solution to facilitate GST reporting in India

E-Invoicing

SAAS-based e-Invoice creation and management; seamless integration with IRISGST

Consume

Software tools for data analysis. Plus, a global repository of normalised financial data culled from filings, if available publicly

IRIS Credixo

GST data feeds to facilitate lending decisions Data As A Service (DAAS)

IRIS Peridot

Mobile / DAAS App to verify GST compliance and APIs to pull such data

Management Discussion and Analysis

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from USD 929 billion in 2020 to an estimated USD 1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

As economies across the world were determined to bounce back to normalcy post the two-year COVID-19 slump, the growth trajectory was halted again due to the Russia Ukraine conflict. While this conflict had serious humanitarian implications, it was tough on the global economy with supply-chain disruptions, rising commodity and crude oil prices. This was further hit by China's restrictions given their zero-COVID policy with frequent and wide-ranging lockdowns in key manufacturing hubs and shutting of port activity. As a result, the global economy is projected to grow at a modest 2.6% in 2022. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicenter

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Most of the economies across the world are estimated to slow down in 2022 due to policy support withdrawal, rising inflation and supply-chain related disruptions. Political turmoil coupled with inflationary pressure sourced by a rise in interest rates have dampened the future in the short term.

Indian economic review

According to Economic Survey 2021-22, the Indian Government's thrust on capital expenditure and conducive policies to lift the economy from the COVID-19 pandemic is expected to result in 8.7% real GDP growth in 2021-22 as against a contraction of 7.3% in 2020-21. The trinity of high foreign exchange reserves, continuous foreign investments and rising exports will shield the economy from the possible global liquidity tapering in 2022-23.By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its population at around 1.40 billion is the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of FY 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector grew 3.9%, mining and quarrying grew by 14.3%, construction grew by 10.7% and electricity, gas and water supply grew by 8.5% in FY 2021-22.

There were positive features of the Indian economy during the year under review.

India gets the highest annual FDI inflow of USD 83.57 billion in FY 2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed ₹88,000 cr target set for asset monetisation in 2021-22, raising over ₹97,000 cr with roads, power, coal, mining and minerals accounting for a large chunk of the transactions. The Indian government launched a four-year ₹6 Lakh cr asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through FY 2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at ₹1.42 Lakh cr, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 cr in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD 3.21 trillion in March 2022.

The fiscal deficit was estimated at ~₹15.91 trillion for the year ending March 31, 2022 on account of higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29

Lakh in 2020-21 to ₹1.50 Lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record ₹27.07 Lakh cr in FY 2021-22 compared with a budget estimate of ₹22.17 Lakh cr. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY21 to 11.7% in FY22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasising the role of PM Gati Shakti, inclusive development, productivity enhancement & investment, sunrise opportunities, energy transition and climate action, as well as financing of investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 Lakh cr to ₹7.50 Lakh cr. The effective capital expenditure for FY23 is seen at ₹10.7 Lakh cr. An outlay of ₹5.25 Lakh cr was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 cr was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 Lakh cr was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 Lakh cr was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

India's medium-term optimism is derived from the fact that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of nonperforming assets, scams and overcapacity could be over; the medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over; the short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine rollout.

There is a possibility of each of these downtrends having played out, which could well lead to a multi-year revival in capital investments. Some USD 500 billion worth of investments are expected to be made in the wind and solar infrastructure, energy storage and grid expansion.

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)–led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Global regulatory technology

The global RegTech market size is expected to grow USD 7.6 billion in 2021 to USD 19.5 billion in 2026, growing at a CAGR of 20.8% between 2021 and 2026. North America is expected to retain its position as the largest RegTech market by revenue. This growth was largely driven by the rise in fraudulent activities, increasing need for compliance management, reducing compliance costs and need for consistency and transparency. RegTech provides various technological solutions to meet the regulatory criteria of numerous sectors.

Key drivers of the RegTech industry

The RegTech segment witnessed exponential growth owing to the emerging regulatory scenario and sustained funding of other industries. Here are some other drivers:

The online shift: Businesses and compliance practices are getting increasingly digitised. Therefore, RegTech industry is expected to grow as complex task and technology will play an important role to meet compliance timelines and norms.

Business efficiency: Businesses are saving valuable time and significant costs by automating compliance processes that could otherwise make them unviable. The other benefits include better customer experience and faster growth. Industries like hospitality and travel are expected to witness significant changes in this front.

Data regulations: Analysis of collected data by the regulator used to be a manual process, restricting the potential to monitor completeness or accuracy. At present, with the ubiquity of big data, financial products and growing regulatory requirements, the old compliance processes are unmanageable. The right regtech investments would bridge this gap.

Tech stacks: With the availability of myriad solutions, firms can create a fully integrated technology stack optimised for their business rather than a one-size-fit all approach that would not work due to the complexity of the regulations. (Source: Economic Times)

Global Saas market review

The global Software as a Service (SaaS) market was pegged at USD 212.20 billion in 2021 and is expected to reach USD 374.48 billion by 2026. The cost-saving benefits of digital technology is steering the demand for diverse kinds of software for various reasons. Software as a Service (SaaS) preserves software programmes and vital data on a cloud platform, eliminating the requirement to establish and maintain local infrastructure. The requirement for manual data backup is eliminated by allowing for scheduled backups, ensuring data integrity and security in an organisation. (Source: globenewswire.com)

Factors driving the progress of Indian SaaS companies

The Indian SaaS segment attracted around USD 4.5 billion of investment in 2021, registering a record 170% growth compared to USD 1.7 billion in 2020. This growth is fueled due to the following reasons:

Quality products: Indian software companies launched quality products as per global standards.

Skilled talent: Indian domestic engineering colleges provide a large and increasing pool of skilled talent to Indian SaaS companies.

Cost competitiveness: Indian SaaS companies operate within reduced cost structures compared with peers from developed nations, marked by increased priority for prompt cash management for sustained growth.

Service: Indian SaaS companies have adopted a decent service culture strengthened by an existing culture of successful IT and Business Process Outsourcing (BPO) industries.

Category: Indian SaaS companies forayed into new categories with an increased focus in excellent customer experience and innovation.

Sales effectiveness: Indian SaaS companies have strengthened their sales excellence by learning from early achievements and through the launch of US headquarters

Enterprise product strategy: Indian SaaS companies created products to cater to the complexities (scale deployments, migration, security and compliance) of their enterprise clients.

Research-driven: Indian SaaS companies established large research and development centres in India.

Positive developments in key markets

Europe

The European Securities and Market Authority (ESMA) introduced the Electronic Single Electronic Format (ESEF) in which issuers on the EU regulated markets were expected to prepare their annual financial reports in Inline XBRL. There are 4700 + Companies including the UK companies who were needed to file in iXBRL from January 1, 2021 onwards. However, due to the COVID pandemic the European Commission allowed certain relaxations. By the end of the year 2022, all listed companies having IFRS consolidated statements in Europe and UK would have filed once as per the ESMA ESEF mandate.

There is a significant momentum in Europe around ESG reporting in the medium term with the European Commission coming out with the Corporate Sustainability Reporting Directive (CSRD) in April 2021 and signalling the need to use electronic reporting standards like the Inline XBRL. This directive is expected to cover more companies, over and above the listed company universe.

Europe could soon see information for retail investors being reported in iXBRL. Both the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA) have recently provided advice to the European Commission on improving the protection for retail investors.

US

The Securities and Exchange Commission (SEC) mandates listed companies to file quarterly and annual reports in iXBRL format. SEC continues to collect in other data formats but the Commission realising the advantage of the standard is gradually moving several existing reporting requirements in iXBRL/XBRL while consistently looking at new reporting requirements to be reported in iXBRL/XBRL. Several such announcements were made last year, thus expanding the scope and opportunity. Environmental, Social and Governance (ESG) reporting is coming into prominence in the US. The SEC is working towards an implementation strategy where all public companies would be asked to adopt sustainability standards and make these reports available in XBRL/iXBRL.

The Federal Energy Regulatory Commission (FERC) replaced its electronic filing format for a list of select forms (first phase) with XBRL. The first phase went live as of October 2021 requiring over 800 energy companies to file quarterly and annual submission of select set of forms. In Phase 1, about 800 companies were impacted. FERC is keen to adopt one single data standard across all its reporting requirements and is evaluating a gradual and step by step shift. A phase 2 implementation plan for a second set of reports is being put together.

In the USA, state agencies prepare and submit their Annual Comprehensive Financial Report (ACFR) on an annual basis to their respective state financial controllers. There are over 90,000 such state agencies in the country. Over 30,000 of them raise money for their funding requirements from the municipal bond market and are governed by the Municipal Securities Rulemaking Board (MSRB), which requires over 30,000 state agencies to submit their audited ACFRs to the federal agency as well. Driven by the Data Act and Financial Transparency Act, common data standard needs to be implemented in five years which will cover not only ACFRs but also Single Audit. Led by Florida who have already adopted XBRL for the state agencies to report, the final taxonomy is in its final stages of testing. In the meantime, the Governor of Michigan signed off on a bill announcing their mandate and a study which will impact over 10,000 state agencies of various sizes. Several other states are actively reviewing and putting together their strategy and mandate for the adoption of XBRL for Annual Comprehensive Financial Report (ACFR). Inline XBRL sample documents for various state agencies have been prepared using IRIS' platform as part of pilot initiatives for the state to evaluate and understand the benefits of XBRL adoption.

IRIS business overview

Overview

IRIS Business Services Limited was established in 2000. Over the years, the Company emerged as a leading global player in the regulatory technology space. The Company provides solutions in the area of compliance, data and analytics with offerings across the information supply chain and data reporting standards (XBRL and SDMX, among others). Over the past four years, the company has made a successful shift from a services-focused business to a product-led model.

During 2021-22, the Company reported a revenue of ₹6,193 Lakh against ₹5,737 Lakh reported in 2020-21, a growth of 8%.

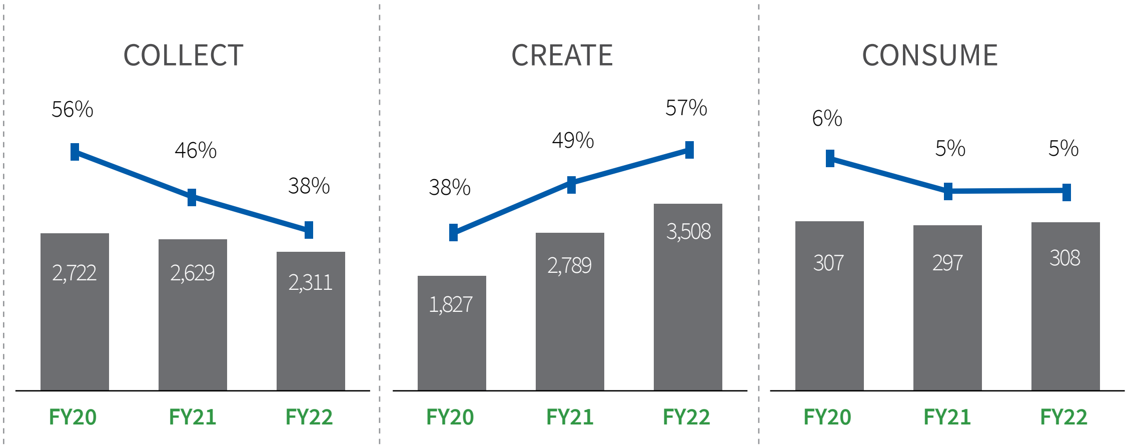
- Recurring revenues increase ~19% ₹4,757 Lakh from ₹3,988 Lakh from last year
- Recurring revenue contributed 78% to the total revenue in FY 2021-22 compared to 70% in FY 2020-21
- Current order book stands at ₹6,700 Lakh with an ARR of ₹4,700 Lakh, up from 4,023 Lakh a year ago
- The Company generated 55% of the revenues in 2021-22 from overseas and 45% from India compared

The Company operates in three business segments namely 'Collect, Create and Consume'

Segment	Description	Select clients (Past, Present)	Sizing the market
COLLECT	For regulators collect pre-validated submissions in XBRL & other formats from those they regulate	30 regulators and 24 countries - RBI, SEBI, BSE, NSE ACRA Singapore, DBD Thailand, SSM Malaysia, ADX, DFM & ESCA in UAE, Tadawul in Saudi, CIPC South Africa and CBRD Mauritius.	2000+ regulators Median spend: USD 1mn over 3 years. One-time investment plus AMC. **A USD 2 bn opportunity**
CREATE	SaaS offerings for enterprises to create ready to file documents with regulators	Bajaj Auto, BidWest BMW, ENI, L&T, Reliance, Renault Tata Motors, Thermax, & 6000 others	100 million+ businesses with median annual compliance spend of USD 200. **An annual opportunity of USD 20 bn**
CONSUME	Tools for data analysis. Plus a global repository of normalised financial data culled from public filings	Bundled with COLLECT for regulators. Other offerings under development. IRIS Peridot, a free app tracking GST compliance has 5 Lakh users.	Globally, per capita spend on consumption of information by businesses alone is over USD 200 annually. **Annual opportunity of USD 20bn**

Revenue mix by segment

(₹ Lakh)



	Collect FY20	Collect FY21	Collect FY22	Create FY20	Create FY21	Create FY22	Consume FY20	Consume FY21	Consume FY22
Segment Profit/loss	768	632	168	-155	468	528	-30	37	28
Margins (%)	28	24	7	-8	17	15	-10	12	9

IRIS PRODUCT	Client Profile	Market Characteristics	Sales/Marketing Strategy
iFile	Stock exchanges, Business registries, Central Banks and securities regulators	Primarily RFP-driven, long lead sales cycle. Bidsas part of a consortium (sometimes as prime). Revenues through one time implementation, followed by ongoing AMC. Emerging SaaS based pricing model	• Leverage strong credentials and existing implementations • Participation in XBRL and regulator-specific conferences. • Case studies and content tie-ups with government specific publications and journals
iDeal	BFSI players and data aggregators	Best suited when reporting is frequent, complex, high volume and can be automated on account of structured input format	• Tie-ups with channel partners such as implementation partners, independent consultants, BFSI domain experts • Participation in banking and insurance events and forums, compliance and risk summits
Carbon	Corporates, and partners such as Financial Printers, Audit and Accounting firms	US SEC – frequent filing, higher price point, SaaS model established. UK, Ireland and Italy – large number of companies, annual filings, smaller deal size. EU ESMA – Annual filings, SaaS model established. US FERC mandate – Started in FY22, SaaS offering	• Sales to direct end customers and through channel partners • Online sales strategy also to be explored in more fragmented markets
IRISGST, E- invoicing	Enterprises in India	Highly competitive market characterised by predatory pricing pressure, frequent changes in filing requirements	• Direct sales • Sales and partner channel Including banks & CA firms • High brand recognition due to IRIS Peridot

Business vertical analysis #1

Our Collect business segment

Total revenue (₹ Lakh)	Share of total revenues in 2021-22 (%)	Segment profit in 2021-22, (₹ Lakh)
2,311	38	168

Overview

The Collect business of IRIS caters to the requirements of global regulators. The business vertical offers the flagship iFile product, developing a full-fledged XBRL-based reporting platform using modular and flexible component design architecture. The framework can be easily deployed by any reporting authority in its jurisdiction or even internally within an enterprise. Regulators can create a reporting platform using the web and client components (that help regulated entities to file information) which can be preserved, validated and further analysed.

IRIS iFILE assists in collecting XBRL and non-XBRL data. It integrates with other information systems during the creation, dissemination and analysis stage of XBRL data. IRIS iFILE is globally accepted and applied across various regulatory environments comprising capital markets, banking and business registries.

The IRIS differentiator

- More than 14 years of experience with robust domain knowledge across various regulatory bodies
- A multi-disciplinary team including experienced technical and financial professionals with deep taxonomy and product platform skills
- Track record of more than 25 installations across the globe
- Easily integrated with existing data management systems within the client's IT infrastructure.

Highlights, 2021-22

The Collect business experienced subdued demand conditions over the past two years in the wake of the Covid pandemic. While ongoing implementations slowed, new RFPs virtually dried up. The company, meanwhile, focused on working capital management, continued engagement with existing customers and strengthening its product suite in this business. Within, the RBI CIMS implementation, our SDMX data standard-based solution, components were introduced.

Outlook

IRIS is optimistic of a revival in the demand situation. The Company has continued to be in discussion with existing and prospective customers on platform enhancements and fresh implementations and is hopeful that the environment will be conducive to new orders in FY2022-23.

Business vertical analysis #2

Our Create business segment

Total revenue (₹ Lakh)	Share of total revenues in 2021-22 (%)	Segment profit in 2021-22, (₹ Lakh)
3,508	57	528

Overview

This business addresses the need for enterprises to collaborate and create regulatory filings in a structured data format. IRIS offers a cloud-based platform, integrating the process of complex compliance reporting. The Company's clientele comprises public listed companies, mutual funds and foreign private issuers who need to address multiple regulatory mandates while using XBRL standards. IRIS CARBON®, a subscription based and cloud hosted application, is the company's major product offering in this vertical. The business segment also comprises IRIS iDeal, which concentrates on automated regulatory data filings at the BFSI segment. The segment also offers IRIS GST, the Company's India-specific platform designed to service the requirements of India's GST compliance regime.

IRIS CARBON®

IRIS CARBON® is a collaborative cloud based authoring platform that work with multiple taxonomies (for both financial and non-financial reporting) and diverse business rules across country-specific mandates ranging from US SEC, US FERC, Europe-ESEF to UK's HMRC and South Africa's CIPC. IRIS has been continuously updating the product with advanced features like machine learning algorithms to strengthen report creation efficiency through an automated tag selection process. IRIS CARBON® is a budget-friendly product, certified by XBRL International body. It is perhaps the only product that supports different languages, a key advantage in Europe. A number of US states are also exploring for XBRL reporting for state-owned agencies. IRIS is planning to reach across to US states with IRIS CARBON® to drive market penetration.

IRIS CARBON® is also ready for digitization of ESG/Sustainability reporting. The recently rolled out Staff Draft IFRS Sustainability Disclosure Taxonomy by International Sustainability Standards Board (ISSB) is already supported in the platform. This taxonomy is expected to be used globally. Further, in Europe, the European Financial Reporting Advisory Group (EFRAG) has published an XBRL Taxonomy draft which represents the European Sustainability Reporting Standard (ESRS). The ESRS taxonomy is also being made available on IRIS CARBON®.

Our strengths

Respect: IRIS CARBON has earned respect among regulators as a quality leader in independent assessments

Repository: The Company emerged as a credible repository of customer feedback and testimonials

Launch: The Company launched various product offerings in adjoining business areas. IRIS entered the space of disclosure management (cloud-based collaborative report authoring platform as a backward integration for existing customers)

Depth: The Company's analytics driven application programming interfaces and other tools helped in peer benchmarking and analysis

Strong partnerships: IRIS developed strong partnerships with local and global regulators.

Highlights, FY2021-22

The company's performance improved in the European listed company market for ESMA Inline XBRL filings while in the newly opened US energy regulatory filings (the FERC mandate), IRIS CARBON® made an impressive debut, coming second in terms of market share. The increased traction resulted in the company's revenue from the US and European markets doubling and tripling respectively from the previous year. In this year, the IRIS CARBON® platform was also repurposed to make use of the SASB taxonomy, using which Gap Inc. created its sustainability report utilising the Inline XBRL format.

Accolades

The Company first signed up for ESG iXBRL creation on IRIS CARBON® for Gap Inc, US

IRIS CARBON® consistently topped XBRL quality charts of independent quality evaluators, including XBRL rankings published in the USA by XBR Logic

IRIS CARBON ® was awarded the prestigious XBRL international certification

IRIS CARBON ® was listed on G2 apart from Gartner Peer Insights

IRIS GST

IRIS is one of the initial GSPs selected by the GSTN. It introduced a host of products under the IRIS GST umbrella to help companies fulfill the complex GST return filing compliance requirements. IRIS possesses an end-to-end offering that combines a full-fledged ASP solution along with a GSP conduit to interact with the GSTN. IRIS created a strong team of technical and financial professionals, designing solutions addressing key client requirements. The Company's offerings include cloud-based collaborative GST software, e-invoice solution with simple integration and an e-way bill management solution. The Company also offers the popular IRIS Peridot, a mobile app available on android and iOS platforms. Any GST number captured by the app provides information about the registered tax payment and timely payment of GST and returns. In 2022, IRIS was selected as one of the four private Invoice Registration Portals (IRP) among stiff competition, that saw around 90 aspiring companies

Accolades

Winner of the Best Tax Technology Solution Provider (Silver) - 2021 award by TIOL

Winner of the Second Prize in Benefits of GST contest conducted by GSTN in 2020

A customer's testimonial

"When it comes to GST filing, I can rely on IRIS GST. Filing monthly GST including the entire reconciliation process wouldn't have been easier without IRIS GST. We are pleased with the product and support. While the solution in itself is well-rounded and up-to-date with GST norms, the support provided by the team is prompt, reliable and 24x7.The support team has deservingly earned the gratitude."

Forbes Marshall (India)

IRIS iDEAL

IRIS iDeal is an XBRL authoring tool, which enables automated structured data regulatory reporting from financial institutions' central data repositories. IRIS iDeal has a significant presence in the banking sector in India and Mauritius. The Reserve Bank of India is now on a path to get more banks and financial instituitions to switch over to an automatic data flow regulatory reporting model. IRIS iDeal operates on both capital expenditure and operating expenditure models. Almost all large banks in India use our product. We also work with a number of technology partners and system integrators such as HCL, Mphasis and Fintellix, among others, for implementation.

Outlook

The Create business segment outlook is promising. As far as IRISCARBON is concerned, we see Inline XBRL-based financial reporting getting additional momentum through expected mandates across countries. In addition, ESG reporting using an XBRL taxonomy is an important driver. We see this emerging in Europe and the US initially and moving subsequently to other countries.

The Company's GST business is reaching a point of inflection with the potential commissioning of the private IRPs and expansion of the criteria for mandatory eInvoice coverage. There is a potential in partnering adjacent solution providers to offer solutions to enterprises that cover compliance, automation and credit facilitation.

Within the iDeal business, while we see a good runway in India, we are augmenting our sales and marketing efforts in Europe and Mauritius.

Employee retention

The company offers a cordial and discrimination-free work environment. Employees were motivated to grow a sense of ownership in their activities; important contributions in various fields were recognised and rewarded. The Company's employee retention rate stood at 79% during the year under review. The company's employee strength stood at 417 employees as on March 31, 2022.

Risk management

The risk management system is applicable throughout various management and functional levels and project areas.

The internal committee helps in the following activities:

- Evaluate the risk portfolio and advocate a response strategy for the reorganisation of resources to diminish respective risks
- Obtain information and intimate the Board of Directors and other executive bodies on the effectiveness of the risk management practices.
- Co-ordinate comprehensive risk management processes
- Establish guidelines to deal with risk management processes
- Regular assessment of the risk management processes throughout business units and controlled entities
- Conduct training in risk management and internal control

Key risk	Mitigation
Industry risk Sluggishness in demand from user industry might adversely hamper business growth.	XBRL adaptation in financial reporting is mandated by regulators across the globe. Emerging opportunities for XBRL are witnessed in Europe and US.
Innovation risk Our business sustainability could be affected by our inability to innovate.	The Company has been operating with various regulatory taxonomies across the world and creating its products accordingly. The Company's ability to customise products as per the needs of different geographies makes it a distinctive name in the market. Most of the Company's capital investment is towards improving or enhancing its product range. Moreover, the Company's ability to offer solutions across lifecycles makes it a favourable vendor for top global brands.
Security and data privacy risk Inability to counter the data risk security could adversely hamper the Company's recognition.	IRIS strengthened safety and security of the data of its users. IRIS deepened presence in markets like Singapore. It attempts to reveal systems to third party audits regularly, increasing credibility.
Regulatory risk Changes in regulatory compliances would make the product outdated.	IRIS products are established in blocks which help to update the products easily. The products are cloud-hosted. The Company's strong knowledge of regulatory changes supported by a pool of financial professionals has improved the upgradation of products.

Internal control system and their adequacy

The company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Cautionary statement

The Management Discussion and Analysis report containing your company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include cyclical demand and pricing in the company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the company conducts business and other incidental factors.

Our founders

S. SWAMINATHAN
CO-FOUNDER AND CEO

- M. A. (Economics) from Yale University, USA; B.Sc. (Hons) from St Xavier's College, Kolkata
- Served as a consultant to the World Bank in Washington DC
- Early career in the media, serving in senior positions with India's leading financial daily, The Economic Times and later with the country's leading magazine, Business India.
- Helped launch Indian business programming on TV.
- Heads Strategy and oversees Sales & Marketing functions at IRIS. Keen evangelist of structured data standards and the application of structured data in nonfinancial areas
- Past Chairman, IT sub-committee, CII, Western Region,
- Past member, Regional Council, CII WR
- Past Vice-Chairman, Indian Merchants Chamber, Navi Mumbai
- Past Honorary Chairman, Bharatiya Vidya Bhavan, Navi Mumbai Kendra

K BALACHANDRAN
CO-FOUNDER AND CFO

- MBA from Indian Institute of Management, Bangalore, B.Tech from Calicut University
- Prior to co-founding IRIS, he was with CRISIL (a Standard & Poor's company) as group leader and senior analyst
- Heads the XBRL Consulting practice and leads development of new use cases for structured and unstructured data
- Board Member, XBRL India

* Past memberships: IFRS Taxonomy Consulting Group of the IASB, London; sub-committee on XBRL of MCA, Govt. of India; Steering committee on fraud prediction models, SFIO, Govt. of India

DEEPTA RANGARAJAN
CO-FOUNDER

- MBA from Indian Institute of Management, Ahmedabad, B.Tech from Indian Institute of Technology, Delhi
- Previously worked at American Express Bank and headed CRISIL's operations in North India
- Played a key role in managing large clients during the services growth phase of IRIS' XBRL story.
- Heads HR & Operations at IRIS, with direct oversight of Carbon, SaaS product for disclosure management
- Profiled as one of 25 top entrepreneurs who graduated from IIM Ahmedabad in the bestseller, 'Stay Hungry, Stay Foolish?'

Our Independent Directors

Vinod Agarwala
Independent Director and Chairman of the Board

Mr. Agarwala is an Advocate & Solicitor based in Mumbai. He is also Solicitor, Supreme Court of England & Wales and Advocate of Supreme Court of India. He has been a practicing lawyer in Mumbai for the last 35 years, specialising in Corporate Laws, Securities Laws, Project Finance, Property Law, FDI and Commercial Laws.

Bhaswar Mukherjee
Independent Director, Chairman, Audit Committee

Mr. Bhaswar Mukherjee is a Chartered Accountant who served as Director, Finance, on the Board of Hindustan Petroleum Corporation Limited. He has also worked as CFO and Head, HR, in Haldia Petrochemicals Limited.

Ashok Venkatramani
Independent Director, Chairman, NRC

After a 19 year stint at Hindustan Unilever, Ashok Venkatramani moved to ABP News Network as CEO and to ZEE Media Corporation thereafter as MD. An alumni of Indian Institute of Management Ahmedabad and Harvard Business School, Ashok has been featured in the World CMO Council's list of India's 75 top marketers.

Haseeb Drabu
Independent, Director, Chairman, Committee on Risk

Haseeb A Drabu is professional economist with a diverse skill set and wide-ranging experience. He has worked as a lawmaker, policy planner, banker and an economic commentator. He served as Chairman, J& K Bank. He is also a former Finance Minister of Jammu & Kashmir.

Notice

NOTICE is hereby given that the Twenty-Second (22nd) Annual General Meeting ("AGM") of the members of IRIS Business Services Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on Thursday, August 25, 2022 at 11:00 a.m. (IST) to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station, Vashi - 400 703, Maharashtra, India.

ORDINARY BUSINESS:

Item No. 1 – To consider and adopt the Audited Financial Statements

To receive, consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2022 including the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors' and Auditor's thereon.

Item No. 2 – To consider the re-appointment of Mr. Balachandran Krishnan, who retires by rotation

To re-appoint Mr. Balachandran Krishnan (DIN: 00080055), who retires by rotation, and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

Item No. 3 – Re-appointment of Mr. Bhaswar Mukherjee (DIN: 01654539) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Bhaswar Mukherjee (DIN: 01654539), as an Independent Director of the Company for second and final term of five years commencing from October 9, 2022 up to October 8, 2027, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Director or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Bhaswar Mukherjee, as an Independent Director of the Company."

Item No. 4 – Re-appointment of Mr. Ashok Venkatramani (DIN: 02839145) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Ashok Venkatramani (DIN: 02839145), as an Independent Director of the Company for second and final term of five years commencing from October 9, 2022 up to October 8, 2027, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Director or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Ashok Venkatramani, as an Independent Director of the Company."

Item No. 5 – Re-appointment of Mr. Vinod Agarwala (DIN: 01725158) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Vinod Agarwala (DIN: 01725158), as an Independent Director of the Company for second and final term of three years commencing from November 27, 2022 up to November 26, 2025, and whose office shall not be liable to retire by rotation.

"**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "SEBI Listing Regulations") and the applicable provisions, if any, of the Companies Act, 2013 and based on the recommendation of the Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby accorded for continuation of Directorship of second term of three years of Mr. Vinod Agarwala (DIN: 01725158) (Non-Executive Independent Director) who shall attain the age of seventy-five (75) years, on October 30, 2024."

RESOLVED FURTHER THAT any of the Director or Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Vinod Agarwala, as an Independent Director of the Company."

By order of the Board of Directors

Santoshkumar Sharma
Company Secretary & Compliance Officer
(Membership No. ACS 35139)

Place: Navi Mumbai
Date: 27th May, 2022

Notes:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2021 dated January 13, 2021 and Circular No.02/2022 dated May 5, 2022 (collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/ 2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by Securities and Exchange Board of India (SEBI) (collectively referred as 'SEBI Circulars'). MCA circulars and SEBI circulars (collectively referred as 'Circulars') allowed the companies to hold AGM through VC/OAVM, without the physical presence of members at the venue. In compliance with the Circulars, the AGM of the Company will be held through VC/OAVM without the physical presence of the shareholders at a common venue.

2. Explanatory Statement pursuant to Section 102 of the Act relating to Items nos. 3, 4 and 5 of the Notice of the 22nd AGM, which are considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. The relevant details as required under Regulation 26(4) and SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the persons seeking re-appointment / appointment under Item No. 3, 4 and 5 of the Notice, are also annexed.

3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself, and the proxy need not be a member of the Company. However, since this AGM is being held through VC / OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars. The facility to appoint a proxy to attend and cast vote for the shareholder is not made available for this AGM and hence the Proxy Form, and Attendance Slip are not annexed to this Notice. However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC / OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, herein below).

4. The shareholders can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 shareholders on 'first come first serve' basis. This will not include large shareholders (i.e. shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.

5. The attendance of the shareholders attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 19, 2022, 5:00 pm (IST), through email on cs@irisbusiness.com . The same will be replied by / on behalf of the Company suitably.

7. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and SEBI, the Annual Report including Notice of the Twenty-second AGM of the Company indicating the process and manner of e-voting is being sent only by Email, to all the shareholders whose Email IDs are registered with the

Company/ Depository Participant(s) for communication purposes to the shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars, the Annual Report including Notice of the Twenty- second AGM of the Company will also be available on the website of the Company at www.irisbusiness.com . The same can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at (agency for providing the remote e-voting facility and e-voting system during the AGM) https://www.evoting.nsdl.com.

8. The Register of Members and Share Transfer Books of the Company will remain closed from August 19, 2022 to August 25, 2022 (both days inclusive).

9. Shareholders holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant ("DP"). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrar and Transfer Agent – M/s. Link Intime India Private Limited ("LIIPL") to provide efficient and better services. Shareholders holding shares in physical form are requested to intimate such changes to LIIPL. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to LIIPL.

10. Shareholders holding shares in physical form are requested to dematerialize their holdings to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders can contact the Company or LIIPL for assistance in this regard.

11. SEBI had vide Notification Nos. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated July 5, 2018 directed that transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. Accordingly, shareholders holding securities in physical form were separately communicated by the Registrar and Share Transfer Agent – M/s. Link Intime India Private Limited ("LIIPL") at their registered address. In view of the above and to avail the benefits of dematerialisation, shareholders are requested to consider dematerialising shares held by them in physical form.

12. In case of joint holders attending the "AGM" the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

13. Relevant documents referred to in the Notice shall be made available for inspection to the members through electronic mode, based on the request received from the member on cs@irisbusiness.com.

    The aforesaid documents will also be available for inspection by members during the AGM.

14. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with DPs and/or LIIPL.

15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

16. The cut-off date for the purpose of remote e-voting and e-voting at the AGM shall be Friday, August 19, 2022. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Friday, August 19, 2022, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM.

17. The e-voting facility shall also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote-voting prior to the AMG may attend the AGM but shall not be entitled to cast their vote again. Further, once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.

18. The Company has appointed Ms Priti Sheth, Partner of M/s. Priti J. Sheth & Associates, Company Secretaries, (Membership No. FCS 6833, C.P. No. 5518) and failing her Ms Rachana Maru, Partnerof M/s. Priti J. Sheth & Associates, (Membership No. FCS - 41825, C.P. No. 16210) as the Scrutinizer to scrutinize remote e-voting or e-voting at the

AGM in a fair and transparent manner.

19. The voting rights of members shall be in proportion to their holding in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting.

20. The result of remote e-voting and e-voting at the AGM along with the Scrutinizer's Report shall be placed on the Company's website http://www.irisbusiness.com and on the website of NSDL https://www.evoting.nsdl.com in due course. The Company shall be simultaneously forwarding the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

21. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Monday, August 22, 2022 at 09:00 A.M. (IST) and ends on Wednesday August 24 2022 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for remote e-voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, August 19, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their holding in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 19, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
.	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
.	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member'section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID
	For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company
	For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request

at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to priti.pjsassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@irisbusiness.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@irisbusiness.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their

mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at cs@irisbusiness.com before Friday, 19th August 2022. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

22. Scrutinizer's report and declaration of results

    a. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. She shall be submitting a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty-eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

    b. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.irisbusiness.com and on the website of NSDL i.e., www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

23. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialized form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or LIIPL.

24. Shareholders are requested to quote their Folio No. or DP ID-Client ID, as the case may be, in all correspondence with the Company or the LIIPL.

25. Since the AGM will be held through Video Conferencing or Other Audio Visual Means, route map of venue of the AGM and admission slip is not attached to this Notice.

Explanatory statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3, 4 & 5

In accordance with Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such re-appointment to be made in the Boards' Report.

Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala were appointed as Independent Directors of the Company for their first term with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on August 31, 2018, for a tenure of 5 years.

The tenure of Non-Executive Independent Director(s) of the Company viz. Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani expires on October 8, 2022 and Mr. Vinod Agarwala's term expires on November 26, 2022.

The Company is requested to consider the re-appointment of the Non- executive Independent Director(s) and on the recommendation made by the Nomination and Remuneration Committee at its meeting held on May 26, 2022 and approved by the Board of Directors at their meeting held on May 27, 2022. The term of re-appointment of Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani as the Non-Executive Independent Director(s) of the Company proposed by the Nomination and Remuneration Committee and the Board of Directors is for Five (5) years and Mr. Vinod Agarwala as the Non-Executive Independent Director is for Three (3) years.

The Company has received from Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and under the applicable provisions of SEBI Listing Regulations. Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala are also enrolled with databank of Independent Directors as per the applicable provisions of the Companies Act, 2013.

The resolution seeks the approval of the members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), for appointment of Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani as the Non-Executive Independent Director(s) of the Company for second and final term of Five (5) years and Mr. Vinod Agarwala as the Non-Executive Independent Director of the Company for second and final term of Three (3) years. Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala, once appointed, will not be liable to retire by rotation.

In the opinion of the Board, Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala are the person(s) of integrity, fulfill the conditions specified in the Act and the Rules made thereunder and are independent of the management of the company.

Further, pursuant to the Regulation 17(1A) of SEBI Listing Regulations please take note that Mr. Vinod Agarwala (DIN: 01725158) shall attain the age of seventy-five (75) years on October 30, 2024, which is during his second term as Non-executive Independent director. Mr. Agarwala is an Advocate & Solicitor based in Mumbai. He is also Solicitor, Supreme Court of England & Wales and Advocate of Supreme Court of India. He has been a practicing lawyer in Mumbai for the last 35 years, specialising in Corporate Laws, Securities Laws, Project Finance, Property Laws, FDI and Commercial Laws. Considering the vast experience, expertise and valuable contribution of Mr. Agarwala, on the recommendation made by the Nomination and Remuneration Committee at its meeting held on May 26, 2022 and the Board of Directors at their meeting held on May 27, 2022 have approved the continuation of Mr. Agarwala as "Non-executive Independent Director" on the Board of the Company. Accordingly, pursuant to Regulation 17(1A) of the SEBI Listing Regulations, the Special Resolution for continuation of his directorship with effect from 30^{th} October, 2024 upto 26^{th} November, 2025 being the date of expiry of his term of office, is proposed to be passed.

A copy of the letter of appointment of Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani and Mr. Vinod Agarwala as an Independent Director setting out the terms and conditions along with other documents referred to in the Notice shall be made available for inspection to the members through electronic mode, based on the request received from the member on cs@irisbusiness.com. The documents will also be available for inspection by members during the AGM.

The Board recommends the Special Resolution set out at each Item No. 3, 4 and 5 of the Notice for approval by the Members.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Bhaswar Mukherjee, Mr. Ashok Venkatramani, and Mr. Vinod Agarwala, to whom their concerned resolution relates, are in any way concerned or interested financially or otherwise in the respective Resolutions mentioned at item no. 3, 4 & 5 of the Notice.

By Order of the Board of Directors

Santoshkumar Sharma
Company Secretary & Compliance Officer
(Membership No. ACS 35139)

Place: Navi Mumbai
Date: 27^{th} May, 2022

DETAILS AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS") AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, OF THE PERSONS SEEKING RE-APPOINTMENT UNDER ITEM NO. 2, 3, 4 AND 5

Information to be given to the members in terms of Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard-2 is as under:

Name of Director	Mr. Ashok Venkatramani	Mr. Bhaswar Mukherjee	Mr. Vinod Agarwala	Mr.Balachandran Krishnan
Age	58 years	69 years	72 years	59 years
DIN	02839145	01654539	01725158	00080055
Date of Birth	24.02.1964	03.05.1953	30.10.1949	13.04.1963
Date of first appointment	09.10.2017	09.10.2017	27.11.2017	03.10.2000
Shareholding in the Company	Nil	NIL	NIL	11,04,000
Number of Board meeting(s) attended during the year 2020-21	9	9	9	9
Other Directorships	-	1	3	-
Other membership of committee (Includes only Audit Committee and Stakeholders Relationship Committee)	-	2	5	-
Qualification, brief resume and experience	Mr. Ashok Venkatramani, served as the Managing Director of Zee Media corporation Limited, Executive Director of Diligent media corporation ltd and CEO of ABP News Network Pvt. Ltd. and handled various positions in Hindustan Unilever Limited (HUL) beginning in the year 1989 till 2007. He last served as Vice President & Business Head in HUL. He is a B.Tech in Mechanical Engineering from V.J.T.I., University of Bombay and a P.G.D.M. from IIM Ahmedabad. He has also done an Advanced Management Program from Harvard Business School, Cambridge, MA, US.	Mr. Bhaswar Mukherjee is a fellow member of the Institute of Chartered Accountants of India, he had 34 years' experience in Hindustan Petroleum Corporation Limited in various functional areas of Finance, Audit and Human Resources Management. He rose upto the level of Director (Finance) and CFO of the company before his superannuation in May, 2013. Later, he served in Haldia Petrochemicals Limited as the CFO and Head - HR.	Mr. Vinod Agarwala is an Advocate & Solicitor based in Mumbai. He is also Solicitor, Supreme Court of England & Wales and Advocate of Supreme Court of India. He has been a practicing lawyer in Mumbai for the last 35 years, specialising in Corporate Laws, Securities Laws, Project Finance, Property Laws, FDI and Commercial Laws.	Mr Balachandran Krishnan holds a graduate degree in chemical engineering from University of Calicut and an MBA from Indian Institute of Management, Bangalore. He has represented IRIS at various forums such as the IFRS Taxonomy Consulting Group of the International Accounting Standards Board (IASB); the XBRL sub-committee of the Ministry of Corporate Affairs, Govt. of India; the steering committee on fraud prediction models, Serious Fraud Investigation Office, Govt. of India and the XBRL International conferences.

Name of Director	Mr. Ashok Venkatramani	Mr. Bhaswar Mukherjee	Mr. Vinod Agarwala	Mr.Balachandran Krishnan
Expertise in specific functional areas	Areas of expertise include, inter-alia, Business Strategy, Risk Management, Marketing, Stakeholder Management and Fund Raising.	Finance, Audit, Human Resource Management.	Law, Finance	Finance, Management, Governance, Audit, Legal
Terms & Conditions of Appointment/ Re-appointment	Re-appointed as an Independent Director not liable to retire by rotation.	Re-appointed as an Independent Director not liable to retire by rotation.	Re-appointed as an Independent Director not liable to retire by rotation.	Re-appointed as an Director liable to retire by rotation.
Remuneration	Except sitting fees for attending meetings of the Board and the Committee(s) no other remuneration is paid	Except sitting fees for attending meetings of the Board and the Committee(s) no other remuneration is paid	Except sitting fees for attending meetings of the Board and the Committee(s) no other remuneration is paid	₹ 37,50,000
Relationship with other Directors /KMP	None	None	None	None
Number of shares held in Company	Nil	Nil	Nil	11,04,000

BOARD'S REPORT

TO
THE MEMBERS OF
IRIS BUSINESS SERVICES LIMITED

Your Board of Directors ("Board") is pleased to present the Twenty-second Annual Report of your Company, for the financial year ended March 31, 2022.

1. SUMMARY OF OPERATIONS / RESULTS

(Amount in Thousands - ₹)

Particulars	Standalone		Consolidated	
	FY 2022	FY 2021	FY 2022	FY 2021
Turnover	5,61,519	5,39,376	6,12,723	5,71,496
Other Income	6,513	2,204	6,531	2,204
Total Expenditure	5,55,175	4,99,348	6,02,992	5,37,596
Operating Profit (Loss)	12,857	42,232	16,262	36,104
Exceptional Items	-	-	-	-
Net Profit (Loss) before tax	12,857	42,232	16,262	36,104
Tax Expense:	-	-	-	-
Current Tax	1,100	-	1,150	-
Deferred Tax	-	(5,834)	61	(5,834)
Tax expense/(income) for earlier years	5,000	551	5,000	551
Profit (Loss) for the year	6,757	47,515	10,051	41,387

2. PERFORMANCE OF THE COMPANY

Despite the Covid-19 pandemic continuing into the second year with the associated slowdown in demand, especially among regulators, your Company was able to post a growth in revenues. The Company's offerings for the enterprises segment performed creditably compensating for slowdown in the regulatory segment. The company's flagship product IRISCARBON made an entry into the newly introduced FERC filing mandate for utility companies in the US and notched up significant success which resulted in the revenues from the US market growing appreciably.

Highlights of financial results

(Amount in Thousands - ₹)

Particular	Standalone			Consolidated		
	FY 2022	FY 2021	% Increase/ (Decrease)	FY 2022	FY 2021	% Increase/ (Decrease)
Revenues	5,68,032	5,41,580	4.88	6,19,254	5,73,700	7.94
Revenues from operation	5,61,519	5,39,376	4.11	6,12,723	5,71,496	7.21
Revenues from export	2,87,942	2,95,617	(2.60)	3,37,800	3,27,899	3.02
Revenues from "Collect" segment	2,10,910	2,40,851	(12.43)	2,31,092	2,62,901	(12.10)
Revenues from "Create" segment	3,19,817	2,68,808	18.98	3,50,840	2,78,878	25.80
Revenues from "Consume" segment	30,792	29,717	3.62	30,791	29,717	3.62
Other income	6,513	2,204	195.50	6,531	2,204	196.31
Employee Costs	3,29,834	2,89,364	13.99	3,47,691	3,09,935	12.18
Finance Costs	10,480	17,043	(38.51)	10,676	17,147	(37.74)
Travel related expenses	9,956	6,356	56.64	11,987	7,986	50.10
Other Expenses	1,62,749	1,30,246	24.95	1,92,310	1,47,786	30.13
Depreciation and Amortization	52,112	62,695	(16.88)	52,315	62,728	(16.60)
Exceptional Items	-	-	-	-	-	-

3. STATE OF COMPANY AFFAIRS

Your Company positions itself as a significant player in the Regtech market with a suite of IP driven software products and solutions built around structured data. Within the Regtech area, your Company is also one of the global leaders in reporting solutions built on the XBRL information standard. As we communicated earlier as well, the Covid-19 pandemic has adversely affected the market for reporting platforms for regulators with many prospective customers slowing down the procurement process. However, we now see a slow revival in the demand situation. On the other hand, your Company has tasted good success in the 'Create' business for enterprise reporting solutions, on the back of good response from European listed companies as well as from the FERC filing mandate in the US that commenced in the reporting year. In addition, our position in the GST compliance business has also strengthened consequent to the expansion of the eInvoicing mandate and selection as one of four awardees of the private IRP licence. We have also initiated a small but important foray into ESG reporting using the Inline XBRL format. Our presence in the global XBRL community continues to be strong both in terms of participation in working groups and in the effort to evangelize data standards in newer markets.

4. TRANSFER TO RESERVE

The Board does not propose to transfer any amount to general reserve out of the net profits of the Company for the financial year 2021-22.

5. DIVIDEND AND TRANSFER TO IEPF

With a view to conserving resources, the Board has not recommended any dividend during the year under review.

The Company was not required to transfer any unpaid / unclaimed amount of dividend to IEPF during the financial year ended March 31, 2022.

6. CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the financial year ended March 31, 2022.

7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY

Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the Financial Year of the Company and date of this Report.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant or material order was passed, during the period under review, by the Regulators or Courts or Tribunals bearing an impact on the going concern status and Company's operations in future.

9. RISK AND CONCERN

Your Company's business in the Regtech industry is characterized by intense competition. Even though we have built an enviable list of marquee clients over the years and across our businesses, there exists a persistent need to spend both on marketing and product suite in order to retain customers and build market share.

While data standards and transition to digital reporting are forces that are undeniably shaping regulatory reporting mandates across the world, there is still a trend in many markets to go with sub-optimal custom-built solutions that impacts the market potential for companies such as ours. In addition, the propensity in some countries to float high value RFPs suited only for large system integrators have, at times, impacted our market position.

The COVID-19 pandemic that went on for over two years has affected our business, especially on the regulatory platform side, with respect to both client acquisition and the pace of implementation on existing awards. Even on the 'Create' segment, there has been some pushback on mandates that have been further delayed. However, from the current financial year, we do perceive an improvement in demand conditions which should eventually help to improve our order book position. On the flip side, we do see higher expenses on account of an unprecedented increase in human resource costs associated with technology, coupled with the need for travel and onsite execution activities.

10. RISK MANAGEMENT

Your Company is aware of the risks associated with the business. The Company follows a method for identifying, minimizing and mitigating risks which will be periodically reviewed. The Company has a risk management system in place for the purpose of identification of all the major elements of risk, which in the opinion of the Board may threaten the existence of the company.

Some of the risks identified and which will have the attention of the management are:

- Securing critical resources including capital and human resources;
- Data Security;
- Ensuring cost competitiveness;
- Building product differentiation and the appropriate value proposition;
- Maintaining and enhancing customer service standards;
- Identifying and introducing innovative marketing and branding activities, especially in the digital media.

11. DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the purview of provisions of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

As on March 31, 2022, there were no deposits which were unclaimed and due for repayment.

12. PERFORMANCE AND FINANCIAL HIGHLIGHTS OF SUBSIDIARY COMPANIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

The Company had the following subsidiaries as on March 31, 2022:

1. IRIS Business Services (Asia) Pte. Ltd., Singapore
2. IRIS Business Services, LLC, United States of America
3. Atanou S.r.l., Italy
4. IRIS Logix Solutions Private Limited, India

None of the above companies ceased to be a subsidiary during the year under review. The Company does not have any Joint Venture or Associate Company.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's Subsidiaries, Joint Venture and Associates in Form AOC-1 is enclosed as Annexure - 1 to this report. The consolidated financial statement of the company forms part of this annual report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate financial statements in respect of subsidiaries, are available on the website of the Company www.irisbusiness.com. Any Member, who is interested in obtaining a copy of the financial statements of subsidiaries companies, may write to the Company Secretary at cs@irisbusiness.com.

As on the financial year ended March 31, 2022, none of the subsidiaries of the Company were a 'material subsidiary' within the meaning of Regulation 16(c) of SEBI Listing Regulations.

13. SHARE CAPITAL

During the year, there was no change in the authorised share capital of the Company. However, the paid-up share capital of the Company increased from ₹ 18,92,31,620/- divided into 1,89,23,162 Equity Shares of ₹ 10/- each to ₹ 19,21,81,620 divided into 19,21,81,62 Equity Shares of ₹ 10/- each on account of issue and allotment of 2,95,000 Equity Shares to eligible employees upon exercise of the vested options granted to the said employees under IRIS Employee Stock Options Scheme, 2017.

i. Issue of Equity Shares with Differential Rights: The Company has not issued any equity shares with differential rights during the financial year ended 31st March, 2022.

ii. Issue of Sweat Equity Shares: The Company has not issued any Sweat Equity Shares during the financial year ended 31st March, 2022.

14. EMPLOYEE STOCK OPTIONS SCHEME

The shareholders of the Company approved IRIS Employee Stock Options Scheme, 2017 ("Scheme") at the Extra Ordinary General Meeting held on 13th September, 2017. The Nomination and Remuneration Committee of the Board, inter-alia, administers and monitors the Employees Stock Option Scheme of the Company in accordance with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as amended from time to time. Pursuant to shareholders' approval, the Nomination and Remuneration Committee of the Board granted Options to the eligible employee(s) under the Scheme. Further, the shareholders of the Company granted their approval through Postal Ballot for ratification of the Scheme and for extension of benefits of the Scheme for the eligible employees of subsidiary Company(ies) of the Company. As per the application to BSE Limited, the Stock Exchange, the Company received an in-principal approval of the Stock Exchange dated 9th April, 2019 for the IRIS ESOP Scheme 2017. The details of Employee Stock Options Scheme as required under Rule 9 of Companies (Share Capital and debentures) rules, 2014 and those under SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, to the extent applicable are provided in Annexure – 2 attached hereto. The Scheme is in compliance with the SEBI SBEB Regulations. Further, there were no material change in the Scheme during the year. The details required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are disclosed on Company's website at http://www.irisbusiness.com/investors/disclosure. During the year ended 31st March 2020, the Board of Directors of the Company approved IRIS Business Services Limited Employee Stock Option Scheme 2019' ("IRIS ESOS 2019" / "Scheme") covering up to 14,00,000 (Fourteen Lakh) Employee Stock Options to eligible employees of the Company, as determined in terms of IRIS ESOS 2019, in one or more tranches, exercisable in aggregate into not more than 14,00,000 (Fourteen Lakh) equity shares of face value of ₹ 10/- each fully paid up. IRIS ESOS 2019 is subject to the approval of shareholders of the Company.

15. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has internal financial control and risk mitigation system which is constantly assessed and strengthened. The Company also conducts internal audits from time to time. The Audit Committee actively reviews the internal audit report, adequacy and effectiveness of the internal financial control and suggests improvements for the same.

16. DECLARATIONS GIVEN BY DIRECTORS

The Company has received necessary declarations and disclosures from its Independent Directors under Section 149(7) and Section 184(1) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and under the applicable provisions of the SEBI Listing Regulations and have disclosed their interest in the form MBP-1. All the Directors have certified that the disqualifications mentioned under sections 164, 167 and 169 of the Companies Act, 2013 do not apply to them. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Board of the Company has taken the disclosures on record after verifying the due veracity of the same. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act. All the Independent Directors of the Company are also registered with the databank of Independent Directors as required under the provisions of the Companies Act, 2013.

The Directors and the senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel during the year under review.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL AND COMPOSITION OF BOARD

The composition of Board of Directors of the Company as on March 31, 2022 is as follows:

Sr.	Name of Director	DIN	Category
1.	Mr. Swaminathan Subramaniam	01185930	Promoter, Whole Time Director & CEO
2.	Mr. Balachandran Krishnan	00080055	Promoter, Whole Time Director & CFO
3.	Ms. Deepta Rangarajan	00404072	Promoter, Whole Time Director
4.	Mr. Vinod Balmukand Agarwala	01725158	Independent Director
5.	Mr. Ashok Venkatramani	02839145	Independent Director
6.	Mr. Bhaswar Mukherjee	01654539	Independent Director
7.	Mr. Haseeb A. Drabu	00489888	Independent Director

Mr. Swaminathan Subramaniam, (DIN: 01185930), Ms. Deepta Rangarajan, (DIN: 00404072) and Mr. Balachandran Krishnan, (DIN: 00080055), were re-appointed by the Board of Directors of the Company as Whole Time Director(s) of the Company for a period of three years effective from 1st May, 2021 on the recommendation of the Nomination and Remuneration Committee at its meeting held on 1st March, 2021, and by the shareholders of the Company on 3rd April, 2021 through postal ballot.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved the re-appointment of Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani as Non-Executive Independent Director(s) of the Company for second and final term of five (05) years w.e.f October 9, 2022 upto October 8, 2027 respectively and Mr. Vinod Agarwala as the Non-Executive Independent Director(s) of the Company for second and final term of three (03) years w.e.f November 27, 2022 upto November 26, 2025, subject to the approval of shareholders of the Company at the forthcoming AGM.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Balachandran Krishnan (DIN: 00080055), Whole Time Director, retires by rotation at the forthcoming 22nd Annual General Meeting, and being eligible, has offered himself for re-appointment.

Mr. Haseeb Drabu was appointed as a member of the Audit Committee by the Board of Directors at their meeting held on February 14, 2022, other than the appointment of Mr. Drabu as a member of the Audit committee there was no change in the composition of any Committee of Board during the financial year ended March 31, 2022.

There was no other change in the composition of the Board during the period under review.

During the year under review, Mr. Jay Mistry (Membership No. ACS 34264) tendered his resignation as Company Secretary of the Company w.e.f. June 4, 2021. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved the appointment of Mr. Santohkumar Sharma (Membership No. ACS 35139) as Company Secretary w.e.f. June 5, 2021.

Apart from the above, there was no other change in the composition of the Key Managerial Personnel during the period under review.

18. BOARD AND COMMITTEE MEETING(S)

A total of 23 Board/Committee meetings were held during the year under review comprising 9 Board meetings, 6 meetings of the Audit Committee, 3 meetings of the Nomination and Remuneration Committee, 2 meetings of the Stakeholders Relationship Committee, 1 meeting of the Risk Management Committee, 1 meeting of the Rights Issue Committee, 1 Independent Directors' meeting and due to non-applicability of CSR provisions no meeting was held for Corporate Social Responsibility Committee.

Committees of Board:

The Company has six (6) Board-level Committee(s), which have been established in compliance with the provisions of the Act and SEBI Listing Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholder's Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee: and
- Rights Issue Committee

Details of Committees along with their charter, composition and attendance of Directors at Meetings of the Committees are provided in the Corporate Governance report.

I. Audit Committee:

The Audit Committee has been constituted by the Board, in accordance with the provisions of Section 177 of the Act, read with Regulation 18 of SEBI Listing Regulations. During the year under review, the Board had accepted all the recommendations of the Audit Committee.

II. Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Act, read with Regulation 19 of SEBI Listing Regulations, the Board has constituted the Nomination and Remuneration Committee, which inter-alia recommends to the Board the criteria for appointment of Director(s) along with the compensation, terms of executive directors and senior managerial personnels.

The Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and all other Employees of the Company. The said policy is hosted on the website of the Company. The web link of the same is as follows: https://irisbusiness.com/sites/default/files/nrc-policy.pdf

III. Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee is duly constituted in accordance with the provisions Section 178 of the Act, read with Regulation 20 of SEBI Listing Regulations. The primary objective Stakeholder's Relationship Committee of the Company is to consider and resolve the grievances of security holders/ members of the Company.

IV. Corporate Social Responsibility ("CSR Committee"):

The CSR Committee is duly constituted as per provisions of Section 135 of the Act, consisting of three (3) Directors of which Chairman is Non–Executive Independent Directors and two (2) Executive Directors. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, the Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The detailed report on CSR activities is attached as Annexure 3 to this report.

The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation. The CSR Policy of the Company can be accessed on the Company's website at the link provided herein below:
https://irisbusiness.com/pdfs/CSR%20Policy.pdf

V. Risk Management Committee

The Board of your Company voluntarily constituted the Risk Management Committee ('RMC') of the Board. As on the date of this Report, the RMC is comprised of two Non-Executive Independent Directors and one Executive Director of the Company. The Company Secretary acts as the Secretary to the Committee.

VI Rights Issue Committee

At the meeting of Board of Directors held on January 29, 2022, the board has approved the raising of funds by way of offer and issue of equity shares of the Company on a right basis (Rights Issue) up to ₹ 32.00 Crore and accordingly constituted a Rights Issue Committee.

19. COMPLIANCE WITH SECRETARIAL STANDARD

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

20. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were in the ordinary course of the business and on an arm's length basis. The Company has not entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. The details of the transactions as per section 188 of the Companies Act, 2013 and rules framed thereunder is enclosed as Annexure - 4 in Form AOC-2, as required under Rule 8(2) of Companies (Accounts) Rules, 2014.

The Related Party Transactions are placed before the Audit Committee for prior approval, as required under applicable law. Only those members of the Audit Committee who were Independent Directors approved the same.

Prior omnibus approval of the Audit Committee is also obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature and value of the transactions.

The Company has adopted a policy on Related Party Transactions. The policy as approved by the Audit Committee and the Board of Directors is available on the website of the Company https://irisbusiness.com/sites/default/files/policy-on-related-party-transactions.pdf.

21. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enslosed as Annexure - 5.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including amendment thereto, is provided in the Annexure forming part of the Report. In terms of the second proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any shareholder interested in obtaining the same may write to the Company Secretary at cs@irisbusiness.com.

22. ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Committees and individual Directors, pursuant to the provisions of the Act, SEBI Listing Regulations and the guidance note on Board evaluation issued by the Securities and Exchange Board of India dated 5th January 2017.

The Nomination & Remuneration Committee (NRC) has defined the evaluation criteria for the performance evaluation of individual Directors, the Board and its Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as structure of the Board, meetings and functions of the Board, degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and the Management, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as mandate and composition, effectiveness of the Committees, structure of the Committees and meetings, independence of the Committees from the Board, contribution to decisions of the Board, effectiveness of the meetings and quality of relationship of the Committees with the Board and the Management, etc.

The Board and the NRC reviewed the performance of the individual Directors on the basis of the criteria such as knowledge and competency, fulfillment of functions, ability to function as a team, initiatives taken, availability and attendance at the meeting, integrity, independence, contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings etc. In addition, the performance of the Chairman was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer the meetings, impartiality, ability to keep shareholders' interests in mind and motivating and providing guidance to the Executive Directors etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Outcome of evaluation process: Based on inputs received from the board members, it emerged that the Board has a good mix of competency, experience, qualifications and diversity. Each Board member contributed in his/her own manner to the collective wisdom of the Board, keeping in mind his/her own background and experience. There was active participation and adequate time was given for discussing strategy. Overall, the Board was functioning very well in a cohesive and interactive manner.

The NRC Policy including the criteria of annual evaluation of board, committees and individual directors are available on the Company's website https://irisbusiness.com/sites/default/files/nrc-policy.pdf.

23. COMPANY'S POLICY OF APPOINTMENT OF DIRECTOR'S AND KEY MANAGERIAL PERSONNEL

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel ("KMP") and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination And Remuneration Committee and approved by the Board of Directors.

The policy is available on the Company's website at https://irisbusiness.com/sites/default/files/nrc-policy.pdf .

24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - 6 to this report.

25. STATUTORY AUDITORS

KKC Associates LLP, Chartered Accountants, (Formerly Khimji Kunverji & Co LLP) (ICAI Firm Registration No. 105146W/W100621) were appointed as the Statutory Auditors of the Company by the shareholders of the Company at the Twentieth Annual General Meeting ("AGM") of the Company held on August 14, 2020 to hold office from the conclusion of Twentieth Annual General Meeting till the conclusion of the Twenty-fifth AGM.

The Auditors' Report on the Financial Statements (Standalone and Consolidated) of the Company for the year under review, "with an unmodified opinion", as given by the Statutory Auditors, is disclosed in the Financial Statements forming part of this Annual Report. The Auditors' Report on financial statements of the Company for the year ended 31st March, 2022 did not contain any qualifications, reservations or adverse remarks. Also, no frauds in terms of the provisions of Section 143(12) of the Act have been reported by the Statutory Auditors in their report for the year under review.

26. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. Parikh & Associates, Practicing Company Secretary, Mumbai, were appointed as a Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for Financial Year 2021-22. The report of the Secretarial Auditor is enclosed as Annexure - 7.

The Secretarial Audit was not applicable to any of the subsidiaries of the Company during the year under review.

The provisions of circular no. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by the Securities and Exchange Board of India with respect to the Annual Secretarial Compliance Report is enclosed as Annexure – 7A.

The Secretarial Audit Report contains a remark on the non-compliance of Regulation 29 of SEBI Listing Regulations pertaining to the delay in intimation of meeting of the board of directors held on November 13, 2021.

The Board has been explained that the delay was mainly caused due to migration of the Company from the SME Board to the Main Board of BSE Limited. On account of migration to the Main Board, the requirement of disclosure of quarterly financial results became applicable as against the requirement of half-yearly financial results on SME Board. Since, the migration came into effect on November 8, 2021, the Company's management did not have adequate time for intimation of the Board Meeting to BSE Limited thereby causing a delay in compliance with Regulation 29 of SEBI Listing Regulations. The Company made a representation before BSE Limited for considering the said matter.

27. INTERNAL AUDITOR

In terms of Section 138 of the Companies Act, 2013 and Rules made there under, M/s. M.P. Chitale & Co., Chartered Accountants, Mumbai, were appointed as Internal Auditors of the Company to undertake the Internal Audit of the Company for Financial Year 2021-22. During the year, the Company continued to implement its suggestions and recommendations to improve the control environment. Their scope of work included, review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

28. COST AUDITOR

The Company was not required to appoint any Cost Auditor or maintain Cost Audit Records pursuant to the requirements of Section 148 of the Act during the year under review.

29. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with the Companies (Management and Administration) Rules, 2014 of the Act, the Annual Return as on March 31, 2022 is available on the website of the Company https://www.irisbusiness.com/sites/default/files/Annual_Return_2021-22.pdf.

30. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not granted any loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013.

31. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2022.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their information and knowledge, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

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

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

e) we have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

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

32. HUMAN RESOURCES / INDUSTRIAL RELATIONS, INCLUDING NUMBER OF PEOPLE EMPLOYED

Your Company provides regular training to employees to improve skills. Your Company has put in place a performance appraisal system that covers all employees. Your Company had 373 permanent employees as on March 31, 2022 while the count was 357 as on March 31, 2021.

33. CORPORATE GOVERNANCE

A separate section on Corporate Governance is enclosed as Annexure 8 along with the certificate from the Practicing Company Secretary confirming compliance with conditions on Corporate Governance as stipulated in the SEBI Listing Regulations as on March 31, 2022.

34. COMMITTEE AND POLICY UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment. During the year under review, Company did not receive any complaint under the Policy for Prevention of Sexual Harassment of the Company.

35. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has Whistle Blower Policy /Vigil Mechanism Policy for the Company to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. Functioning of the Whistle Blower Policy is reviewed by the Audit Committee / Board on periodical basis. During the financial year ended March 31, 2022, the Company has not received any complaint under the Whistle Blower Policy of the Company.

36. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the members of the Board of Directors and Senior Management Personnel. It is confirmed that all Directors and Senior Management Personnel have affirmed their adherence to the provisions of the Code of Conduct during the financial year 2021-22. The declaration to this effect signed by Mr. Swaminathan Subramaniam, Whole Time Director & CEO is enclosed to the Corporate Governance report as 'Annexure 8B'.

37. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of provisions of Regulation 34(2)(e) of SEBI Listing Regulations, a Management Discussion & Analysis Report has been separately furnished in the Annual Report.

38. POLICIES AND DISCLOSURE REQUIREMENTS

In terms of provisions of the Act and provisions of the SEBI Listing Regulations, the Company has adopted the following Policies. The policies are available on Company's website – http://www.irisbusiness.com/investors/policies

- Policy on Related Party Transactions
- Nomination and Remuneration Policy
- Corporate Social Responsibility Policy
- Code of Conduct for Director & Senior Management Personnel
- Material Subsidiary Policy
- Policy for Determination of Materiality of Events
- Policy for Preservation of Documents
- Terms and Condition of Independent Director
- Vigil Mechanism Policy
- Code of Conduct to Regulate, Monitor and Report Trading by insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")

The Company's Policy on Directors' appointment, remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 forms part of the Nomination and Remuneration Policy.

39. GENERAL

The Board of Directors confirm that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2021-22:

1. non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
2. Material or serious instances of fraud falling within the

purview of Section 143(12) of the Companies Act, 2013 and Rules made there under.

40. ACKNOWLEDGEMENTS

Your Board takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Board also wishes to place on record its sincere appreciation for the wholehearted support received from members, clients, bankers and all other business associates. The Company looks forward to continued support of all these partners in progress.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam	**Deepta Rangarajan**	**Balachandran Krishnan**
Whole Time Director & CEO	Whole Time Director	Whole Time Director & CFO
(DIN: 01185930)	(DIN: 00404072)	(DIN: 00080055)

Date : May 27, 2022
Place : Navi Mumbai

Annexure - 1

FORM AOC-1

[Pursuant to first provision to sub-section (3) of section129 read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part - A

Subsidiaries

(Amount in Thousands - ₹)

Sr. No.	1	2	3	4
Name of the subsidiary	IRIS Business Services LLC	IRIS Business Services (Asia) Pte. Ltd.	Atanou S.r.l.	IRIS Logix Solutions Private Limited
The date since when subsidiary was formed/ acquired	26.02.2010	07.07.2010	31.07.2015	13.12.2019
Reporting period for the subsidiary concerned, if different from the holding company's reporting period. (start and end of accounting period)	01.04. 2021 to 31.03.2022	01.04. 2021 to 31.03. 2022	01.04. 2021 to 31.03. 2022	01.04. 2021 to 31.03. 2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD	SGD	EURO	INR
	BS - 75.90	BS - 56.06	BS - 84.22	
	P&L - 74.49	P&L - 55.24	P&L - 86.58	
Share capital	14,540	11,382	712	1,000
Reserves and surplus	(26,966)	(7,099)	(1,230)	(135)
Total assets	30,157	8,489	816	4,079
Total Liabilities	42,583	4,206	1,334	3,214
Investments	-	-	-	-
Turnover	33,099	22,477	-	3,447
Profit before taxation	2,139	1,620	(679)	298
Provision for taxation	-	-	-	110
Profit after taxation	2,139	1,620	(679)	188
Proposed Dividend	-	-	-	-
Extent of shareholding (in percentage)	100%	98.36%	100%	76%

1. Names of subsidiaries which are yet to commence operations – NIL
2. Names of subsidiaries which have been liquidated or sold during the year – NIL

Part B- Joint Ventures and associates

The Company does not have any Associates nor has entered into joint ventures.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 27, 2022
Place : Navi Mumbai

Annexure – 2

DETAILS OF IRIS EMPLOYEES STOCK OPTION SCHEME, 2017

Disclosures pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with SEBI Circular dated June 16, 2015 on ESOS disclosures for the financial year ended March 31, 2022.

Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.	Members may refer to note 32 of the standalone financial statement of the Company.
Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.	Diluted EPS on consolidated basis for the year ended March 31, 2022, is ₹ 0.52 and on Standalone basis is ₹ 0.35
Date of shareholders' approval	13th September, 2017
Total number of options approved under ESOS	7,00,000
Vesting requirements	Employee Stock Options granted under Scheme shall vest not earlier than 1 (one) year and not later than maximum Vesting Period of 4 (four) years from the date of Grant and that different vesting period may be decided by the Nomination and Remuneration Committee (NRC) for employees at discretion of the NRC.
Exercise price or pricing formula	The Exercise Price per Option shall be determined by the Nomination and Remuneration Committee being not lesser than the face value of the Share underlying such Option as on date of Grant.
Maximum term of options granted	Nine years
Source of shares (primary, secondary or combination)	Primary - Fresh equity allotment by the Company
Variation in terms of options	N.A.
Method used to account for ESOS - Intrinsic or fair value	Fair Value
Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	N.A.
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
(a) options granted;	7,00,000
(b) options vested;	4,50,000
(c) options exercised;	2,95,000
(d) the total number of shares arising as a result of exercise of option;	2,95,000
(e) options lapsed / cancelled;	2,06,000
(f) the exercise price;	₹ 32/- per Option
(g) variation of terms of options;	N.A.

(h) money realized by exercise of options;	₹ 94,40,000
(i) total number of options in force;	1,55,000
(j) employee wise details of options granted to:—	
(i) senior managerial personnel/ key managerial personnel.	Nothing to Report
(ii) any other employee who receives a grant of options in any one year of option amounting to five per cent or more of options granted during that year.	Nothing to Report
(iii) Identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nothing to Report
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:—	
(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Members may refer to note 32 of the standalone financial statement of the Company.
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Members may refer to note 32 of the standalone financial statement of the Company.
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Since shares of the Company got listed only on the Grant Date and there is no history of share price trading, expected volatility had been derived from historic values NSE index as on the Grant date.
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	N.A.

Option movement during the year (For each ESOS)

Particulars	Details
Number of options outstanding at the beginning of the period	4,50,000
Number of options granted during the year	NIL
Number of options forfeited / lapsed during the year	NIL
Number of options vested during the year (excluding lapsed options which were vested, due to resignation of employee)	NIL
Number of options exercised during the year	2,95,000
Number of shares arising as a result of exercise of options	2,95,000
Money realized by exercise of options (₹), if scheme is implemented directly by the company	94,40,000
Loan repaid by the Trust during the year from exercise price received	Nothing to Report
Number of options outstanding at the end of the year	1,55,000
Number of options exercisable at the end of the year	1,55,000

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 27, 2022
Place : Navi Mumbai

Annexure - 3

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   The CSR policy has been formulated for indicating the activities to be undertaken by the Company in compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder and to recommend the amount of expenditure to be incurred on CSR Activities as enumerated in Schedule VII of the Companies Act, 2013 and monitor the CSR Policy of the Company periodically.

   Our policy acknowledges that our responsibilities to the communities in which we operate are essential to the long-term success of our business and to all its stakeholders.

   We are committed to working with our customers, suppliers, employees and the society to achieve results that grow our company, reward our shareholders, our people and contribute to our communities.

   A detailed copy of the Corporate Social Committee policy is available on the website of the company viz. www.irisbusiness.com

2. **The Composition of the CSR Committee is as follows:**

Name of the Committee Member	Category
Mr. Ashok Venkatramani (Chairman)	Non-Executive, Independent Director
Ms. Deepta Rangarajan	Whole Time Director
Mr. Swaminathan Subramaniam	Whole Time Director & CEO

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   Composition of CSR Committee: https://irisbusiness.com/sites/default/files/Composition%20of%20Board%20and%20Committee.pdf

   CSR Policy: https://irisbusiness.com/pdfs/CSR%20Policy.pdf

   CSR projects approved by the Board: **Not Applicable**

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for financial year (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5): ₹ **(969.30) thousands**

7. (a) Two percent of average net profit of the Company as per section 135(5): **The average net profit of the company is in negative, hence the company is not required to spend any funds on CSR**;

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

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

   (d) Total CSR obligation for the financial year (7a+7b-7c) – **Not Applicable**

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
NA	NA	NA	NA	NA	NA

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

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(d) Amount spent in Administrative Overheads: **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Not Applicable**

(g) Excess amount for set off, if any : **Not Applicable**

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project Completed / Ongoing.
Not Applicable								

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

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

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

12. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

We hereby confirm that the Company has implemented and monitored the CSR Policy in Compliance with CSR Objectives and Policy of the Company.

For and on behalf of the Board of Directors of
IRIS Business Services Limited

Swaminathan Subramaniam	**Ashok Venkatramani**	**Deepta Rangarajan**
Member of CSR Committee	Chairman of CSR Committee	Member of CSR Committee
(DIN: 01185930)	(DIN: 02839145)	(DIN: 00404072)

Date : 27th May, 2022
Place : Navi Mumbai

Annexure - 4

FORM 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 transaction under third proviso thereto.

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

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	
2.	Nature of contracts /arrangements / transaction	
3.	Duration of the contracts / arrangements / transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	NIL
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis. (Amount in Thousands - ₹)

Sr.	Particulars	Details							
1.	Name (s) of the related party & nature of relationship	Atanou S.r.l.	IRIS Business Services, LLC	IRIS Knowledge Foundation		IRIS Business Services (Asia) Pte Ltd		FinX Solutions	IRIS Logix Solutions Private Limited
2.	Nature of contracts /arrangements / transaction	Provide Computer Software and XBRL Services	Availing / Providing marketing support services for building business in United States	Rental Income / Provide technology supported services	Donation	Providing software product & related services along with marketing support	Avail marketing, support services for building business	Provide Computer Software services.	Providing service of software development/ Providing infrastructure hosting service
3.	Duration of the transaction	Financial Year 2021-22							
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.
5.	Value of transaction	--	3,422	--	--	653	1,642	2,248	2,101
6.	Investment in the Subsidiary	Nil	Nil	Nil					Nil
7.	Date of approval by the Board	Not applicable as the transactions entered into are at arm's length price and are in the ordinary course of business as provided under Section 188(1) of the Companies Act, 2013.							
8.	Amount paid as advances, if any	Nil							

There were no material related party transactions during the financial year 2021-22 with related parties .

For and on behalf of the Board of Directors of
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : 27th May,2022
Place : Navi Mumbai

Annexure - 5

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under:

(Amount in Thousands - ₹)

Sr. No.	Name of Director / Key Managerial Personnel (KMP) and Designation	Remuneration of Director/ KMP for Financial Year 2021-22 @	% increase in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director to median remuneration of employees*
1	Mr. Swaminathan Subramaniam, Whole Time Director & CEO	3,000	0	4.62:1
2	Ms. Deepta Rangarajan, Whole Time Director	3,750	25	5.77:1
3	Mr. Balachandran Krishnan, Whole Time Director & CFO	3,750	25	5.77:1
4	Mr. Jay Mistry, Company Secretary & Compliance Officer	244	0	0.38:1
5	Mr. Santoshkumar, Company Secretary & Compliance Officer	1,144	0	1.76:1

* The Independent Directors of the Company viz. Mr. Vinod Agarwala, Mr. Ashok Venkatramani, Mr. Bhaswar Mukherjee and Mr. Haseeb Drabu are not entitled to any remuneration other than sitting fees for attending the meetings of the Board and its Committee(s). Hence ratio of their sitting fees to median remuneration of employee is not comparable. The ratio of remuneration (sitting fees) of Independent Directors to median remuneration of employees is as follows:

Mr. Ashok Venkatramani (0.58: 1), Mr. Bhaswar Mukherjee (0.60: 1), Mr. Vinod Agarwala (0.58: 1), Mr. Haseeb Drabu (0.41 : 1)

@There was no increase in remuneration of Independent Directors during the financial year, they are entitled for sitting fees in proportion to number of meeting(s) attended by them.

2) The median remuneration of employees of the Company for the Financial Year 2021-22 was ₹ 650 thousands (as on March 31, 2022). For the financial year ended 2021-22, the median remuneration of employees was 5.86% higher compared to previous year.

3) There were 373 permanent employees on the Payroll of the Company as on 31st March 2022 as compared to 357 employees as on March 31, 2021.

4) Average percentage increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration:

The average percentage increase made in the salaries of employees other than the managerial Personnel was 13%. There was no increase in the managerial remuneration during the financial year other than mentioned above.

5) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the Remuneration has paid is as per the Remuneration Policy of the Company.

6) Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(A) Employed throughout the financial year under review and in receipt of remuneration for the financial year in the aggregate of not less than ₹ 1,02,00,000/- per annum: **None**

(B) Employed for the part of the financial year under review and in receipt of remuneration at the rate of not less than ₹ 8,50,000/- per month: **None**

(C) There was no employee either throughout the financial year or part thereof who was in receipt of remuneration which in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or alongwith his spouse or dependent children two percent of the Equity Shares of the Company.

(D) None of the employees covered under Rule 5(2) and 5(3) are a relative of any Director of the Company.

For and on behalf of the Board of Directors of
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : 27th May,2022
Place : Navi Mumbai

Annexure - 6

PARTICULARS IN REGARDS TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE COMPANIES (ACCOUNT) RULES, 2014.

(A) Conservation of energy

i. **The steps taken or impact on conservation of energy:** Since the Company is not engaged in any manufacturing activity, the consumption of energy is relatively low. The company takes reasonable steps to ensure conservation energy at its offices.

ii. **The steps taken by the company for utilizing alternates source of energy:** NIL

iii. **The capital investment on energy conservation equipment**: NIL

(B) Technology absorption

i. The efforts made towards technology absorption:

(a) The company primarily uses cloud based technologies and a virtualized environment for internal development activities.

(b) The company's key products IRIS Carbon® and IRIS GST are on cloud based technologies. There is also focus on adopting mobile technologies starting with the GST compliance offering. A mobile app, IRIS Peridot, enabling counterparty compliance check and GSTIN verification, is very popular. The company is now working with the data standard, SDMX (Statistical Data and Metadata Exchange) which is an international initiative supported by institutions such as the Bank for International Settlements (BIS), the World Bank and the IMF. The company is also increasingly looking at AI based technologies to enhance our product suite, especially in the 'Create' segment.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Adoption of cloud based technologies gives significant advantages in terms of user experience as well as operational and cost efficiencies. The API based technologies the company has invested in helps in building products that are in the sync with the emerging eco system and is a source of competitive advantage. Investment in SDMX technologies will help the company to expand its array of offerings.

iii. In case of imported technology (imported during last three years reckoned from beginning of financial year):

(a) Details of technology imported: **Nil**

(b) Year of Import: **Nil**

(c) Whether technology has been fully absorbed: **Nil**

(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: **Nil**

iv. The expenditure incurred on Research and Development: Capital expenditure on the development of IRIS Noah and IRIS Bushchat Platform during the year 2021-22 is ₹ 3,865 thoudands. As a percentage of total revenue: 0.65%

(C) Foreign exchange earnings and outgo

i. The Earnings in foreign Exchange during the financial year 2021-22: ₹ 2,87,942 thousands

ii. The outgo in foreign exchange during the financial year 2021-22: ₹ 55,054 thousands

For and on behalf of the Board of Directors of
IRIS Business Services Limited

Swaminathan Subramaniam	**Deepta Rangarajan**	**Balachandran Krishnan**
Whole Time Director & CEO	Whole Time Director	Whole Time Director & CFO
(DIN: 01185930)	(DIN: 00404072)	(DIN: 00080055)

Date : 27th May,2022
Place : Navi Mumbai

Annexure - 7

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
IRIS Business Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Iris Business Services Limited (hereinafter called '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, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the rules made thereunder;

ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

   i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

   iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

   vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)

   vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

vi. Other laws specifically applicable to the Company namely

- The Company is registered as a N-STPI unit with Software Technology Parks of India (STPI), a society set up by the Ministry of Electronics & Information
- Technology (MeitY), Government of India. STPI is statutory body.
- Information Technology Act, 2000
- Trademarks Act, 1999
- Patents Act, 1970 as amended from time to time.
- Copyright Act, 1957

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that during the year, the Company has received a Notice from BSE Limited ("BSE") on December 14, 2021 with regards to levy of Fine of ₹ 11,800/- as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 under Regulation 29 (2) / 29 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for delay in furnishing prior intimation about the meeting of the board of directors for the meeting held on November 13, 2021 for financial results. The Company had made a representation to BSE for waiver of the said fine. BSE vide its email dated 19.05.2022, declined the request for the said waiver to which the Company has again made its representation. The Company is awaiting a reply from BSE in this regard.

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.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a. The Company was originally listed on SME platform of BSE Limited on 11th October, 2017, subsequently on November 08, 2021, the company got migrated on the Main Board platform of BSE Limited vide their notice no. 20211103-16 dated November 03, 2021 and to Main Board platform of NSE vide their letter NSE/LIST/03 dated November 03, 2021.

b. The Board of Directors at their meeting held on 29th January, 2022, had approved issue of shares on rights basis of face value of ₹10/- each with the aggregate value not exceeding ₹ 32 crores, subject to requisite approvals.

For Parikh & Associates
Company Secretaries

Sarvari Shah
Partner
FCS No: 9697 CP No: 11717
UDIN: F009697D000402309
PR No.: 1129/2021

Place: Mumbai
Date: May 27, 2022

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,
The Members,
IRIS Business Services Limited

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 process 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 process 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. Wherever 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 procedure 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 Parikh & Associates
Company Secretaries

Sarvari Shah
Partner
FCS No: 9697 CP No: 11717
UDIN: F009697D000402309
PR No.: 1129/2021

Place: Mumbai
Date: May 27, 2022

Annexure 7A

SECRETARIAL COMPLIANCE REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Regulation 24(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
IRIS Business Services Limited
T-231, Tower 2, 3rd Floor,
International Infortech Park,
Vashi Station, Vashi,
Thane – 400703.

The provisions of regulation 16 to 27 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have become applicable to the Company upon the migration of the equity shares of the Company to the Main Board of BSE Limited (BSE) and to National Stock Exchange of India Limited (NSE) w.e.f. November 08, 2021 and accordingly,

We Parikh & Associates have examined:

a) all the documents and records made available to us and explanation provided by IRIS Business Services Limited ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) Website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of :

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations (including amendments, modifications from time to time), whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the review period)

c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;(Not applicable to the company during the review period)

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the review period)

g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;(Not applicable to the company during the review period)

h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

i) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Refer clause (c) below			

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE Limited	Delay in furnishing prior intimation about the meeting of the board of directors for the meeting held on November 13, 2021 for financial results required under Regulation 29 (2) / 29 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Fine of ₹ 11,800/- levied by BSE on December 14, 2021.	The Company had made a representation to BSE for waiver of said fine. BSE vide its email dated 19.05.2022, declined the request for the said waiver to which the Company has again made its representation.

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

For Parikh & Associates
Company Secretaries

Sarvari Shah
Partner
FCS No: 9697 CP No: 11717
UDIN: F009697D000402320
PR No.: 1129/2021

Place: Mumbai
Date: May 27, 2022

Annexure - 8

CORPORATE GOVERNANCE REPORT

FOR THE YEAR 2021-22

[As required under Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance and as a part of its growth strategy, it places high importance on strengthening and further developing Corporate Governance initiatives. Our Corporate Governance framework not only ensures that we make timely disclosures and share relevant information regarding our financials and performance, but also disclose important information related to the leadership and governance of the Company. For the Company, Corporate Governance is not just adherence to the Statutory & Regulatory requirements but is equally about focusing on voluntary practices that underline the highest levels of transparency & propriety.

The Management's philosophy on corporate governance is aimed at conducting business in an ethical and professional manner and to enhance confidence of all stakeholders, viz.; shareholders, investors, brand partners, customers and clients, employees, regulatory bodies and public in general, since we believe that adhering to the best Corporate Governance practice is essential to achieve long term corporate goals and enhance shareholder value. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's philosophy on Corporate Governance oversees business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

2. BOARD OF DIRECTORS

The Board of Directors ('Board') is entrusted with the ultimate responsibility for the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Company believes that an active, diverse, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Board is at the core of our corporate governance practices. Driven by the principles of ethics and accountability, the Board strives to work in best interest of the Company and its stakeholders. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objectives of creating long term value for the Company's stakeholders.

a. Composition of the Board

We acknowledge the importance of diversity in the Boardroom as a driver of effectiveness. For the Board, diversity encompasses difference in perspective, experience, education, ethnicity, gender and other personal attributes. The Board represents an appropriate composition of Executive and Non-Executive Directors, including Independent Directors, which is in compliance with the Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Pursuant to Section 149(4) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI Listing Regulations, the Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals with rich experience and expertise from diverse background relevant to the Company's business requirements, who have long standing experience and expertise in their respective fields.

As on March 31, 2022, the Company's Board comprised of Three (3) Executive Directors and Four (4) Non- Executive Independent Directors. The Chairperson of the Company is a Non-Executive Independent Director.

b. Compliance with Directorship limits

All the Directors have made necessary disclosures regarding their directorships/memberships and other interests as required under Section 184 of the Act, None of the Directors of your Company is a Director in more than twenty (20) Companies (including ten public Companies) or acts as an Independent Director in more than seven (7) Listed Companies, or three (3) Listed Companies in case they serve as a Whole-time Director in any Listed Company.

c. Compliance with Committee positions

Disclosures have been made by the Directors regarding their Chairmanships/Memberships of mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of the SEBI Listing Regulations. Accordingly, none of the Directors on the Board of your Company is a member of more than ten (10) Committees or Chairperson of more than five (5) Committees, across all Public Limited Companies in which he/she is a Director.

d. Declaration from Independent Directors

All the Independent Directors on the Board of your Company have confirmed that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act and they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board has carried out an assessment of declarations and confirmations submitted by the Independent Directors of the Company and after undertaking due assessment of the veracity of the same, is of the opinion that the Independent Directors are independent of the Company's management and they Fulfill the conditions specified in the SEBI Listing Regulations and the Act.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs("IICA").

During the year under review, none of the Independent Director of the Company had resigned before the expiry of their respective tenure(s).

e. Composition and Details of other Directorships & Committee memberships / chairmanships

The composition of the Board and other relevant details relating to Directors as on March 31, 2022 is given below:

Name of the Director	Category	DIN	No. of Directorship of Other Public Limited Companies@	No. of Committee Positions held of other Public Limited Companies#		Directorship in other listed entities (category of directorship)	
				Chairperson	Member	Directorship in other listed entities	Type of Directorship
Mr Swaminathan Subramaniam	Promoter, Whole Time Director & CEO	01185930	1	-	-	-	-
Mr Balachandran Krishnan	Promoter, Whole Time Director & CFO	00080055	1	-	1	-	-
Ms Deepta Rangarajan	Promoter, Whole Time Director	00404072	-	-	-	-	
Mr Vinod Balmukand Agarwala	Non-Executive Independent Director – Chairman	01725158	3	2	5	Technocraft Industries (India) Limited GTL Infrastructure Ltd Supreme Infrastructure India Limited	Non-Executive Independent Director
Mr Ashok Venkatramani	Non-Executive Independent Director	02839145	-	-	-	-	-
Mr Bhaswar Mukherjee	Non-Executive Independent Director	01654539	1	2	2	GP Petroleums Limited	Non-Executive Independent Director
Mr Haseeb A. Drabu	Non-Executive Independent Director	00489888	2	-	-	Aspira Pathlab & Diagnostics Limited	Non-Executive Independent Director

@Excludes Private Limited Companies, Limited Liability Partnerships, Foreign Companies, Companies registered under Section 8 of the Act and government bodies and Directorship in your Company

#Committees considered as per Regulation 26 of SEBI Listing Regulations i.e. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies excluding that of your Company. Committee Membership(s) includes Chairmanship(s).

Mr. Swaminathan Subramaniam, (DIN: 01185930), Ms. Deepta Rangarajan, (DIN: 00404072) and Mr. Balachandran Krishnan, (DIN: 00080055), were re-appointed by the Board of Directors of the Company as Whole Time Director(s) of the Company for a period of three years effective from May 1, 2021 on the recommendation of the Nomination and Remuneration Committee, which was duly approved by the shareholders of the Company through postal ballot on April 3, 2021.

f. Dates and Number of Board Meetings

During the financial year ended March 31, 2022, the Board met 09 (Nine) times on April 22, 2021, May 22, 2021, June 28, 2021, August 28, 2021, November 13, 2021, January 29, 2022, February 14, 2022, March 1, 2022 and March 26, 2022. Necessary quorum was present at all meetings. The gap between any two consecutive meetings did not exceed 120 consecutive days as stipulated under Section 173(1) of the Act, Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The 21st(twenty-first) AGM of the Company was held on August 14, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the physical presence of the members of the Company as a common venue as per the Circulars and directions issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

g. Attendance at Board Meetings and previous AGM

Details of attendance of Directors at Board Meetings held during the year under review and the previous AGM is as under:

Name of Director	Number of Board meetings attended		Attendance at previous AGM
	Held during tenure	Attended	
Mr Swaminathan Subramaniam	9	9	Yes
Mr Balachandran Krishnan	9	9	Yes
Ms Deepta Rangarajan	9	9	Yes
Mr Vinod Balmukand Agarwala	9	9	Yes
Mr Ashok Venkatramani	9	9	Yes
Mr Bhaswar Mukherjee	9	9	Yes
Mr Haseeb A. Drabu	9	8	No

h. Meeting of Independent Directors

Pursuant to Schedule IV of the Act read with the Rules made thereunder and Regulation 25(3) of the SEBI Listing Regulations, Independent Directors of the Company held a meeting on May 20, 2021, without the attendance of Non-Independent Directors and members of management. At the meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors, and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board which was necessary to effectively and reasonably perform their duties. The Independent Directors have conveyed their satisfaction on the performances of Non-Independent Directors, Whole Time Director and the Board as a whole, and also on the flow of information to the Board.

i. Inter-se relationships between Directors

Other than Mr Swaminathan Subramaniam and of Ms Deepta Rangarajan, being husband and wife none of the Director(s) and/or Key Managerial Personnel of the Company and their relative's inter-se related to each other.

j. Shares and Convertible Instruments held by Non-Executive Directors

As on March 31, 2022, the Company does not have any convertible instruments.

None of the Non-Executive Directors held Equity shares of the Company as on March 31, 2022.

k. Director(s) seeking Appointment/Re-appointment

In terms of Section 152 of the Act, Mr. Balachandran Krishnan, Whole-time Director of the Company is liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company, has offered himself for re-appointment.

Subsequent to the year end, the Board at its meeting held on May 27, 2022, based on the recommendation of the Nomination and Remuneration Committee ('NRC') and subject to the approval of Members of the Company has approved:

- Mr. Ashok Venkatramani's re-appointment as a Non-Executive Independent Director for a term of 5 years from October 9, 2022 to October 08, 2027;
- Mr. Bhaswar Mukherjee's re-appointment as a Non-Executive Independent Director for a term of 5 years from October 9, 2022 to October 08, 2027; and
- Mr. Vinod Balmukand Agarwala's re-appointment as a Non-Executive Independent Director for a term of 3 years from November 27, 2022 to November 26, 2025

Detailed profile and other information, as required under Regulation 36(3) of the SEBI Listing Regulations, of the proposed appointee(s) are provided in the Notice of the ensuing AGM.

l. CODE OF CONDUCT

Code of Conduct ('Code') is derived from three interlinked fundamental principles, viz.; good corporate governance, good corporate citizenship and exemplary personal conduct. The Board has laid down a Code for all Board Members and Senior Management of the Company. The Code also provides for the duties of Independent Directors as laid down in the Act. The Company has obtained confirmation of compliance with the

Code from all members of the Board and Senior Management of the Company for the Financial Year 2021-22. As required under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the declaration on compliance of the Company's Code of Conduct signed by the Whole-time Director & CEO forms part of Corporate Governance Report as Annexure 8B.

m. Induction and Familiarisation Programme for Independent Directors

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc.

Pursuant to Schedule IV of the Act and the SEBI Listing Regulations, the Company has an Induction and Familiarization process for Independent Directors that includes background material, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company.

The Directors are provided with all necessary documents, reports and internal policies and procedures to enable them to understand the working of the Company. They are also given periodic presentation in the Board and Committee meetings in order to provide details on the business and performance updates, Company's strategy and operating plans, key issues on corporate governance, code of business conduct, risk management issues, etc.

The details of the aforementioned induction and familiarisation programme are disclosed on the Company's website and can be accessed at https://irisbusiness.com/sites/default/files/Familiarisation-Programme%20for-Independent-Directors.pdf.

n. Skills, Expertise and Competencies of Directors

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the Board has identified the key skills, expertise and competencies required in the context of the Company's business for its effective functioning which are currently available with the Board.

The identified skills/expertise/competencies as identified are leadership qualities, industry knowledge and experience, understanding of relevant laws, rules, regulations, Accounting and Taxation and policies, strategic thinking, corporate governance, financial management expertise, risk management, internal control systems, investor relations and insights into mergers and acquisitions.

The Directors of your Company comprises of qualified individuals who collectively possess the above skills, competencies and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

Further, the information in terms of Para C(2)(h)(ii) of Schedule V of the SEBI Listing Regulations is mentioned below:

Sr No.	Name of Director	Skills / competencies / experience possessed
1	Mr. Swaminathan Subramaniam	Marketing, Strategy, Governance, Management, Business Development
2	Mr. Balachandran Krishnan	Finance, Management, Governance, Audit, Legal
3	Ms. Deepta Rangarajan	Marketing, Governance, Management, Business Development
4	Mr. Vinod Balmukand Agarwala	Law, Finance
5	Mr. Ashok Venkatramani	Business Strategy, Risk Management, Marketing, Stakeholder Management and Fund Raising.
6	Mr. Bhaswar Mukherjee	Finance, Audit, Human Resource Management.
7	Mr. Haseeb A. Drabu	Economic, Strategy, Finance, Risk Management

o. COMMITTEES OF THE BOARD

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees' report to the Board about the deliberations and decisions taken by the Committees. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. During the financial year, all recommendations made by the various Committees have been accepted by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

The details of the various Board Committees are as mentioned below

- **Audit Committee**

The Audit Committee's role is to assist the Board to fulfil its corporate governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions.

a. Constitution

The Audit Committee ('the Committee') of the Board, has been constituted in line with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, and as on the date of this report comprises of four Non-Executive Independent Directors and one Executive Director.

All the Members of the Committee are financially literate and possess strong accounting and related financial management expertise. The Company Secretary acts as the Secretary of the Committee.

b. Composition and Attendance

During FY 2021-22, the Committee met 06 (six) times i.e. on May 22, 2021, August 28, 2021, November 13, 2021, February 14, 2022, March 01, 2022 and March 26, 2022 and the necessary quorum was present at all the meetings. The composition of the Audit Committee as on March 31, 2022 and the number of meetings attended by each member is as follows:

Name of Member	Category	Attendance at meetings	
		Held/Entitled	Attended
Mr Bhaswar Mukherjee	Non-Executive Independent Director - Chairperson	6	6
Mr Vinod Balmukand Agarwala	Non-Executive Independent Director - Member	6	6
Mr Ashok Venkatramani	Non-Executive Independent Director – Member	6	6
Mr Haseeb A. Drabu*	Non-Executive Independent Director – Member	2	2
Mr Balachandran Krishnan	Executive Director – Member	6	6

*The Board of Directors at their meeting held on February 14, 2022 re-constituted the committee by inducting Mr. Haseeb A. Drabu as a member of the Committee.

The Audit Committee invites such executives, as and when it considers appropriate to be present at the meetings. The Finance Controller of the Company, the Internal Auditors and the Statutory Auditors also remain present as invitees for the meetings of Committee.

Mr. Bhaswar Mukherjee, Chairman of the Audit Committee attended the last AGM of the Company held on August 14, 2021.

c. Terms of Reference of the Audit Committee

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the SEBI Listing Regulations. The Committee relies on the expertise and knowledge of the management, the internal auditor and the statutory auditor, in carrying out its oversight responsibilities. It also uses external expertise, if required. The management is responsible for the preparation, presentation and integrity of the Company's financial statements, including consolidated statements, accounting and financial reporting principles. The Committee acts as a link between the Statutory Auditors and the Internal Auditors and the Board of the Company.

The terms of reference of the Audit Committee are in accordance with all the items listed in Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Act which are as follows:

i. Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information;

ii. Recommending to the Board, appointment, re-appointment and, if required, replacement or removal of the Statutory Auditor and fixation of their terms of appointment and remuneration;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any;

iv. Reviewing, with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;

- Modified opinion(s) in the draft audit report.

v. Reviewing with the Management, quarterly Financial Statements/results before submission to the Board for approval;

vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

vii. Reviewing with the Management, performance of Statutory and Internal Auditors, adequacy of internal control systems;

viii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

ix. Approval or any subsequent modification of transactions of the Company with related parties;

x. Scrutiny of inter-corporate loans and investments;

xi. Valuation of undertakings or assets of the Company, wherever it is necessary;

xii. Monitoring the end use of funds raised through public offers and related matters, if any;

xiii. Evaluation of internal financial controls and risk management systems;

xiv. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xv. Discussion with Internal Auditors with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;

xvi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvii. Obtaining an update on the Risk Management Framework and the manner in which risks are being addressed;

xviii. Review all significant transactions and arrangements entered into by the unlisted subsidiary companies;

xix. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xx. Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;

xxi. Review of the functioning of Whistle Blower mechanism;

xxii. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xxiii. Reviewing the Management Discussion and Analysis of financial condition and results of operations;

xxiv. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxv. Review the financial statements, in particular, the investments made by unlisted subsidiaries;

xxvi. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;

xxvii. Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

xxviii. Review the Internal Audit Report relating to internal control weaknesses;

xxix. Review quarterly statement of deviations including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;

xxx. Review annual statement of deviations of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;and

xxxi. Review utilization of loans and/or advances from/ investment by the holding company in the subsidiary (including foreign subsidiaries), which exceeds ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/ investments.

xxxii. Carry out such other responsibility as may be provided by the Companies Act, 2013 and the SEBI Listing Regulations;

xxxiii. To review compliance with the provisions of regulations 9A and other applicable provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

d. Review of matters by Audit Committee

The Committee also reviews the terms of appointment and remuneration of the Internal Auditor and the Chief Financial Officer of the Company, financial statements of subsidiaries and in particular investments made by the subsidiaries, Management discussion and Analysis of financial condition and results of operations, functioning of the Whistle Blower Policy/ Vigil Mechanism. The Committee reviews, on a quarterly basis, related party transactions, uses / application of funds raised on private placement basis, loans, investments and guarantees given, risks and mandatory information under Para B of Part C of Schedule II of the SEBI Listing Regulations.

The Committee also reviews the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle blower Policy are also placed before the Committee.

- **Nomination and Remuneration Committee**

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on their expected performance criteria.

a. Constitution

NRC is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

As on the date of the report, the NRC comprises of three Non-Executive Independent Directors including the Chairman of the Board. The Company Secretary acts as Secretary to the Committee.

b. Composition and Attendance

During FY 2021-22, the Committee met 3 (Three) times and the necessary quorum was present at all the meetings. The NRC meetings were held on May 20, 2021, June 28, 2021 and November 13, 2021. The composition of the NRC as on March 31, 2022 and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr Ashok Venkatramani	Non-Executive Independent Director - Chairman	3	3
Mr Vinod Agarwala	Non-Executive Independent Director - Member	3	3
Mr Bhaswar Mukherjee	Non-Executive Independent Director - Member	3	3

The Chairperson of the Committee, Mr. Ashok Venkatramani was present at the 21st AGM of the Company held on August 14, 2021.

c. Terms of reference of Nomination and Remuneration Committee

The terms of reference of the NRC are in line with regulatory requirements mandated in the Act and Part D of Schedule II of the SEBI Listing Regulations which include:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;

ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

iii. Formulation of criteria for evaluation of independent directors and the Board;

iv. Shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

v. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

vi. Devising a policy on Board diversity; and

vii. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

viii. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.

ix. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

x. Grant of options and allotment of shares under and in accordance with terms of Employee Stock Scheme(s) of the Company.

Nomination and Remuneration Policy

The NRC has formulated a policy for determining qualifications, positive attributes and independence of a Director and other related matters provided under sub section (3) and (4) of Section 178 of the Act which is available on the Company's website at https://irisbusiness.com/sites/default/files/nrc-policy.pdf.

It is affirmed that the remuneration paid to the Directors is as per the terms laid in the duly approved and adopted Nomination and Remuneration Policy of the Company.

d. Performance Evaluation criteria for Independent Directors

The Committee has approved the evaluation process, methodology, framework and criteria for evaluation of performance of Independent Directors, Committees of the Board, the Board as a whole and the Chairperson. Basis the approved framework, the performance evaluation of all the Directors, Committees, Chairperson and the Board as a whole was carried out during the year under review.

- **Stakeholders' Relationship Committee**

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders which include approval of requests for transfer and transmission of shares, transposition and deletion of name in the Register of Members, change of address in the Register of Members, addressing to the complaints of shareholders including non-receipt of declared dividends, non-receipt of Annual Report, revalidation of dividend warrants, consolidation and split of shares, etc.

a. Constitution

As on the date of this report, SRC comprises of a Non-Executive Independent Director and Two Executive Directors. The Chairman of the Committee is an Independent Director. The Company Secretary acts as the Secretary to the Committee.

b. Composition and Attendance

During FY 2021-22, the Committee met 02 (two) times i.e. on May 22, 2021 and November 13, 2021. Necessary quorum was present at both the meetings. The composition of the SRC as on March 31, 2022 and its attendance at its meeting is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr Bhaswar Mukherjee	Non-Executive Independent Director-Chairman	2	2
Ms Deepta Rangarajan	Executive Director - Member	2	2
Mr Balachandran Krishnan	Executive Director - Member	2	2

c. Terms of Reference:

The role and terms of reference of the Committee covers all the areas as contemplated under Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act as applicable.

The Committee deals with matters relating to transfer/ transmission of shares, issue of duplicate certificates and monitors the redressal of Shareholder grievances. The terms of reference of the Committee include:

i. To look into various aspects of interest of shareholders, debenture holders and other security holders;

ii. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;

iv. Issue of duplicate certificates and new certificates on split/ consolidation/renewal;

v. Allotment and listing of shares;

vi. Reference to statutory and regulatory authorities regarding investor grievances; and

vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;

viii. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ix. Review of measures taken for effective exercise of voting rights by shareholders.

x. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent

xi. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

xii. Any other power specifically assigned by the Board of Directors of the Company

With a view to expedite the process of share transfers, necessary authorities have been delegated to the Compliance Officer of the

Company. Details of transfer and transmission requests, if any received at every meeting and report of investor complaints is presented to the Board on a quarterly basis.

d. Investor Complaints

During FY 2021-22, the Company did not receive any complaints from its shareholders/investors. There were no complaints pending as at the end of the year.

Status of Investor Complaints as on March 31, 2022 and reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

No. of Shareholder complaints pending at the beginning of the year i.e. as on April 1, 2021	NIL
No. of Shareholder Complaints received during the year	NIL
No. of Shareholder Complaints resolved during the year	NIL
No. of Shareholder Complaints pending as on March 31, 2022	NIL

The Chairman of the Committee, Mr. Bhaswar Mukherjee attended the 21st AGM of the Company held on August 14, 2021.

e. Stakeholders' Relationship Committee other details:

Name and contact detail of Compliance Officer	Mr. Santoshkumar Sharma, Company Secretary& Compliance Officer Tel.: +91 22 6723 1000
Email Id for Correspondence	cs@irisbusiness.com
Office address for correspondance	T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station, Vashi, Thane - 400 703, Maharashtra, India

f. Compliance Officer under SEBI Listing Regulations

Mr. Santoshkumar Sharma, Company Secretary of the Company is designated as Compliance Officer of the Company pursuant to Regulation 6 of the SEBI Listing Regulations.

• Corporate Social Responsibility Committee

a. Constitution

In accordance with Section 135 of the Act, the Board of Directors of the Company have formed a Corporate Social Responsibility ('CSR') Committee. The Committee has framed a Corporate Social Responsibility Policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of the Company's social objectives with business strategy.

b. Composition and Attendance

The CSR Committee comprises of three directors of whom one is a Non-Executive Independent Director and two Executive Directors. Mr. Ashok Venkatramani, Non-Executive Independent Director is the Chairperson of the Committee. The Company Secretary acts as the Secretary to the Committee.

No CSR Committee meetings were required to be held during the year under review.

The composition of the CSR Committee as on March 31, 2022 is as follows:

Name of Member	Category
Mr Ashok Venkatramani	Non-Executive Independent Director-Chairman
Ms Deepta Rangarajan	Executive Director
Mr Swaminathan Subramaniam	Executive Director

The Company's Corporate Social Responsibility Policy is disclosed on the Company's website and can be accessed at https://irisbusiness.com/pdfs/CSR%20Policy.pdf.

• Risk Management Committee

The Board of your Company voluntarily constituted the Risk Management Committee ('RMC') of the Board. As on date of this Report, RMC comprised of 2 (two) Non-Executive Independent Directors and 1 (one) Executive Director of the Company. The Company Secretary acts as the Secretary to the Committee.

The primary role of the RMC is that of assisting the Board in overseeing the Company's risk management processes and controls. RMC, through the Risk Management Policy, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The Board has adopted a Risk Management Policy for functioning of the RMC.

a. The terms of reference of RMC includes the following:

(1) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer, if any appointed by the Board

During F.Y. 2021-22, the Risk Management Committee met 01 (one) time i.e. on March 30, 2022. The composition of the Risk Management Committee as on March 31, 2022 and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr. Haseeb Darbu	Non-Executive Independent Director Chairman	1	1
Mr. Bhaswar Mukherjee	Non-Executive Independent Director – Member	1	1
Ms. Deepta Rangarajan	Executive Director - Member	1	1

b. Risk Management Framework

Your Company has a well-defined risk management framework in place which inter alia includes identification of elements of risk, if any, which in the opinion of the Board may seriously impact the Company. The Risk Management Policy inter alia includes identification, assessment for likelihood and impact, mitigation steps and reporting of existing and new risks associated with your Company's activities in a structured manner. This facilitates timely and effective management of risks and opportunities and in turn achievement of your Company's objectives.

- **Rights Issue Committee**

The Board of Directors at their meeting held on January 29, 2022 constituted the Rights Issue Committee consisting of 3 (Three) Directors comprising of 2 (two) Executive Directors and 1 (one) Non-Executive Independent Director, approved the rights issue of Upto ₹ 32.00 crores ("Rights Issue") or such other sum which shall be partly or fully paid up as may be determined by the Board or Rights Issue Committee.

The primary role of the Committee was to advise the Board on the mode of capital raising, to engage intermediaries/agencies as may be required in connection with the fund raising, to apply for and obtain all statutory / regulatory approvals from any statutory, regulatory, judicial or quasi-judicial authority and such other function related in connection with the capital raising.

During the FY 2021-22, the Committee met 01 (one) time, i.e. on February 09, 2022.

The composition of the Rights Issue Committee and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr. Balachandran Krishnan	Executive Director	1	1
Mr. Bhaswar Mukherjee	Non-Executive Independent Director-Chairman	1	1
Mr. Swaminathan Subramaniam	Executive Director	1	1

3. REMUNERATION PAID TO DIRECTORS

a. Non-Executive Directors /Independent Directors

Non-Executive Independent Directors are eligible for sitting fees and commission within the limits prescribed in the Act. The remuneration payable to Independent Directors is decided by the Nomination and Remuneration Committee of the Board of Directors. The Independent Directors are eligible for sitting fees of ₹25,000/- for attending each meeting of the Board and Audit Committee, and ₹ 15,000/- for attending meetings of other Committees. Except as disclosed, there are no pecuniary relationships or transactions between the Independent Directors and the Company during FY 2021-22.

Details of sitting fees and commission paid to Directors during FY 2021-22 are as under:

Name of the Director	Sitting Fees paid (₹ in thousands)						
	Board	Audit	NRC^	SRC^	RMC^	RIC^	CSR^
Mr Bhaswar Mukherjee	225	150	-	-	15	-	-
Mr Vinod Balmukand Agarwala	225	150	-	-	-	-	-
Mr Ashok Venkatramani	225	150	-	-	-	-	-
Mr Haseeb A. Drabu*	200	50	-	-	15	-	-
Total	**875**	**500**	**-**	**-**	**30**	**-**	**-**

*The Board of Directors at their Meeting held on February 14, 2022 re-constituted the committee by inducting Mr. Haseeb A. Drabu, Non-Executive Independent Director of the Company as a Member of the Committee;

^The Board of Directors at their Meeting held on March 26, 2022 approved payment of sitting fees of ₹ 15,000/- to each members attending any NRC, SRC, RMC, CSR and RIC.

b. Executive Directors

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and Members' of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company.

During FY 2021-22, remuneration was paid to Mr Swaminathan Subramaniam, Mr Balachandran Krishnan and Ms Deepta Rangarajan which is in accordance with the limits approved by the Board and the Members based on the recommendation of NRC.

Details of remuneration paid by the Company to Executive Directors during the Financial Year ended March 31, 2022 are given below:

Particulars	Mr. Swaminathan Subramaniam	Mr. Balachandran Krishnan	Ms. Deepta Rangarajan
	Whole-Time Director	Whole-Time Director	Whole-Time Director
Term of appointment	Appointed for a period of 3 years w.e.f. May 01, 2021	Appointed for a period of 3 years w.e.f. May 01, 2021	Appointed for a period of 3 years w.e.f. May 01, 2021
Salary & Perquisites (₹ in thousands)	3,000*	3,750*	3,750*
Variable Pay / Performance Linked Incentive	-	-	-
Other retirement benefits	-	-	-
Total	**3,000**	**3,750**	**3,750**

*The remuneration of ₹ 45,00,000/- per annum to each Whole Time Director was approved by the shareholders of the Company on 3rd April, 2021 through a postal ballot.

Notes:

1. There is no separate provision for payment of severance fees.
2. Notice period as per the Rules of the Company.

c. Details of Stock Options granted to the Executive Directors

None of the Directors have been granted any stock options during the Financial Year 2021-22.

d. Details of Shares held by Executive Directors

Details of shares held by the Executive Directors as on March 31, 2022 are as follows:

Name of Member	Category	Number of Shares held
Mr. Swaminathan Subramaniam	Promoter, Whole Time Director & CEO	45,72,168
Mr. Balachandran Krishnan	Promoter, Whole Time Director & CFO	11,04,000
Ms. Deepta Rangarajan	Promoter, Whole Time Director	14,46,052

4. KEY GOVERNANCE POLICIES

a. Policy on Materiality of and dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and dealing with Related Party Transactions which specifies the manner of entering into related party transactions and other related matters.

The Policy has been framed to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations, and intends to ensure proper approval and reporting of transactions as applicable, between the Company and its related parties in the best interest of the Company and its stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws.

The Company's Policy on Materiality of and dealing with Related Party Transactions is uploaded for viewing on its website and can be accessed at https://www.irisbusiness.com/sites/default/files/policy-on-related-party-transactions.pdf

b. Policy on Material Subsidiaries

In line with the requirements prescribed by the SEBI Listing Regulations, the Board of Directors the Company has adopted a Policy on Material Subsidiaries which sets out the criteria to identify material subsidiaries of the Company in accordance with the SEBI Listing Regulations and defines processes and procedures for any transactions with it.

The Company's Policy on Material Subsidiaries is disclosed on its website and can be accessed at https://www.irisbusiness.com/sites/default/files/policy-on-related-party-transactions.pdf

c. Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Policy was amended by the Board in line with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 to provide for whistle blowing in case of leak or suspected leak of unpublished price sensitive information.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at https://irisbusiness.com/sites/default/files/vigil-mechanism-policy.pdf.

d. Policies under SEBI (Prohibition of Insider Trading) Regulations, 2015

In accordance with Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, ("Insider Trading Regulations"), the Company has put in place a Code, which provides for procedure to be followed by Designated Persons for trading in securities of the Company including pre-approval, reporting and restrictions on contra trading. The Code also contains processes to ensure safeguards against leakage of Unpublished Price Sensitive Information ("UPSI") of the Company.

The updated Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information is disclosed on its website and can be accessed at https://irisbusiness.com/sites/default/files/code-for-prohibition-of-insider-trading-fair-disclosure_revised.pdf

5. GENERAL BODY MEETINGS

a. Annual General Meetings ('AGM')

Details of last three AGM's and Special Resolutions passed thereat are as follows:

Financial Year	Day and Date	Time (IST)	Venue	Details of Special Resolutions passed
2020-21	Saturday, August 14, 2021	11:00 a.m. IST	Due to COVID-19 Virus Pandemic, meeting held through video conferencing ('VC') /other audio visual means ('OAVM')	No Special Resolution was passed
2019-20	Friday, August 14, 2020	11:00 a.m. IST	Due to COVID-19 Virus Pandemic, meeting held through video conferencing ('VC') /other audio visual means ('OAVM')	No Special Resolution was passed
2018-19	Saturday, July 27, 2019	11:00 a.m. IST	Navi Mumbai Sports Association, Sector 1A, Vashi, Navi Mumbai-400 703	No Special Resolution was passed

b. Extra-Ordinary General Meeting ('EGM')

During the year under review, no extra ordinary General Meeting was held.

c. Postal Ballot

The Company had passed following Special Resolutions through Postal Ballot during FY 2021-22.

	Postal Ballot - 1		Postal Ballot - 2	
Details of Special Resolutions	1. Migration of equity shares of the Company from SME Platform of BSE Limited to the Main Board of BSE Limited; 2. Re-appointment of Mr. Swaminathan Subramaniam (DIN: 01185930) as Whole Time Director; 3. Re-appointment of Mr. Balachandran Krishnan (DIN: 00080055) as Whole Time Director; and 4. Re-appointment of Ms. Deepta Rangarajan (DIN: 00404072) as Whole Time Director		1. Approval for listing of equity shares of the Company on the main board of National Stock Exchange of India Limited	
Persons conducting Postal Ballot exercise	Company representatives	• Mr. K. Balachandran, Whole Time Director & CFO; • Mr. Jay Mistry, Company Secretary	Company representatives	• Mr. K. Balachandran, Whole Time Director & CFO; • Mr. Jay Mistry, Company Secretary
	Scrutinizer	Ms. Priti Sheth, M/s. Priti J. Sheth & Associates, Practising Company Secretaries	Scrutinizer	Ms Priti Sheth, M/s. Priti J. Sheth & Associates, Practising Company Secretaries
Postal Ballot procedure	Date of Postal Ballot Notice	March 1, 2021	Date of Postal Ballot Notice	March 30, 2021
	Cut-off date	February 26, 2021	Cut-off date	April 2, 2021
	E-voting details	Electronic voting facility was provided to all the Members, to enable them to cast their votes electronically. The Company engaged service of National Securities Depository Limited ("NSDL") for facilitating Remote e-voting to enable the Members to cast their votes electronically.	E-voting details	Electronic voting facility was provided to all the Members, to enable them to cast their votes electronically. The Company engaged service of National Securities Depository Limited ("NSDL") for facilitating Remote e-voting to enable the Members to cast their votes electronically.
		On account of the threat posed by the COVID-19 pandemic and in terms of the MCA Circulars, the Company had sent the Postal Ballot Notice in electronic form only. The hard copy of the Postal Ballot Notice along with postal ballot forms and pre-paid self-addressed business envelope were not sent to the Members for the postal ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members took place through Remote e-voting only.		On account of the threat posed by the COVID-19 pandemic and in terms of the MCA Circulars, the Company had sent the Postal Ballot Notice in electronic form only. The hard copy of the Postal Ballot Notice along with postal ballot forms and pre-paid self-addressed business envelope were not sent to the Members for the postal ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members took place through Remote e-voting only.

	Postal Ballot - 1				**Postal Ballot - 2**			
	Date of completion of dispatch of Notices		March 4, 2021		Date of completion of dispatch of Notices		April 6, 2021	
	Commencement of voting period		March 5, 2021 (9:00 a.m. IST)		Commencement of voting period		April 7, 2021 (9:00 a.m. IST)	
	End of voting period		April 3, 2021 (5:00 p.m. IST)		End of voting period		May 6, 2021 (5:00 p.m. IST)	
	Date of Scrutinizers' Report		April 3, 2021		Date of Scrutinizers' Report		May 6, 2021	
	Date of declaration of results		April 5, 2021		Date of declaration of results		May 8, 2021	
Details of voting pattern	**Resolution**	**No. of Valid Votes polled**	**No. of Votes in Favour (%)**	**No. of Votes Against (%)**	**Resolution**	**No. of Valid Votes polled**	**No. of Votes in Favour (%)**	**No. of Votes Against (%)**
	Migration of equity shares of the Company from SME Platform of BSE Limited to the Main Board of BSE Limited	62,09,173	62,09,173 (100.00%)	-- (0.00%)	Approval of Listing of equity shares of the company on the main board of National Stock Exchange of India Limited	34,62,933	34,62,933 (100.00%)	-- (0.00%)
	Re-appointment of Mr. Swaminathan Subramaniam (DIN: 01185930) as Whole Time Director	62,09,173	62,09,173 (100.00%)	-- (0.00%)				
	Re-appointment of Mr. Balachandran Krishnan (DIN: 00080055) as Whole Time Director	62,09,173	62,09,173 (100.00%)	-- (0.00%)				
	Re-appointment of Ms. Deepta Rangarajan (DIN: 00404072) as Whole Time Director	62,09,173	62,09,173 (100.00%)	-- (0.00%)				

Currently, no postal ballot exercise is proposed to be carried out.

6. Means of Communication

a. Modes of Communication

Your Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communications including the following:

- Dissemination of information on the website of the Stock Exchanges;
- Press releases;
- Annual reports;
- Earnings calls, investor conferences; and
- Uploading relevant information on the Company's website.
- Presentations made to institutional investors or to the analysts.

b. Financial Results

The quarterly, half-yearly, and annual financial results along with the press release are posted by the Company on its website www.irisbusiness.com

These are also submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), in accordance with Regulation 33 of the SEBI Listing Regulations, and published quarterly in leading newspapers like the Financial Express (in English) Free Press Journal (in English) and Navshakti (in Marathi), which are national and local dailies respectively giving adequate coverage of the financial results in accordance with Regulation 47 of the SEBI Listing Regulations.

c. Disclosures

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' of Schedule III of the SEBI Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information, if any. All information is filed electronically on BSE Corporate & Listing Centre (Listing Centre), online portal of BSE and on NSE Electronic Application Processing System (NEAPS), the online portal of NSE.

d. Investor Interactions

The Senior Management team of the Company also conducts several conference calls and meets with institutional investors/ analysts on the results published, after Board meetings. Presentations are also made to international and domestic institutional investors and analysts. These presentations and related disclosures which are required to be disseminated on the Company's website under the SEBI Listing Regulations have been uploaded on the website of the Company, viz: www.irisbusiness.com. These presentations are also uploaded on the website of the Stock Exchanges where equity shares of the Company are listed.

e. Website

The Annual Report of the Company, the quarterly/ half yearly financial results and the annual audited financial statements and the official news releases of the Company are also disseminated on the Company's website www.irisbusiness.com.

The Company's website link, www.irisbusiness.com contains all information as prescribed under the Act and the SEBI Listing Regulations, including details of the contact persons and the Registrar and Share Transfer Agent of the Company, shareholding pattern, policies etc.

7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	Date	August 25, 2022
	Time	11 a.m. IST
	Venue	Meeting through Video Conferencing / Other Audio Visual Means
Financial Year (April – March)	The financial year of the Company comprises of period of 12 months from April 1 to March 31	
Dividend Payment Date	Not applicable	
Book Closure	The share transfer book of the Company will be closed for the purpose of AGM from Friday, August 19, 2022 to Thursday, August 25, 2022	
Listing on Stock Exchanges	The Equity Shares of the Company are listed on following Stock Exchanges:	
	Name and Address	
	BSE Limited	
	Phiroze Jeejeebhoy Towers	
	Dalal Street, Mumbai – 400 001	
	Scrip Code: 540735	
	National Stock Exchange of India Limited	
	Exchange Plaza, C-1, Block G,	
	Bandra Kurla Complex,	
	Bandra (E), Mumbai – 400 051	
	Symbol: IRIS	

	Annual Listing Fees for FY 2022-23 has been paid to the Stock Exchanges (BSE and NSE) where the Company is listed.
	Annual Custody Fees for FY 2022-23 has been paid to the Depositories as per invoices received.
Dematerialization of Shares	As on March 31, 2022, 1,88,21,892 equity shares constituting 97.94% of the shares were held in dematerialized form. NSDL: 59,16,503 equity shares CDSL: 1,29,05,389 equity shares
International Securities Identification Number (ISIN):	INE864K01010
Traded Securities	The securities of the Company have not been suspended from trading from any of the aforesaid stock exchanges during FY 2021-22.
Global / American Depository Receipts, warrants or other convertible instruments	As on March 31, 2022, the company does not have any outstanding Global / American Depository Receipts, warrants or any other convertible instruments.
Plant Locations	The Company does not carry any manufacturing activities and hence does not have any plant locations.

Updation of Bank and PAN details

In compliance with terms of the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 on strengthening the Guidelines and Raising Industry standards for RTA, Issuer Companies and Banker to an Issue, communications and reminders were sent by the Company to its Shareholders holding equity shares in physical form.

Shareholders have been requested to update any change in their Bank Account Number, including the correct 9-Digit MICR Code and 11-digit IFSC Code, e-mail ID and Mobile No(s).

Shareholders holding equity shares in physical form can update their Bank Account details by submitting a written request letter quoting their folio number along with original cancelled cheque bearing their name on it or bank passbook/statement attested by their Bank to Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company at C-101, 1st Floor, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400 083 or through e-mail on rnt.helpdesk@linkintime.co.in. Shareholders holding equity shares in dematerialised form are requested to update their Bank Account details with their respective Depository Participant in case of any change in their Bank Account details.

Market Price Data

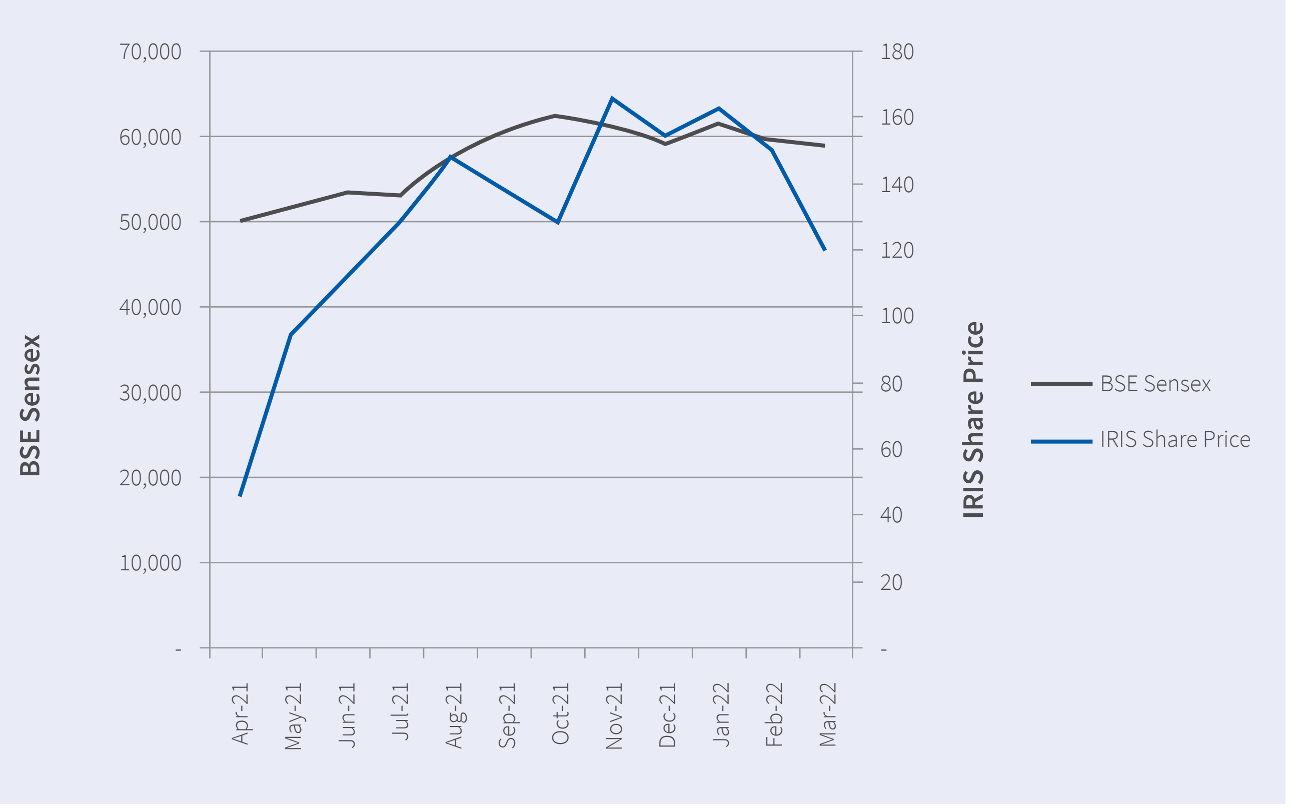
The monthly high and low stock quotations of the equity shares of the Company on BSE and NSE during the financial year from April 1, 2021 to March 31, 2022 was as under:

Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
April 2021	46.00	34.10	5,04,000	--	--	--
May 2021	94.70	44.50	13,52,000	--	--	--
June 2021	112.50	81.35	16,04,000	--	--	--
July 2021	127.55	79.55	7,36,000	--	--	--
August 2021	147.55	104.30	8,36,000	--	--	--
September 2021	137.00	103.50	3,88,000	--	--	--
October 2021	128.70	107.00	3,36,000	--	--	--
November 2021*	165.50	123.00	4,28,058	165.50	122.10	7,75,438
December 2021	155.00	110.00	1,36,240	153.00	107.25	5,09,889
January 2022	162.70	122.45	1,83,689	162.40	121.10	6,51,849
February 2022	150.20	95.25	1,05,858	150.40	95.25	6,45,146
March 2022	120.35	90.25	1,31,776	120.20	93.05	17,30,926

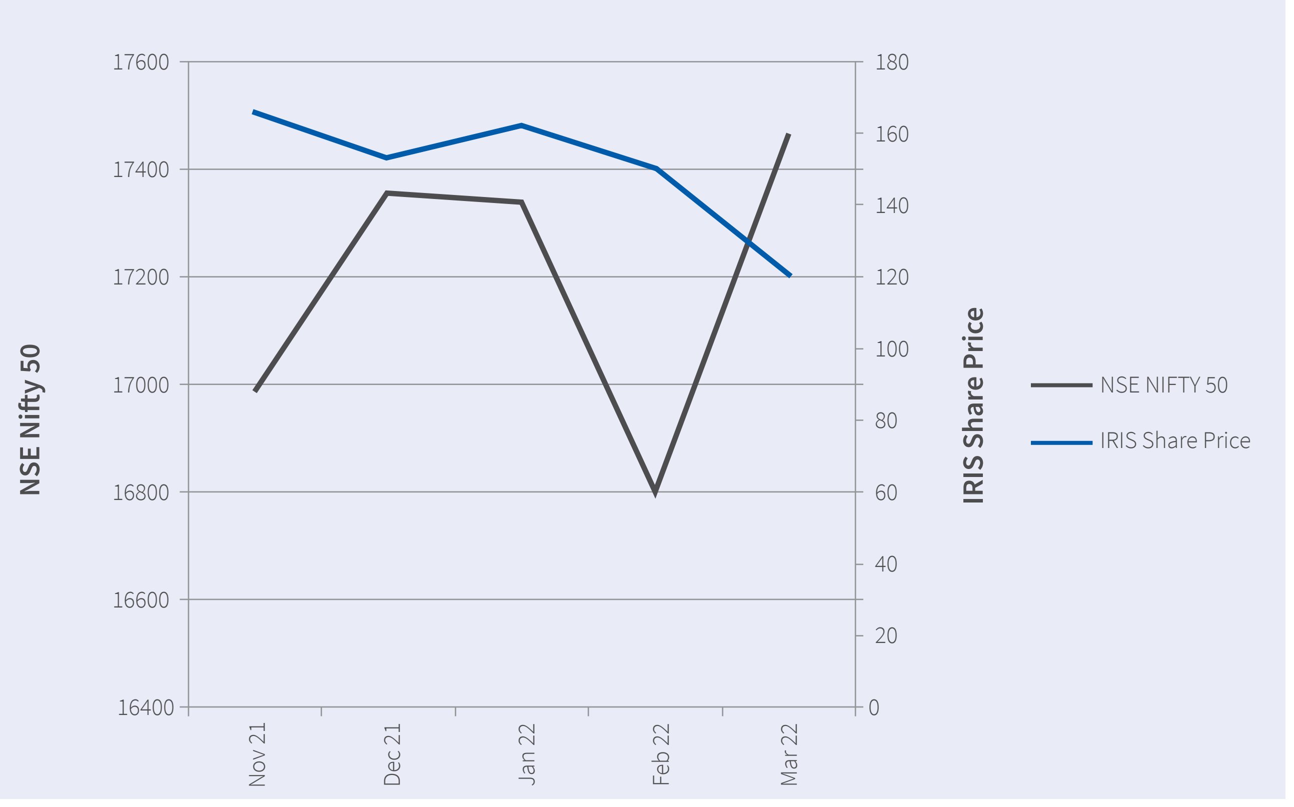
*The Company migrated to the Main board of BSE and NSE on November 08, 2021.

(Source: The above information is compiled from the data available on BSE & NSE Websites)

Performance of Share Price of the Company in comparison to the BSE Sensex



Performance of Share Price of the Company in comparison to NSE Nifty 50



Share Transfer system / other investor service requests:

All share transfers/requests for dematerialization of shares received are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all aspects by the Registrar and transfer Agent. Further, in compliance with Notification No. SEBI/LAD-NRO/GN/2018/24 issued by SEBI, the Company has ceased to accept physical transfer of shares w.e.f. April 1, 2019, except in case of transmission of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Directors of the Company and the Company Secretary have been empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Category-wise Shareholding as on March 31, 2022

Category	No. of Shares held	% of holding
Promoter and Promoter Group	73,22,220	38.10
Foreign Portfolio Investors	24,872	0.13
i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	23,28,457	12.12
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	39,19,164	20.39
NBFCs registered with RBI	16,000	0.08
Trust	500	0.00
Hindu Undivided Family	2,83,478	1.48
Non-Resident Indians (includes shares held on non-repat basis)	2,07,581	1.08
Bodies Corporate	51,09,410	26.59
Clearing Members	6,480	0.03
Total	**1,92,18,162**	**100.00**

Distribution of Shareholding as on March 31, 2022

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	2,614	77.29	2,61,371	1.36
2	501 to 1000	200	5.91	1,64,546	0.86
3	1001 to 2000	103	3.05	1,57,506	0.82
4	2001 to 3000	50	1.48	1,28,301	0.67
5	3001 to 4000	187	5.53	7,34,100	3.82
6	4001 to 5000	36	1.06	1,69,447	0.88
7	5001 to 10000	66	1.95	5,08,206	2.64
8	10001 & above	126	3.73	1,70,94,685	88.95
	TOTAL :	**3,382**	**100.00**	**1,92,18,162**	**100.00**

Dematerialisation of shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialising the shares, the shareholders should open a demat account with a Depository Participant (DP). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL/CDSL to Registrar & Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder.

The Company's shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form. The market lot of the Share of your Company is one Share.

Distribution of shareholding in physical and dematerialized form as of March 31, 2022 is as under:

Category	No. of Shareholders	No. of equity shares held	% Shareholding
Dematerialized Form	3,356	1,88,21,892	97.94
Physical Form	26	3,96,270	2.06

Transfer of Shares in Demat form

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) cannot be processed from April 1, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, Members who continue to hold equity shares of the Company in physical form are requested to dematerialise their shareholding to avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, and elimination of any possibility of loss of documents and bad deliveries.

Reconciliation of Share Capital Audit Report

As mandated by the Securities and Exchange Board of India ('SEBI'), M/s. Rathi & Associates, Practicing Company Secretaries, Mumbai had been appointed to undertake a Reconciliation of Share Capital Audit to reconcile total share capital admitted with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') and held in physical form, with the issued and listed capital of the Company. This audit is undertaken every quarter and the report thereon is submitted to the Stock Exchanges within prescribed timelines.

The audit report confirms that the total listed and paid up/ issued share capital as on March 31, 2022 matches with the aggregate of the total number of shares in demat form (held by NSDL and CDSL) and in physical form.

In addition, pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued, on a yearly basis, by M/s. Rathi & Associates, Practising Company Secretaries, Mumbai certifying due compliance of share transfer formalities by the Company.

Credit Rating

Your Company enjoys a strong credit rating which denotes a high degree of safety regarding timely servicing of financial obligations. During the year under review, the credit rating agency ICRA Limited upgraded the long-term rating of IRIS Business Services Limited to [ICRA] BB(stable) from BB-(stable) and the short-term rating to [ICRA] A4+ from A4, with respect to the bank facilities of ₹ 18.00 crores, as well as an enhancement of ₹ 1.75 crores to the bank facilities. In addition, it has been stated by ICRA that the outlook on the long-term rating is Stable.

The rating summary is given below. (Amount in crore - ₹)

Instrument	Previous Rated Amount	Current Rated Amount	Rating Action
Long-term, fund based – Cash Credit	6.00	14.00	[ICRA]BB(Stable), upgraded from [ICRA]BB-(Stable)
Long-term, fund based – Term Loan	6.31	0.00	-
Short-term, non-fund based – Bank Guarantee	3.00	5.00	[ICRA]A4+, upgraded from [ICRA]A4
Short-term, non-fund based – Forward Contract	2.00	0.75	[ICRA]A4+, upgraded from [ICRA]A4
Long-term, unallocated amount	0.69	0.00	-
Total	**18.00**	**19.75**	

Commodity price risk, foreign exchange risk and hedging activities

The Company does not deal in commodities and has no foreign exchange or hedging exposures hence disclosures relating to risk management policy with respect to commodities, commodity price risks, foreign exchange risk and hedging thereof in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not applicable.

Disclosure on details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not Applicable

Disclosures on materially significant related party transactions

Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements. There were no related party transactions of material nature which were in conflict of interest with the Company.

Recommendation of Committees

All recommendations / submissions made by various Committees of the Board during the financial year 2021-22 were accepted by the Board.

Fees to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditor, KKC Associates

LLP (Formerly known as 'Khimji Kunverji & Co LLP'), Chartered Accountants, for the FY 2021-22 are as under:

(Amount in Thousands - ₹)

Type of Service	Amount
Statutory Audit	1,585
Certifications and Other services	50
Out of Pocket Expenses	36

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Prevention of Sexual Harassment Policy for Women in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). All women employees (permanent, contractual, temporary, trainees) as well as women who visit the premises of the Company for any purpose are covered under this Policy.

During the year under review and pursuant to Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act.

Status of complaints as on March 31, 2022:

Sr. No.	Particulars	Number of Complaints
1	Number of complaints filed during the financial year	NIL
2	Number of complaints disposed of during the financial year	NIL
3	Number of complaints pending at the end of the financial year	NIL

Address for correspondence

Shareholders may correspond with the Company's Registrar and Share Transfer Agent viz. Link Intime India Private Limited for any assistance relating to dematerialization of shares, share transfers, transmissions, change of address, change in bank details, non-receipt of dividend or any other query relating to shares at the below mentioned address:

Registrar & Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel. No.: 022-49186000
Fax No.: 022-49186060
Email: mumbai@linkintime.co.in

Shareholders may also contact the Company at the below mentioned address:

Address for general correspondence

Mr. Santoshkumar Sharma
(Company Secretary & Compliance Officer)
IRIS Business Services Limited,
T-231, Tower 2, 3rd Floor,
International Infotech Park,
Vashi Station, Vashi,
Thane - 400 703, Maharashtra, India.
Tel.: +91 22 6723 1000 Fax: +91 22 2781 4434
E-mail: cs@irisbusiness.com

Statutory Compliance, Penalties and Strictures

The Company received a Notice from BSE Limited ("BSE") on December 14, 2021 levying a fine of ₹ 11,800/- as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 under Regulation 29 (2) / 29 (3) of SEBI Listing Regulations for delay in furnishing prior intimation about the meeting of the Board of Directors for the meeting held on November 13, 2021 for financial results. The Company had made a representation to BSE for waiver of the said fine. BSE vide its email dated May 19, 2022 declined the request for the said waiver to which the Company has again made its representation. The Company is awaiting reply from BSE in this regard.

Apart from above, there were no other instances of non-compliance on any matter relating to capital markets, during the last three years nor any penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority.

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

Disclosure under Part F of Schedule V of the SEBI Listing Regulations 2015 in respect of unclaimed shares:

There were no unclaimed shares at the financial year ended on March 31, 2022

Transfer of Amounts/ Shares to Investor Education and Protection Fund ("IEPF")

The Company was not required to transfer any unpaid / unclaimed amount of dividend to IEPF during the financial year ended March 31, 2022.

Shares held in electronic form:

Members holding shares in electronic form may please note that:

i) For the purpose of making cash payments to the investors through Reserve Bank of India (RBI) approved electronic mode of payment (such as ECS, NECS, NEFT, RTGS, etc.), relevant bank details available with the depositories will be used. Members are requested to update any change in their bank details with their Depository Participant (DP).

ii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

Shares held in physical form:

To facilitate better servicing, Members holding shares in physical form are requested to notify/send to Company's Registrar and Share Transfer Agent any change in their address/ mandate/bank details in which they wish their dividend to be credited, in case they have not been furnished earlier.

CERTIFICATIONS

Certificate from Secretarial Auditor

M/s. Parikh & Associates, Practicing Company Secretaries have certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors, by the SEBI/Ministry of Corporate Affairs or any such other statutory authority (ies). The said certificate is enslosed to this report as Annexure 8A.

Declaration on affirmation with the Code of Conduct

A declaration signed by Mr. Swaminathan Subramaniam, Whole Time Director & CEO, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, in accordance with Regulation 26(3) read with Para D of Schedule V of the SEBI Listing Regulations is enslosed to this report as Annexure 8B.

Certification by CEO / CFO

A certificate in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations signed by Mr. Swaminathan Subramaniam, Whole Time Director & CEO and Balachandran Krishnan Whole Time Director & CFO. The said certificate is enclosed to this report as Annexure 8C.

DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations including Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations and paras (2) to (10) mentioned in part 'C' of Schedule V of the SEBI Listing Regulations during the year under review.

Compliance certificate from M/s Parikh & Associates, Practising Company Secretaries confirming compliance with the conditions of Corporate Governance for the year ended March 31, 2022 in terms of Schedule V (E) of the SEBI Listing Regulations is enclosed to this report as Annexure 8D.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The following non-mandatory requirements under Part E of Schedule II of the SEBI Listing Regulations to the extent they have been adopted are mentioned below:

i. **Non-Executive Chairman's Office:** The Chairman of the Company is a Non-Executive Independent Director.

ii. **Modified Opinion in Auditors Report:** The Company's financial statements for the year 2021-22 do not contain any modified audit opinion. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

iii. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee. The Internal Auditor also participates in the meetings of the Audit Committee and also presents internal audit observations to the Audit Committee.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam	**Deepta Rangarajan**	**Balachandran Krishnan**
Whole Time Director & CEO	Whole Time Director	Whole Time Director & CFO
(DIN: 01185930)	(DIN: 00404072)	(DIN: 00080055)

Date : May 27, 2022
Place : Navi Mumbai

Annexure 8A

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTOR

[Pursuant to Regulation 34 (3) and Schedule V Para C clause 10 (i) of the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015]

To,
The Members of
IRIS Business Services Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IRIS Business Services Limited having CIN L72900MH2000PLC128943 and having registered office at T-231, Tower 2, 3rd Floor, International Infortech Park, Vashi Station,Vashi, Thane – 400703 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	*Date of Appointment in Company
1	Mr. Balachandran Krishnan	00080055	03/10/2000
2	Ms..Deepta Rangarajan	00404072	03/10/2000
3	Mr. Haseeb Ahmad Drabu	00489888	13/11/2020
4	Mr. Subramanium Swaminathan	01185930	03/10/2000
5	Mr. Bhaswar Mukherjee	01654539	09/10/2017
6	Mr. Vinod Balamukand Agarwala	01725158	27/11/2017
7	Mr. Ashok Venkatramani	02839145	09/10/2017

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

SARVARI SHAH
Partner
FCS: 9697 CP: 11717
UDIN: F009697D000402276
PR No.: 1129/2021

Mumbai
Date: May 27, 2022

Annexure 8B

DECLARATION

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
IRIS Business Services Limited

I, Swaminathan Subramaniam, Whole Time Director & CEO of IRIS Business Services Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2022.

Swaminathan Subramaniam
Whole Time Director & CEO
DIN : 01185930

Date : 27^{th} May 2022
Place : Navi Mumbai

Annexure 8C

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

[Regulation 17(8) read with Part B of Schedule II of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Swaminathan Subramaniam, Whole Time Director & Chief Executive Officer and Balachandran Krishnan, Whole Time Director & Chief Financial Officer of IRIS Business Services Limited, to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2022 and:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

B. There are no transactions entered into by the Company during the financial year ended on March 31, 2022 which are fraudulent, illegal or violative of the Company's code of conduct;

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the financial year ended on March 31, 2022;

   2. significant changes in accounting policies during the financial year ended on March 31, 2022 and that the same have been disclosed in the notes to the financial statements; and

   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Swaminathan Subramaniam
Whole Time Director & CEO
DIN: 01185930

Balachandran Krishnan
Whole Time Director & CFO
DIN: 00080055

Place:- Navi Mumbai
Date:- 27th May 2022

Annexure 8D

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Secretarial Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Members of
IRIS Business Services Limited

We have examined the compliance of the conditions of Corporate Governance by IRIS Business Services Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

Sarvari Shah
FCS: 9697 CP: 11717
UDIN: F009697D000402353
PR No.: 1129/2021

Mumbai
Date: May 27, 2022

INDEPENDENT AUDITOR'S REPORT

To
The Members of
IRIS Business Services Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of IRIS Business Services Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (the "Standalone Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. Attention is invited to Note No. 5(a) to the Standalone Financial Statements regarding investment in a subsidiary, IRIS Business Services LLC and Atanou S.r.l. are carried at cost despite the liabilities thereof exceeding the total assets, having regards to business plans of that subsidiary and continued financial support from the Company.

5. Attention is invited to Note No. 37 to the Standalone Financial Statements regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended 31 March 2022; such an assessment, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods.

   Our opinion is not modified in respect of the above matters.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
Impairment of Intangibles: As on 31 March 2022, Company's Intangibles Assets are measured at ₹ 73,313 thousand which includes capitalized software / application development costs. The Company is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives. Based on the recoverable amount determined of the underlying assets, supported by value-in-use calculations which are based on estimates of future discounted cash flows, management concluded that there are no indications of impairment in its intangible and other assets.	Our audit tests include as under: • We obtained management's future cash flow forecasts and assessed the methodology of determination of future cash flows to obtain understanding of the usage of asset and impairment model • Tested the arithmetical accuracy of the underlying value-in-use calculations.

Key Audit Matter	How the matter was addressed in our audit
The assessments made by management involves significant estimates and judgments, including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. These estimates and judgments may be affected by unexpected changes in future market or economic conditions, or discount rates applied. Considering the use of such signification estimates and judgements, testing of Impairment of Intangibles is identified as Key Audit Matter.	• Assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed with management to understand and evaluate management's basis for determining such assumptions. • Evaluated management's assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of intangible assets. • Performing sensitivity analysis on revenue growth assumptions to assess the impact on forecasted cashflows. • Obtained suitable representations from the management pertaining to key estimates.

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

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

9. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's responsibility for the Standalone Financial Statements

10. 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 state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.

11. In preparing the Standalone Financial Statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

13. 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.

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

14.1.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.

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

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

14.4. Conclude on the appropriateness of the 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.

14.5. 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.

15. 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.

16. 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.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

19.1. 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.

19.2. 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.

19.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.

19.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

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

19.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion

and to the best of our information and according to the explanations given to us:

20.1.The Company does not have any pending litigations which would impact its financial position. The Company has disclosed the impact of pending litigation as at 31 March 2022 on its financial position in the Standalone Financial Statements. Refer Note No. 33 to the Standalone Financial Statements.

20.2.The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

20.3.There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

20.4.The management has represented to us, to the best of their knowledge, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

20.5.The management has also represented to us , to the best of their knowledge, that no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

20.6.The Company, has not declared and paid any dividend in the current year and has not proposed dividend for the current year, and hence reporting as per the provisions of Section 123 of the Act is not applicable to the company.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AJSLFQ8397

Place: Mumbai
Date: May 27, 2022

Annexure "A" to the Independent Auditor's Report on the Standalone Financial Statements of IRIS Business Services Limited for the year ended 31 March 2022

(Referred to in paragraph 18 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner at regular interval. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not possess any such immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the paragraph 3(ii)(a) of the Order pertaining to Inventories is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company is engaged in the business of providing services in connection with XBRL and XBRL Conversion, development and maintenance of websites, supply of software & providing software-related services. Accordingly, it does not hold any physical inventories. Accordingly, the paragraph 3(ii)(a) of the Order pertaining to Inventories is not applicable to the Company.

(b) The Company has been sanctioned working capital loan in excess of rupees five crore, in aggregate, from bank on the basis of security of current assets. According to the information and explanations given to us, no requirements were stipulated under the renewal credit arrangement letter for submission of any returns of statements pertaining to security cover details and accordingly no quarterly returns or statements were filed by the Company with the Bank during the year under report.

iii. (a) In our opinion and according to the information and explanations given to us, the Company has not made investments in, or provided any guarantee or security in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. During the year under report, the Company has granted unsecured advances in nature of loan to employees, the details of which are material in the following table:

(Amount in thousands - ₹)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries	-	-	-	-
Joint Ventures	-	-	-	-
Associates	-	-	-	-
Others (employees)	-	-	-	895
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiaries	-	-	-	-
Joint Ventures	-	-	-	-
Associates	-	-	-	-
Others (employees)	-	-	-	287

(b) In our opinion and according to the information and explanations given to us, terms and conditions of the grant of all loans and advances provided to the employees are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans to employees, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular during the year.

(d) In our opinion and according to the information and explanations given to us, No amount is overdue in respect advances in the nature of loans given to employees.

(e) In our opinion and according to the information and explanations given to us, neither loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or given any guarantee or provided any securities as covered under the provisions of sections 185 and 186 of the Act. In respect of the investments made by the Company, the provisions of sections 185 and 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The maintenance of Cost Records has not been specified by the Central Government under section 148(1) of the Act for the business activities / services carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we confirm that the following statutory dues have not been deposited to/with the appropriate authority on account of any dispute.

(Amount in thousands - ₹)

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employee's Provident Funds & Miscellaneous Provisions Act , 1952	Provident Fund	174	FY 2005 to FY 2007	Honorable High Court of Bombay	

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to banks or in the payment of interest thereon. The Company has not taken any loan from Financial Institutions, government or debenture holders during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year. Accordingly, paragraph 3(ix)(c)of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

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

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence provisions of section 192 of the Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a CIC as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(d) In our opinion there is no core investment Company within the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

Accordingly, paragraph 3(xvi) (d) of the order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the paragraph 3(xviii) of the Order is not applicable.

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

xx. (a) According to information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable. Accordingly, paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) There are no ongoing projects towards CSR during the year. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

xxi. In our opinion, paragraph (xxi) of the Order does not apply to the Standalone Financial Statements.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AJSLFQ8397

Place: Mumbai
Date: May 27, 2022

Annexure B to the Independent Auditors' report on the Standalone Financial Statements of IRIS Business Services Limited for the year ended 31 March 2022

(Referred to in paragraph 19.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of IRIS Business Services Limited ("the Company") as at 31 March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls 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 (the "Guidance Note").

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy

and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AJSLFQ8397

Place: Mumbai
Date: May 27, 2022

Standalone Balance Sheet as at March 31, 2022

(Amount in Thousands - ₹)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(I) ASSETS				
(1) NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	3a	7,713	2,868	3,678
(b) Right-of-Use-Assets	3b	89,977	92,717	98,390
(c) Other Intangible Assets	4a	73,313	1,20,138	1,69,916
(d) Intangible Assets under Development	4b	3,865	-	3,295
(e) Financial Assets				
(i) Investments	5	27,085	27,085	27,085
(ii) Other Financial Assets	6	6,707	3,102	3,302
Total Non-Current Assets		**2,08,660**	**2,45,910**	**3,05,666**
(2) CURRENT ASSETS				
(a) Financial Assets				
(i) Trade Receivables	7	1,48,463	1,31,378	1,60,643
(ii) Cash and Cash Equivalents	8	27,630	33,170	3,675
(iii) Bank Balances other than Cash and Cash Equivalents above	9	26,436	35,695	9,431
(iv) Loans	10	287	75	219
(v) Other Financial Assets	6	21,704	17,113	14,042
(b) Current Tax Assets (Net)		24,931	42,565	38,445
(c) Other Current Assets	11	1,37,091	79,430	49,602
Total Current Assets		**3,86,542**	**3,39,426**	**2,76,057**
TOTAL ASSETS		**5,95,202**	**5,85,336**	**5,81,723**
(II) EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	12a	1,92,182	1,89,232	1,88,792
(b) Other Equity	12b	1,15,721	1,09,279	63,130
		3,07,903	**2,98,511**	**2,51,922**
LIABILITIES				
(1) NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	13	-	-	28,907
(ii) Lease Liabilities	14	510	1,355	3,537
(b) Provisions	15	47,609	39,156	30,481
(c) Deferred Tax Liabilities (Net)	16	-	-	5,834
Total Non-Current Liabilities		**48,119**	**40,511**	**68,759**
(2) CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	13	64,857	60,210	58,607
(ii) Lease Liabilities	14	855	741	2,302
(iii) Trade Payables	17			
(a) Total outstanding dues of micro and small enterprises		3,392	289	2,666
(b) Total outstanding dues of creditors other than micro and small enterprises		12,362	11,677	17,921
(iv) Other Financial Liabilities	18	54,366	45,033	71,006
(b) Provisions	15	19,394	58,304	58,457
(c) Other Current Liabilities	19	83,954	70,060	50,083
Total Current Liabilities		**2,39,180**	**2,46,314**	**2,61,042**
TOTAL EQUITY AND LIABILITIES		**5,95,202**	**5,85,336**	**5,81,723**

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements
As per our report of even date attached

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
(I) INCOME			
(a) Revenue from Operations	20	5,61,519	5,39,376
(b) Other Income	21	6,513	2,204
Total Income		**5,68,032**	**5,41,580**
(II) EXPENSES			
(a) Employee Benefits Expense	22	3,29,834	2,89,364
(b) Finance Costs	23	10,480	17,043
(c) Depreciation and Amortisation Expenses	24	52,112	62,695
(d) Other Expenses	25	1,62,749	1,30,246
Total Expenses		**5,55,175**	**4,99,348**
(III) Profit before Tax (I-II)		**12,857**	**42,232**
(IV) Tax Expense			
(a) Current Tax		1,100	-
(b) Tax Expense for earlier year		5,000	551
(c) Deferred Tax		-	(5,834)
Total Tax Expense		**6,100**	**(5,283)**
(V) Profit for the year (III-IV)		**6,757**	**47,515**
(VI) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurements gain / (loss) on defined benefit obligations		(10,162)	(1,970)
(b) Equity Instruments at fair value through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		2,642	-
(B) (i) Items that will be reclassified to Profit or Loss		-	-
(a) Fair Value Changes on Derivatives Designated as cash flow hedge		2,532	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(VII) Total Comprehensive Income for the year		**1,769**	**45,545**
Earnings per equity share of face value of ₹ 10 each			
Basic (₹)	34	0.35	2.52
Diluted (₹)	34	0.35	2.52

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date attached

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Place: Mumbai
Date: May 27, 2022

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Standalone Statement of cash flows for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash Flows from Operating Activities**		
	Profit/(loss) for the year	6,757	47,515
	Adjustments for:		
	Depreciation and amortisation expense	52,112	62,695
	Income Tax Expense	6,100	(5,283)
	Loss / (profit) on sale / disposal of property, plant and equipment	(9)	-
	Expense on Employee Stock Option Scheme	4	(364)
	Bad debts written off	254	233
	Provision for doubtful trade receivables	2,656	3,157
	Sundry Balance Written-Off	2,672	4,376
	Sundry Creditors Balance W/back	-	(98)
	Doubtful Debts Provision Reverse	(1,097)	(6,355)
	Finance costs	10,480	17,043
	Interest income (refer note no. 21)	(2,829)	(1,169)
	Operating profit / (loss) before working capital changes	**77,100**	**1,21,750**
	Changes in operating assets and liabilities		
	(Increase) / decrease in trade receivables	(18,899)	32,231
	(Increase) / decrease in loans	(212)	144
	Increase / (decrease) in trade payables	3,788	(8,524)
	(Increase) / decrease in other financial assets	(7,412)	(3,065)
	(Increase) / decrease in other assets	(57,637)	(29,647)
	Increase / (decrease) in provisions	(37,976)	6,552
	Increase / (decrease) in other financial liabilities	9,333	(25,500)
	Increase / (decrease) in other liabilities	13,895	19,977
	Cash inflow / (outflow) from operating activity	**(18,020)**	**1,13,918**
	Direct Taxes paid	8,789	(8,853)
	Net cash inflow / (outflow) from operating activities - Total (A)	**(9,231)**	**1,05,065**
B.	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment, intangibles and capital work in progress	(11,286)	(6,236)
	Sale of property, plant and equipment and capital work in progress	37	-
	Bank deposits with original maturity of more than 3 months	9,259	(26,264)
	Interest received	2,806	988
	Net cash inflow / (outflow) from investing activities - Total (B)	**816**	**(31,512)**
C.	**Cash flows from financing activities**		
	Proceeds from issuance of equity share capital under ESOP Scheme	2,950	440
	Securities premium received on issue of shares	6,490	968
	Repayment of Lease Liabilities	(731)	(646)
	(Repayment) / proceeds from long term borrowings (net)	-	(28,907)
	(Repayment) / proceeds from short term borrowings (net)	4,646	1,604
	Interest paid on bank loans and others	(10,480)	(17,517)
	Net cash inflow / (outflow) from financing activities - Total (C)	**2,875**	**(44,058)**
	Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**(5,540)**	**29,495**
D.	**Cash and cash equivalents as at the beginning of the year**	**33,170**	**3,675**
E.	**Cash and cash equivalents as at the end of the year (Refer Note 8)**	**27,630**	**33,170**

Standalone Statement of cash flows for the year ended March 31, 2022

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements
As per our report of even date attached

Reconciliation of Cash and cash equivalents at the end of the year		
Cash and cash equivalents as per balance sheet	**27,630**	**33,170**
Cash and cash equivalents as per cash flow statement	**27,630**	**33,170**

Note:

i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013."

ii) Note no. 35 describes the effect of Ind AS adoption on the "Statement of Cash Flows" for the comparative period

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

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Company Secretary
(Membership No: ACS 35139)

Standalone Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital (Refer Note no. 12a)

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the reporting period	**1,89,232**	**1,88,792**	**1,88,792**
Changes in equity share capital due to prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
Changes in equity share capital during the current year	2,950	440	-
Balance at the end of the reporting period	**1,92,182**	**1,89,232**	**1,88,792**

B. Other Equity (Refer Note no. 12b)

(1) Current Reporting Period for the year ended 31 March 2022 (Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity		Total Other Equity
					Cash Flow Hedge	Others	
Balance as at April 01, 2021	**1,12,133**	**3,252**	**475**	**(1,613)**	**-**	**(4,968)**	**1,09,279**
Profit / (Loss) for the year	-	-	-	6,757	-	-	6,757
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	2,532	(7,520)	(4,988)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**6,757**	**2,532**	**(7,520)**	**1,769**
Share-based payments	-	4	-	-	-	-	4
Add : Securities premium credited on share issue	8,635	-	-	-	-	-	8,635
Less: Transfer on exercise of stock options	-	(2,145)	-	-	-	-	(2,145)
Less: Derecognition of financials assets	-	-	-	-	(1,821)	-	(1,821)
Balance as at March 31, 2022	**1,20,768**	**1,111**	**475**	**5,144**	**711**	**(12,488)**	**1,15,721**

(2) Previous Reporting Period for the year ended 31 March 2021 (Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity		Total Other Equity
					Equity Instruments through OCI	Others	
Balance as at April 01, 2020	**1,10,827**	**3,954**	**475**	**(49,128)**	**-**	**(2,998)**	**63,130**
Profit / (Loss) for the year	-	-	-	47,515	-	-	47,515
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	-	(1,970)	(1,970)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**47,515**	**-**	**(1,970)**	**45,545**
Share-based payments	-	(364)	-	-	-	-	(364)
Add : Securities premium credited on share issue	1,306	-	-	-	-	-	1,306
Less: Transfer on exercise of stock options	-	(338)	-	-	-	-	(338)
Balance as at March 31, 2021	**1,12,133**	**3,252**	**475**	**(1,613)**	**-**	**(4,968)**	**1,09,279**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

1. Corporate Information

IRIS Business Services Limited (“the Company” or “IRIS”) is a public limited company domiciled and incorporated in India under the provisions of Companies Act, 1956 with its registered office in Navi Mumbai, Maharashtra. Its Equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company primarily offers Regtech solutions to regulators and enterprises. Regulators include Central Banks, Business Registries, Capital Market Regulators and Stock Exchanges while regulated entities include Corporates, Banks, and Mutual Funds. The Company is one of the pioneers in providing an entire range of XBRL products and solutions to organizations across the globe. In addition, the Company also offers an array of tax technology solutions in the Indian market, addressing GST compliance requirements. The Company’s XBRL based software and adjacent solutions for enterprise CFO office include SaaS based software products for authoring and assisted services related to converting structured and unstructured data into XBRL. The Company offers workflow based e-filing software solutions for Regulators, especially those in Capital Markets and Banking, including consulting and training services and taxonomy development. The Company has migrated from the SME Board to the main board of the Bombay Stock Exchange (BSE) and NSE with effect from November 8th, 2021.

2. Significant Accounting Policies

2.1 Statement of Compliance and Basis of preparation and presentation of separate financial statements

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 (“the Act’’) and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements for the period up to March 31, 2021, were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous Indian GAAP) as the Company was listed on the SME Platform of the Bombay Stock Exchange (BSE). Pursuant to the Company's migration to the main board of the Bombay Stock Exchange (BSE) with effect from November 8th, 2021, there is a mandatory requirement for the Company to adopt the Indian Accounting Standards (referred to as "Ind AS") for the purpose of preparation of its standalone financial statements. Previous periods have been restated to Ind AS.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”) to Ind AS of shareholders’ equity as at March 31, 2021, and April 1, 2020, and of the comprehensive net income for the year ended March 31, 2021. The Company has availed first time adoption exemption as per Ind AS 101 – First time Adoption of Indian Accounting Standards.

These financial statements have been prepared and presented on the going concern basis and at the historical cost basis, except for following financial instruments which are measured at fair values at the end of each reporting period (as explained in the accounting policies below in notes 2.12, 2.21, 2.7).

- Derivative Financial Instruments
- Certain financial assets and liabilities at fair value
- Employee’s Defined Benefit Plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest thousands except otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

The Balance Sheet and the Statement of Profit and Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per Ind AS 7 “Statement of Cash Flows”.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in its meeting held on May 27, 2022.

2.2 Use of estimates and judgment

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

2.3 Classification of Assets and Liabilities into Current/Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

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

Operating cycle

Based on the nature of products and the time lag between the development of the products, providing of services, and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months as its normal operating cycle for the purpose of Current/ Non - Current classification of its Assets and Liabilities.

Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current asset. All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities. All other liabilities are classified as non-current.

Fair Value measurement

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

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

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.4 Revenue Recognition

Ind AS 115 - Revenue from Contract with Customers

The Company derives revenues from Software Products, Solutions & Services.

Revenues from software products, in the form of:

a) Software licensing

b) Subscription of software as a service

c) Application maintenance service

Revenue from Software services are mainly in the form of Implementation services/Professional services

Revenue is recognized in the Statment of Profit and Loss 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 services or products and excluding taxes or duties. To recognize revenues, the Company applies the following five step approach:

(1) identify contract(s) with a customer,

(2) identify performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract, and

(5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single 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. For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided. The method for recognizing revenues depends on the nature of the products sold / services rendered.

a) Software Licensing

Software licensing revenues represent all fees earned from granting customers licenses to use the Company's software, through initial licensing and or through the purchase of additional modules. For software license arrangements that do not require significant modification or customization of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

b) Subscription for Software as a Service

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

c) Application Maintenance Services

Fees for the application maintenance services, covering inter alia the support of the customized software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

d) Product Support Services

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC, GST and subscription services) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

e) Implementation / Professional Services

Software Implementation / Professional Services contracts are either fixed price or time and material based. Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognized using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Where the Software is required to be substantially customized as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognized using the percentage of completion method as the implementation services are performed. Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision. In the case of time and material contracts, revenue is recognized based on billable time spent in the project, priced at the contractual rate. Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized once the customer obtains a right to access and use the Software.

f) Royalty Income

Royalty income is recognised as and when right to receive royalty is established.

Contract assets, liabilities and financing arrangements

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue). Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue). The unbilled royalty revenue is also grouped herein.

A contract liability is an entity's obligation to transfer

Software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue). The Company assesses the timing of the transfer of software

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

2.5 Other Income

Dividend income is recognized in the Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Foreign currency gain/loss are reported on a net basis.

2.6 Cost Recognition

Costs and expenses are recognised as and when incurred and have been classified according to their nature.

2.7 Employee Benefit expenses

a) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service i.e. on accrual basis.

b) Post-employment benefits

1. Defined Contribution Plan – Provident Fund

The defined contribution plan is post - employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation beyond it's monthly contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

2. Defined Benefit Plan – Gratuity

The obligation in respect of defined benefit plans, which covers Gratuity Plan, is provided for on the basis of an actuarial valuation at the end of each financial year. The employees are covered under the Company Gratuity Scheme of the Life Insurance Corporation of India.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

Defined benefit costs include service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense or income; and re-measurement. The service cost and net interest expense or income are presented in the statement of profit and loss.

The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the Balance Sheet date using the "projected unit credit method"

The discounted rates used for determining the present value are based on the market yields on Government bonds as at the balance sheet date. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

3. Other Long Term Employee Benefit Obligations

The employees are eligible for leave as per leave policy of the company. The un-utilised leave can be carried forward and utilised during the course of employment. No encashment is allowed of unutilised leave. The obligation for the leave encashment is recognised based on an independent actuarial valuation at the Balance Sheet date. The expense is recognised in the statement of profit and loss at the present value of the amount payable determined based on actuarial valuation using "projected unit credit method".

The obligation is measured at the present value of estimated future cash flows.

The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

2.8 Share based payment arrangements

Stock options granted to employees of the Company and its subsidiaries under the stock option schemes approved by the shareholders of the Company on September 13, 2017 are accounted as per the treatment prescribed by the relevant Ind AS and as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is shown net of unamortised deferred employee compensation expenses.

The fair value of the option being stock option granted for purchase could be exchanged between knowledgeable, willing parties in an arm's length transaction is recognised as deferred employee compensation with a credit to share options outstanding account.

The fair value has been calculated using the Black Scholes Option Pricing model.

2.9 Property, Plant and Equipment

The expenditure incurred for acquisition or development of Property, Plant & Equipment is recognised as asset 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.

Property, Plant & Equipment (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of Property, Plant & Equipment comprises of its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the Property, Plant & Equipment'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 item can be measured reliably. The carrying amount of any component accounted for as separate asset is recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The carrying amount of an item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of Property, Plant & Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

If significant parts of an item of Property, Plant & Equipment have different useful lives, then they are accounted for as separate items of PPE.

An item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of Property, Plant &

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation method, Estimated useful life and residual value

Depreciation on Property, Plant & Equipment is the systematic allocation of the depreciable amount over its estimated useful lives and is provided on a straight-line basis from the date the same are ready for intended use. Useful life of Property, Plant & Equipment is in accordance with the useful lives prescribed in Schedule II –

Pursuant to the adoption of Ind AS, the Company has not revised its estimate useful life of property, plant & equipment and they continue to remain the same basis the table given below:

Asset Class	Useful Life (in years)
Laptops and Desktops	3
Servers and network	6
Office equipment	5
Furniture	10

Depreciation on Property, Plant & Equipment acquired/ disposed-off during the year is provided on pro-rata basis with reference to the date of acquistion/disposal

Items of Property, Plant & Equipment having cost of ₹ 5,000 or less are depreciated fully in the year of purchase/capitalisation.

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

Intangible Assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to that asset will flow to the Company and the cost of the item can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Directly attributable costs, that are capitalised as part of the software development include employee costs and an appropriate portion of relevant overheads or expenses.

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss

Intangible Assets under Development

Intangible assets under development are stated at cost less accumulated impairment losses, if any.

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, “Intangible Assets”.

Amortisation

Amortization is recognised over their respective individual estimated useful life on a straight-line basis, from the date they are available for use, as under:

Asset Class	Useful Life (in years)
Software	5
Servers	6

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Software development costs

Research costs are expensed as incurred. Software development expenditures on product / platform are recognised as intangible assets when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of these assets begins from the year, following the year in which such development costs are incurred. It is amortized over the period of expected future benefits. Amortization expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as “Product software” under intangible assets

Impairment of Property, Plant and Equipment / Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Non-current Assets Classified as Held for Disposal

Assets which are available for immediate sale and its sale must be highly probable are classified as “Assets held for Disposal”. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for Disposal”. Once classified as held for disposal, such assets are no longer amortized or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell.

2.10 Leases

Company as a lessee

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

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

As a Lessee

The Company's leased assets consist of leases for buildings and computers. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a 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 the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

2.11 Borrowing Costs

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, development or production of a qualifying asset are capitalised as part of cost of that asset, till such time the asset is ready for the intended use. All other borrowing costs are recognized as an expense in the period which are incurred and are charged to the Statement of Profit & Loss.

The exchange differences arising from the foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

2.12 Derivate Contracts and Accounting

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The Company does not hold financial instruments for speculative purpose.

Hedge Accounting –

- The Company designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.
- The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss.
- Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a nonfinancial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.
- Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the Statement of Profit and Loss.

2.13 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Cash flow statement

Cash flows are presented using indirect method, whereby profit / loss after extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of Cash on Hand, Cash at Bank, and other short-term deposits net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

2.15 Income Tax

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date in each of the applicable jurisdictions. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

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

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would flow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities are generally recognised for all taxable temporary differences

Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 GST Input Tax Credit

Goods and Service tax Input tax credit is accounted in the books in the period in which supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits. The Input tax Credit was claimed in respect of eligible expenses and shall be adjusted against the GST payable as per the provisions of the applicable GST Act. The unutilised input credit under the GST provisions as on the Balance Sheet date was disclosed as other current asset in the Balance Sheet.

2.17 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.18 Foreign Currency Transactions

As enumerated in paragraph 2.17 to the notes to accounts, the functional currency of the Company is Indian Rupees. In preparing the financial statements of the Company:

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

- Transactions denominated in foreign currencies are recognised at the exchange rates prevailing on the date of the transactions. As at balance sheet date, monetary assets and liabilities designated in foreign currency are translated at the closing exchange rate. Foreign currency non-monetary items measured at fair value on initial recognition are translated at the prevailing exchange rate as at the date of initial transactions foreign currency nonmonetary items measured in terms of historical cost are not translated at the reporting date.
- Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets (tangible/intangible) under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.19 Provisions, Contingent Liabilities, Contingent Assets

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date, unless the effect of time value of money is material. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Further, long term provisions are determined by discounting the expected future cash flow specific to the liability. The unwinding of the discount is recognised as a finance cost.

Onerous Contracts

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

Contingent Liabilities and Assets

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

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised as an asset in the Balance Sheet.

2.20 Earnings Per Share

The Basic earnings per share is computed by dividing the net profit or loss (before other comprehensive income) for the year

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the year/reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity shares and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.21 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

i. Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

ii. Classification and Subsequent Measurement

(A) Financial Assets -

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets

a. Amortised Cost

A financial asset shall be classified and measured at amortised cost (based on Effective Interest Rate method), if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Cash and bank balances, trade receivables, loans and other financial assets of the Company are covered under this category

b. Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

c. Fair Value through Profit or Loss A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Equity Investment

Equity investments in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

All other equity investments are measured at fair value. Equity instruments, which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the company has exercised irrevocable option to recognise in other comprehensive income subsequent changes in the fair value.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period.

The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies 'simplified approach' as specified under Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Statement of Profit or Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(B) Liabilities and Equity Instruments

Classification as Debt or Equity:

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent Measurement

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

1) Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

2) Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone Statement of Profit and Loss.

3) Financial Guarantee Contracts:

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

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(iii) Offsetting

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when 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.

2.22 Segment Reporting

Based on Management approach, as defined in Ind AS 108, the "Chief Operating Decision Maker' (CODM) evaluates the operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to CODM. Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major products of the Company are sold or services are provided.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to the segments based on their relationship to the operating activities of the segment. Unallocated Corporate Items include general corporate income and expenses which are not attributable to segments.

2.23 Cash Dividend to Equity Holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.24 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years..

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Useful Life & Residual of Property, plant and equipment (PPE) and Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. Depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Measurement of Current taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgment by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Recognition and Measurement of Deferred tax asset (including MAT credit entitlement)

Significant management judgment is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Recognition and Measurement of Contingent liabilities

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Impairment of financial assets

The impairment of financial assets are done based on assumptions about risk of default and expected cash loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgment considering the past history, market conditions and forward-looking estimates at the end of each reporting date.

Impairment of non-financial assets (PPE / Intangible assets)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgment considering the timing of future cash flows, discount rates and the risks specific to the asset.

Impairment of Investments in Subsidiaries / Associate

Significant management judgment is exercised in determining whether the investment in subsidiaries / associate are impaired or not, is on the basis of its nature of long term strategic investments and other business considerations.

Measurement of Defined Employee Benefit plans and other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rate are reasonable. Due to the complexities involved in the valuation and itlong term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share based payments

The Company initially measures the equity settled transactions with employees using fair value model. This requires determination of most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility and dividend yield and making associated assumptions thereof.

Revenue recognition

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company applies the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts, which are performed over a period of time. The Company exercises judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation. 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 judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgment is also required to determine the transaction price

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

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

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non cancellable term of a lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization made to the leased asset). The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment or which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 3a : Property, Plant and Equipment

(Amount in Thousands - ₹)

Particulars	Owned Assets			Total
	Plant and Equipment (Computer Equipments)	Furniture and Fixtures	Office Equipment	
Gross Carrying Value				
As at April 01, 2021	58,161	3,322	4,741	66,224
Additions	7,421	-	-	7,421
Disposals / Adjustments	(58)	(181)	-	(239)
As at March 31, 2022	**65,524**	**3,141**	**4,741**	**73,406**
Accumulated Depreciation				
As at April 01, 2021	55,573	3,049	4,734	63,356
Additions	2,412	134	2	2,548
Disposals / Adjustments	(30)	(181)	-	(211)
As at March 31, 2022	**57,955**	**3,002**	**4,736**	**65,693**
Net Carrying Value As at March 31, 2022	**7,569**	**139**	**5**	**7,713**
Gross Carrying Value				
As at April 01, 2020	57,073	3,322	4,734	65,129
Additions	1,088	-	7	1,095
Disposals / Adjustments	-	-	-	-
As at March 31, 2021	**58,161**	**3,322**	**4,741**	**66,224**
Accumulated Depreciation				
As at April 01, 2020	53,828	2,892	4,731	61,451
Additions	1,745	157	3	1,905
Disposals / Adjustments		-	-	-
As at March 31, 2021	**55,573**	**3,049**	**4,734**	**63,356**
Net Carrying Value As at March 31, 2021	**2,588**	**273**	**7**	**2,868**
Gross Carrying Value				
As at April 01, 2019	55,425	3,210	4,733	63,368
Additions	1,843	113	-	1,956
Disposals / Adjustments	(195)	-	-	(195)
As at March 31, 2020	**57,073**	**3,323**	**4,733**	**65,129**
Accumulated Depreciation				
As at April 01, 2019	52,200	2,579	4,730	59,509
Additions	1,823	313	1	2,137
Disposals / Adjustments	(195)	-	-	(195)
As at March 31, 2020	**53,828**	**2,892**	**4,731**	**61,451**
Net Carrying Value As at March 31, 2020	**3,245**	**431**	**2**	**3,678**
Net Carrying Value As at April 01, 2020	**3,245**	**431**	**2**	**3,678**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 35, on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 3b : Right-of-Use-Assets

(Amount in Thousands - ₹)

Particulars	Building	Laptops	Total
Gross Carrying Value			
As at April 01, 2021	1,07,094	2,377	1,09,471
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2022	**1,07,094**	**2,377**	**1,09,471**
Accumulated Depreciation			
As at April 01, 2021	16,489	265	16,754
Additions	1,947	793	2,740
Disposals	-	-	-
As at March 31, 2022	**18,436**	**1,058**	**19,494**
Net Carrying Value As at March 31, 2022	**88,658**	**1,319**	**89,977**
Gross Carrying Value			
As at April 01, 2020	1,12,932	-	1,12,932
Additions	-	2,377	2,377
Disposals / Adjustments	(5,838)	-	(5,838)
As at March 31, 2021	**1,07,094**	**2,377**	**1,09,471**
Accumulated Depreciation			
As at April 01, 2020	14,542	-	14,542
Additions	1,947	265	2,212
Disposals	-	-	-
As at March 31, 2021	**16,489**	**265**	**16,754**
Net Carrying Value As at March 31, 2021	**90,605**	**2,112**	**92,717**
Gross Carrying Value			
As at April 01, 2019	1,12,932	-	1,12,932
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2020	**1,12,932**	**-**	**1,12,932**
Accumulated Depreciation			
As at April 01, 2019	12,595	-	12,595
Additions	1,947	-	1,947
Disposals			-
As at March 31, 2020	**14,542**	**-**	**14,542**
Net Carrying Value As at March 31, 2020	**98,390**	**-**	**98,390**
Net Carrying Value As at April 01, 2020	**98,390**	**-**	**98,390**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the “Right-of-Use-Assets” for the comparative period.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 4a : Other Intangible Assets

(Amount in Thousands - ₹)

Particulars	Database	URL's	Computer Software	In-House Software	Total
Gross Carrying Value					
As at April 01, 2021	600	500	15,288	4,68,483	4,84,871
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,288**	**4,68,483**	**4,84,871**
Accumulated Depreciation					
As at April 01, 2021	600	500	14,889	3,48,744	3,64,733
Amortisation for the year	-	-	246	46,579	46,825
Deletions	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,135**	**3,95,323**	**4,11,558**
Net Carrying Value As at March 31, 2022	**-**	**-**	**153**	**73,160**	**73,313**
Gross Carrying Value					
As at April 01, 2020	600	500	15,288	4,60,046	4,76,434
Additions	-	-	-	8,437	8,437
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2021	**600**	**500**	**15,288**	**4,68,483**	**4,84,871**
Accumulated Depreciation					
As at April 01, 2020	600	500	14,333	2,91,085	3,06,518
Additions	-	-	556	57,659	58,215
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2021	**600**	**500**	**14,889**	**3,48,744**	**3,64,733**
Net Carrying Value As at March 31, 2021	**-**	**-**	**399**	**1,19,739**	**1,20,138**
Gross Carrying Value					
As at April 01, 2019	600	500	15,130	4,60,046	4,76,276
Additions	-	-	158	-	158
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2020	**600**	**500**	**15,288**	**4,60,046**	**4,76,434**
Accumulated Depreciation					
As at April 01, 2019	600	500	13,576	2,34,279	2,48,955
Additions	-	-	757	56,806	57,563
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2020	**600**	**500**	**14,333**	**2,91,085**	**3,06,518**
Net Carrying Value As at March 31, 2020	**-**	**-**	**955**	**1,68,961**	**1,69,916**
Net Carrying Value As at April 01, 2020	**-**	**-**	**955**	**1,68,961**	**1,69,916**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 4b : Intangible Assets under Development

(Amount in Thousands - ₹)

Particulars	In-House Software	Total
As at April 01, 2021	-	-
Additions	3,865	3,865
Deletions	-	-
Net Carrying Value As at March 31, 2022	**3,865**	**3,865**
As at April 01, 2020	3,295	3,295
Additions	-	-
Disposals / Adjustments	3,295	3,295
Net Carrying Value As at March 31, 2021	**-**	**-**
Intangible Assets under Development		
As at April 01, 2019	-	-
Additions	3,295	3,295
Disposals / Adjustments	-	-
Net Carrying Value As at March 31, 2020	**3,295**	**3,295**
Net Carrying Value As at April 01, 2020	**3,295**	**3,295**

Intangible assets under development ageing schedule:

A: For intangible assets which are under development

Intangible assets under development as on March 31, 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Noah	2,335	-	-	-	2,335
IRIS Bushchat	1,530	-	-	-	1,530
Projects temporarily suspended	-	-	-	-	-
Total	**3,865**	**-**	**-**	**-**	**3,865**

Intangible assets under development as on April 01, 2020

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Onyx	3,295	-	-	-	3,295
Projects temporarily suspended	-	-	-	-	-
Total	**3,295**	**-**	**-**	**-**	**3,295**

B: For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development to be completed in

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Software Products	-	-	-	-	-
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 35, on transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 5 : Investments

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Non-Current Investments			
Investment in Equity Instruments	28,020	28,020	28,020
Less: Provision for diminution in the value of Investments	(935)	(935)	(935)
Total Non-Current Investments	**27,085**	**27,085**	**27,085**

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Non-Current Investments			
Unquoted			
Investment carried at cost			
Investments in Equity Instruments of Subsidiaries			
IRIS Business Services, LLC	14,540	14,540	14,540
IRIS Business Services (Asia) Pte. Ltd	11,195	11,195	11,195
2,99,000 (2,99,000) equity shares of SGD 10 each, fully paid up			
Atanou S.r.l.	1,525	1,525	1,525
IRIS Logix Solutions Private Limited	760	760	760
76,000 (76,000) equity shares of ₹ 10 each, fully paid up			
Total Non-Current Investments	**28,020**	**28,020**	**28,020**

5 (a) With regards to out investment in subsidiaries in USA "IRIS Business Services LLC" & Italy "Atanou S.r.l. ", as at 31st March 2022, the total liabilities exceeded the total liabilities its total assets by ₹ 12,426 thousands and ₹ 518 thousands respectively. The company is committed to provide necessary financial support as and when necessary. Considering the future prospect of these subsidiaries and continued support of the company, the investment in the subsidiaries is measured at cost.

(b) Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard. Investment in equity of subsidiaries are carried at cost (i.e) previous GAAP carrying amount as at the date of transition to Ind AS. The Company has opted to use previous GAAP carrying amount as 'Deemed cost', for the investments in subsidiaries.

Note 6 : Other Financial Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Other Financial Assets			
(a) Security Deposits	4,270	3,102	3,302
(b) Bank Deposits with more than 12 months maturity	2,437	-	-
Total Non-Current Other Financial Assets	**6,707**	**3,102**	**3,302**
(2) Current Other Financial Assets			
(a) Contract Assets	19,689	12,611	11,982
Less: Allowance for Contract Assets	-	-	-
(b) Interest Accrued but not due	649	627	446
(c) Foreign currency forward and options contracts	711	-	-
(d) Others	655	3,875	1,614
Total Current Other Financial Assets	**21,704**	**17,113**	**14,042**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Contract Assets includes			
Contract Assets - other than related parties	13,808	12,178	3,753
Contract Assets - related parties	5,881	433	8,229

Contract Assets Ageing schedule:

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	19,689	-	-	-	19,689
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**19,689**	**-**	**-**	**-**	**19,689**
Less: Allowance for Contract Assets					-
Total					**19,689**

For the period ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	12,611	-	-	-	12,611
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**12,611**	**-**	**-**	**-**	**12,611**
Less: Allowance for Contract Assets	-	-	-	-	-
Total					**12,611**

For the period ended April 01, 2020

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	11,682	300	-	-	11,982
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**11,682**	**300**	**-**	**-**	**11,982**
Less: Allowance for Contract Assets	-	-	-	-	-
Total					**11,982**

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Contract Assets" for the comparative period.

Note 7 : Trade Receivables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Current Trade Receivables			
(a) Trade Receivables considered good - Secured	-	-	-
(b) Trade Receivables considered good - Unsecured	1,50,336	1,32,276	1,64,739
(c) Trade Receivables which have significant increase in Credit Risk	-	-	-
(d) Trade Receivables - Credit Impaired	-	-	-
	1,50,336	**1,32,276**	**1,64,739**
Less: Allowance for Bad and Doubtful Trade Receivables	(1,873)	(898)	(4,096)
Total Trade Receivables	**1,48,463**	**1,31,378**	**1,60,643**
Trade receivables includes			
Trade receivables - other than related parties	1,46,626	1,29,270	1,54,210
Trade receivables - related parties	3,710	3,006	10,529

Trade Receivables Ageing schedule:

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,43,828	3,368	1,900	14	1,226	1,50,336
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**1,43,828**	**3,368**	**1,900**	**14**	**1,226**	**1,50,336**
Less: Allowance for Bad and Doubtful Trade Receivables						(1,873)
Total						**1,48,463**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

For the period ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,21,151	5,777	2,067	2,282	999	1,32,276
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**1,21,151**	**5,777**	**2,067**	**2,282**	**999**	**1,32,276**
Less: Allowance for Bad and Doubtful Trade Receivables						(898)
Total						**1,31,378**

For the period ended April 01, 2020

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	96,382	54,289	4,902	8,168	998	1,64,739
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**96,382**	**54,289**	**4,902**	**8,168**	**998**	**1,64,739**
Less: Allowance for Bad and Doubtful Trade Receivables						(4,096)
Total						**1,60,643**

As stated under Note 35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Allowance for Bad and Doubtful Trade Receivables" for the comparative period.

Note 8 : Cash and Cash Equivalents

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Balances with banks			
a) in current accounts	2,359	15,057	825
b) in deposit accounts with original maturity of 3 months or less	25,249	18,092	2,824
(2) Cash on Hand	22	21	26
Total Cash and Cash Equivalents	**27,630**	**33,170**	**3,675**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 9 : Bank Balances other than Cash and Cash Equivalents above

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Balances with banks			
a) in deposit accounts due for maturity within 12 months of the reporting date	26,436	35,695	9,431
Total Bank Balances other than Cash and Cash Equivalents above	**26,436**	**35,695**	**9,431**

The above cash and cash equivalents are neither earmarked for any purpose nor held as security as security against borrowings, guarantee, or other commitment

Note 10 : Loans

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Loans	-	-	-
(2) Current Loans			
(a) Other Loans - Loans to Employees			
(i) Loans to Employees considered good - Unsecured;	287	75	219
Less: Allowance for Bad and Doubtful Loans to Employees	-	-	-
Total Current Loans	**287**	**75**	**219**

Note 11 : Other Current Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Other Non-Current Assets	-	-	-
(2) Other Current Assets			
(a) Advance other than Capital Advance			
(i) Advance to Employees	266	1	7
(b) Others			
(i) Prepaid Expenses	3,898	3,929	8,876
(ii) Contract Assets	1,32,424	74,529	39,824
Less: Allowance for Contract Assets	(584)	-	-
(iii) Withholding Taxes and Others	1,087	971	895
Total Other Current Assets	**1,37,091**	**79,430**	**49,602**

Contract Assets Ageing schedule:

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	76,788	36,172	19,464	-	1,32,424
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**76,788**	**36,172**	**19,464**	**-**	**1,32,424**
Less: Allowance for Contract Assets					(584)
Total					**1,31,840**

For the period ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	63,420	11,109	-	-	74,529
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**63,420**	**11,109**	**-**	**-**	**74,529**
Less: Allowance for Contract Assets					-
Total					**74,529**

For the period ended April 01, 2020

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	39,824	-	-	-	39,824
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**39,824**	**-**	**-**	**-**	**39,824**
Less: Allowance for Contract Assets					-
Total					**39,824**

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Contract Assets" for the comparative period.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 12a : Equity Share Capital

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital						
Equity shares of ₹ 10 each	25,000	2,50,000	25,000	2,50,000	25,000	2,50,000
Total	**25,000**	**2,50,000**	**25,000**	**2,50,000**	**25,000**	**2,50,000**
Issued capital						
Equity shares of ₹ 10 each	19,218	1,92,182	18,923	1,89,232	18,879	1,88,792
Subscribed and paid up capital*						
Equity shares of ₹ 10 each fully paid up	19,218	1,92,182	18,923	1,89,232	18,879	1,88,792
Total	**19,218**	**1,92,182**	**18,923**	**1,89,232**	**18,879**	**1,88,792**

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

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	18,923	1,89,232	18,879	1,88,792	18,879	1,88,792
Add: Equity shares issued during the year	295	2,950	44	440	-	-
Less: Equity shares cancelled during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	**19,218**	**1,92,182**	**18,923**	**1,89,232**	**18,879**	**1,88,792**

Terms / rights attached to class of shares

The Company has only one class of share referred to as Equity Shares having a par value of ₹10 each. The holders of Equity Shares are entitled to one vote per share. In the event of liquidation of the company, the equity shareholders 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.

Shareholding of Promoters

Shares held by promoters at the end of the year			% change during the year
Promoter name	**No. of shares**	**% of total shares**	
Mr Swaminathan Subramaniam	4,572	23.79%	-1.43%
Mr Balachandran Krishnan	1,104	5.74%	-0.09%
Ms Deepta Rangarajan	1,446	7.53%	-0.12%
Total	**7,122**	**37.06%**	

Note 12b : Other Equity

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Retained Earnings	5,144	(1,613)	(49,128)
Securities Premium	1,20,768	1,12,133	1,10,827
General Reserve	475	475	475
Share based payment Reserve	1,111	3,252	3,954
Other Comprehensive Income	(12,488)	(4,968)	(2,998)
Cash Flow Hedge	711	-	-
Total other equity	**1,15,721**	**1,09,279**	**63,130**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Nature and purpose of other reserves

Retained earnings

Retained earnings represent the accumulated earnings/(losses) that the Company has till date

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening Balance	(1,613)	(49,128)	(41,542)
Net Profit / (Loss) for the year	6,757	47,515	(7,586)
Closing balance	**5,144**	**(1,613)**	**(49,128)**

Securities Premium

Securities premium represents share issued at premium less share issue expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	1,12,133	1,10,827	1,10,827
Add: Premium on equity shares issued under ESOP	8,635	1,306	-
Closing balance	**1,20,768**	**1,12,133**	**1,10,827**

Share options outstanding account

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	3,252	3,954	3,863
Employee stock option expense	4	(364)	91
Employee stock options exercised during the year	(2,145)	(338)	-
Closing balance	1,111	3,252	3,954

Other comprehensive income

This represents items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as "Other comprehensive income". This comprises actuarial gain / loss on remeasurement of defined benefit plans and the income tax effect thereon.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	(4,968)	(2,998)	(2,998)
Remeasurements of defined benefit liability/ (asset)	(7,520)	(1,970)	-
Cash Flow Hedge	711	-	-
Closing balance	**(11,777)**	**(4,968)**	**(2,998)**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Nature and purpose of reserves

Securities Premium

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued.

Employee stock options outstanding

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under various employees stock option schemes of the Company.

Retained Earnings

Represents the portion of the net income / (loss) of the Company.

Effective portion of cash flow hedge

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Statement of Profit and Loss.

Note 13 : Borrowings

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Borrowings			
(a) Term Loans from Banks	-	-	28,907
Total Non-Current Borrowings	**-**	**-**	**28,907**

This loan is secured by charge on all unencumbered fixed assets of the Company . Term Loan borrowings carry interest rate which stood at 13.50% p.a. as at April 01, 2020. The interest rate is reset on yearly basis. The term loan was repayable in equal quarterly instalments on various dates as per the grouped maturity profile given below:

Repayment Schedule as at April 01, 2020

(Amount in Thousands - ₹)

Repayment due in	No. of Installments	Amount
FY 2020-21	4	22,785
FY 2021-22	4	22,785
FY 2022-23	1	6,122
	9	**51,692**
Less: transferred to current maturities of long term loans	4	22,785
Balance shown here	**5**	**28,907**

Of the above, ₹ 22,785 thousands being the current maturities of the long term loan, repayable in FY 2020-21 was shown under other current liabilities as on April 01, 2020 in Note no.18. The entire loan of ₹ 51,692 thousands was repaid in financial year 2020-21.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(2) Current Borrowings			
(a) Loans repayable on demand from Banks	64,857	60,210	58,607
Total Current Borrowings	**64,857**	**60,210**	**58,607**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Loans repayable on demand from Banks, secured

ICICI Bank Limited

1. **Security details**
   a. Exclusive charge by way of equitable mortgage on the property T-231, 3rd Floor, Tower No. 2, International Infotech Park, Vashi, Navi Mumbai - 400 703.
   b. Exclusive charge by way of hypothecation of the company's book debts
   c. Unconditional and irrevocable Personal guarantees of the Promoters
   d. Pledge of shares by Promoters to the extent of 30% of the Equity of the Directors
2. **Interest rate**

   The rate of interest of the Facility shall be the sum of the Repo Rate *+ "Spread" per annum, plus applicable statutory levy, if any ("Interest Rate"). Spread during the year has been in the range of 4.7% to 4.0%.

   *"Repo Rate" or "Policy Repo Rate" means the rate of interest published by the Reserve Bank of India ("RBI") on the RBI website from time to time as Repo Rate or Policy Repo Rate. The Repo Rate component of the Interest Rate resets after every 3 months following the date of limit set-up /renewal (as applicable).

Note 14 : Lease Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Lease Liabilities			
(a) Lease Liabilities	510	1,355	3,537
Total Current Lease Liabilities	**510**	**1,355**	**3,537**
(2) Current Lease Liabilities			
(a) Lease Liabilities	855	741	2,302
Total Current Lease Liabilities	**855**	**741**	**2,302**

Movement in lease liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Lease liability in the beginning of the year	**2,096**	**5,839**	**-**
Addition	-	2,377	5,839
Disposal	-	(5,474)	-
Interest expense	159	51	-
Lease payment	(890)	(697)	-
Lease liability at the end of the year	**1,365**	**2,096**	**5,839**

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2021 is between the range of 8% to 9% for a period varying from 2 to 4 years.

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Lease Liabilities" for the comparative period.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 15 : Provisions

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Provisions			
(a) Provision for Employee Benefits			
(i) Gratuity	40,219	31,634	26,390
(ii) Leave Encashment	7,390	7,522	4,091
Total Non-Current Provisions	**47,609**	**39,156**	**30,481**
(2) Current Provisions			
(a) Provision for Employee Benefits			
(i) Gratuity	6,880	3,650	4,844
(ii) Leave Encashment	2,744	2,417	1,783
(iii) Incentives	9,289	51,756	51,830
(b) Other Provisions			
(i) Provision for Warranty	481	481	-
Total Current Provisions	**19,394**	**58,304**	**58,457**

Note 16 : Deferred Tax Liabilities (Net)

(a) Deferred tax (asset) / liability

(Amount in Thousands - ₹)

Nature of (asset) / liability	Balance Sheet at			Statement of profit and loss & OCI	
Particulars	**March 31, 2022**	**March 31, 2021**	**April 1, 2020**	**March 31, 2022**	**March 31, 2021**
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act,1961	22,599	26,359	29,108	-	(29,108)
Tax impact on unutilized carry forward losses	(4,336)	-	-	-	-
Tax effect of provision for gratuity & compensated absences	(14,881)	(11,758)	(9,648)	-	9,648
Tax effect of provision for bad and doubtful debts / advances	(487)	(651)	(151)	-	151
Tax impact on remeasurement gains and (losses) on defined benefit obligations (net)	-	-		-	-
Tax impact on all other items	(2,895)	(14,127)	(13,475)	-	13,475
Deferred tax (asset) / liability (net)	**-**	**(177)**	**5,834**		
Deferred tax (income) / expense (net)				**-**	**(5,834)**

(b) Reconciliation of deferred tax (asset) / liability

(Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	**March 31, 2021**
i) Deferred tax (asset) / liability		
Opening balance	-	5,834
Deferred tax (income) / expense during the year recognized in Statement of Profit and Loss	-	(5,834)
Deferred tax (income) / expense during the year recognized in OCI	-	-
Closing balance	**-**	**-**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(c) Components of tax expenses

(Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	**March 31, 2021**
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	1,100	-
Tax Expense for earlier year	5,000	551
Total tax (income) / expenses reported in statement of profit and loss	**6,100**	**551**
Deferred tax		
Relating to the origination and reversal of temporary differences	-	(5,834)
Total tax (income) / expenses reported in statement of profit and loss	**-**	**(5,834)**
ii) Other comprehensive income (OCI)		
Tax impact on remeasurement gains / (losses) on defined benefit obligations (net)	(2,642)	-
Total tax (income) / expense (net)	**(2,642)**	**-**
iii) Total tax (income) / expense reported in the total comprehensive income	**3,458**	**(5,283)**

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

(Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	**March 31, 2021**
Accounting profit before tax	12,857	42,232
Less: Adjustment from carry forward losses	12,857	42,232
Corporate tax rate %	27.82	27.82
Computed tax expense	-	-
Increase / (reduction) in taxes on account of:		
MAT on above mentioned accounting profit before tax	1,100	-
Tax adjustments of earlier years	5,000	551
Current Tax recognition	6,100	551
Deferred tax income / (expense) recognition during the year	-	5,834
Tax (income) / expense reported in the statement of profit and loss	6,100	(5,283)
Tax (income) / expense reported in the other comprehensive income	(2,642)	-

Note 17 : Trade Payables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Trade Payables	-	-	-
(2) Current Trade Payables			
(a) Total outstanding dues of micro and small enterprises	3,392	289	2,666
(b) Total outstanding dues of creditors other than micro and small enterprises	12,362	11,677	17,921
Total Current Trade Payables	**15,754**	**11,966**	**20,587**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

For the period ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,319	20	53	-	-	3,392
(ii) Others	12,362	-	-	-	-	12,362
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

For the period ended March 31, 2021 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	289	-	-	-	-	289
(ii) Others	11,677	-	-	-	-	11,677
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

For the period ended April 01, 2020 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2,666	-	-	-	-	2,666
(ii) Others	12,938	4,514	80	164	225	17,921
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March 2022 and 31 March 2021. 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 entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payableto such enterprises as at 31 March 2022 has been made in the financial statements based on the information received and available with the Company.

Note 18 : Other Financial Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non Current Other Financial Liabilities	-	-	-
(2) Current Other Financial Liabilities			
(a) Current Maturities of Long-Term Debt	-	-	22,785
(b) Interest Accrued on Term Loan	-	-	473
(c) Others			
(i) Accrued Compensation to Employees	16,669	23,290	33,835
(ii) Accrued Expenses	37,364	21,714	13,871
(iii) Foreign Currency Forward Contract	-	-	23
(iv) Other Payables	333	29	19
Total Current Other Financial Liabilities	**54,366**	**45,033**	**71,006**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 19 : Other Current Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non Current Other Liabilities	-	-	-
(2) Current Other Liabilities			
(a) Unearned and Deferred Revenue	70,377	59,666	42,582
(b) Others Payables			
(i) Statutory Dues Payables	12,445	9,381	6,551
(ii) Contribution to PF / ESIC / MLWF / PT Payable	1,132	1,013	950
Total Current Other Liabilities	**83,954**	**70,060**	**50,083**

As stated under Note no. 35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Unearned and Deferred Revenue" for the comparative period.

Note 20 : Revenue from Operations

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products	2,49,618	1,88,924
Sale of Services	3,11,901	3,50,452
Total Revenue from Operations	**5,61,519**	**5,39,376**
Revenue by Division		
Revenue from Collect Division	2,10,910	2,40,851
Revenue from Create Division	3,19,817	2,68,808
Revenue from Consume Division	30,792	29,717
Total	**5,61,519**	**5,39,376**
Revenue Geography-wise		
Asia Pacific	19,867	20,702
India	2,73,577	2,43,759
Europe & UK	1,19,397	96,719
Middle East	57,633	79,048
Africa	87,287	97,670
USA	3,758	1,478
Total	**5,61,519**	**5,39,376**

The Company has presented contract assets as "unbilled revenues" (refer note no. 6 and 11) in other financial assets and other current assets and contract liabilities as "unearned revenues" (refer note no.19) in other current liabilities in the balance sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

Movement of contract balances

(Amount in Thousands - ₹)

Particulars	31-Mar-22		31-Mar-21	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance	87,140	59,666	51,806	42,582
Revenue recognised during the year	1,11,438	1,05,320	1,27,874	74,851
Invoices raised during the year	46,465	1,16,031	92,540	91,935
Balances at the end of the year	1,52,113	70,377	87,140	59,666

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 21 : Other Income

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income	4,539	2,026
Other Non-Operating Income	153	178
Financial Assets Derecognised	1,821	-
Total Other Income	**6,513**	**2,204**

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Revenue from operation and Other Income" for the comparative period.

Note 22 : Employee Benefits Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	3,11,644	2,70,368
Contribution to Provident and Other Funds	6,078	5,431
Leave availment (refer note no.22b)	195	4,064
Gratuity and other retiral benefits (refer note no. 22a)	8,359	7,074
Share Based Payment to Employees (refer note no. 32)	4	(364)
Staff Welfare Expenses	3,554	2,791
Total Employee Benefits Expense	**3,29,834**	**2,89,364**

Note 23 : Finance Costs

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense	6,792	10,850
Interest on Right of Use Asset	159	51
Other Borrowing Costs*	3,529	6,142
Total Finance Costs	**10,480**	**17,043**

* Includes bank changes and processing fees towards cash credit / bank guarantees / term loan facility

Note 24 : Depreciation and Amortisation Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Property, Plant and Equipment	2,548	1,905
Amortisation of Intangible Assets	46,825	58,214
Amortisation of Right of Use Asset	2,739	2,576
Total Depreciation and Amortisation Expense	**52,112**	**62,695**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 25 : Other Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Advertisement & Business Promotion	379	222
Data Sourcing Expenses	271	302
Internet Co-Location Charges	6,283	7,099
Legal, Professional And Consultancy Fees	29,102	16,981
Miscellaneous Expenses	248	1,010
Payment to Auditors*	1,596	857
Postage, Telephone & Communication Charges	806	723
Printing & Stationery	123	71
Rates & Taxes	1,742	749
Travelling And Conveyance	9,956	6,356
Director Sitting Fees	1,405	975
Payment to Subsidiaries	1,642	9,739
Marketing And Sales Expenses	7,959	3,468
Other Expenses IPO, Listing Fees etc.	2,310	344
Rent	157	686
Power	2,563	2,384
Insurance	1,732	660
Office Maintenance	2,952	2,620
Repairs & Maintainance	464	647
Partner Fees	49,118	41,602
Software Maintenance Expenses	5,884	3,608
Software License & Hardware Fees	26,674	20,213
NSTP- Annual Service Charges	250	250
Sales Commission	5,124	2,990
Business Promotion Expenses	260	21
Membership Fees	301	283
Conference Expenses	-	44
Staff Recruitment Charges	-	110
Forward Contracts Gain / Loss A/C	52	35
Bad Debts Written-Off	254	233
Allowance for Trade Receivables	1,559	(3,198)
Exchange Loss	(1,089)	3,786
Sundry Balance Written-Off	2,672	4,376
Total Other Expenses	**1,62,749**	**1,30,246**
*Detail of payment to statutory auditor (exclusive of GST)		
As Auditor		
Statutory Audit Fees	1,510	800
Other Services	50	15
Reimbursement of out-of-pocket expenses	36	42
Total	**1,596**	**857**

As stated under Note no.35, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Employee Benefits Expense / Depreciation and Amortisation Expense/ Other Expenses" for the comparative period.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 22a: Defined benefit plan - Gratuity (unfunded)

"Gratuity is classified as Defined Benefit plan as Company's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the Company. Actuarial & Investment risks are borne by the Company.

The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

The defined benefit plan comprises of gratuity which is unfunded. Acturial gains and losses are recognised in the Other Comprehensive Income (OCI).

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the position of assets and obligations relating to the plan."

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15			
Present Value of Defined Benefit Obligation	60,186	43,412	35,978
Fair value of Plan Assets	13,087	8,128	4,744
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15	**47,099**	**35,284**	**31,234**
Amounts in Statement of Profit & Loss			
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss			
Service cost	5,853	4,986	3,757
Net interest cost	2,507	2,088	1,589
Past service cost	-	-	-
Administration expenses	-	-	-
(Gain)/loss due to settlements/curtailments/diversitures	-	-	-
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**8,360**	**7,074**	**5,346**
Amounts in the Balance Sheet			
Current/Non Current Bifurcation			
Current Benefit Obligation	8,791	4,491	4,844
Non - Current Benefit Obligation	51,395	38,921	31,134
(Asset)/Liability recognised in the Balance sheet	**60,186**	**43,412**	**35,978**
Actual Return on Plan Assets			
Interest income on plan assets	567	317	394
Remeasurements on plan assets	-	(140)	(152)
Actual Return on Plan Assets	**567**	**177**	**242**

The Company provides the gratuity benefit through annual contributions to a fund managed by approved trust. Under this plan, the settlement obligation remains with the Company, although the trust administers the plan and determines the contribution required to be paid by the Company. The trust has invested the plan assets in the Insurer managed funds. The Trust has taken a Policy from the

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on investments of the funds during the estimated term of the obligation.

Category of Assets

Insurer Managed Funds & T-Bills

The principal assumptions used in determining the gratuity benefit are shown below:	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Salary escalation rate	9%	9%	8%
Discount rate	7.23%	6.97%	6.67%
Expected rate of return on assets	7.23%	6.97%	6.67%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Defined Benefit Obligation - Discount Rate + 100 basis points	(3,077)	(2,703)	(1,880)
Defined Benefit Obligation - Discount Rate - 100 basis points	3,427	2,836	1,989
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	2,542	2,465	1,907
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(2,488)	(2,329)	(1,801)

Note 22b: Defined benefit plan - Compensated absences

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below:

The Company provides for expenses towards compensated absences (leave encashment) provided to its employees. The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15			
Defined Benefit Obligation	10,134	9,939	5,874
Present Value of Unfunded Defined Benefit Obligation	-	-	-
Fair value of Plan Assets	10,134	9,939	5,874
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15	**10,134**	**9,939**	**5,874**
Amounts in Statement of Profit & Loss			
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss			
Service cost	1,279	1,075	632
Net interest cost	653	368	254
Past service cost	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Remeasurements	(1,737)	2,621	1,154
(Gain)/loss due to settlements/curtailments/diversitures			
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**195**	**4,064**	**2,040**
Amounts in the Balance Sheet			
Current/Non Current Bifurcation			
Current Benefit Obligation	2,744	2,417	1,783
Non - Current Benefit Obligation	7,390	7,522	4,091
(Asset)/Liability recognised in the Balance sheet	**10,134**	**9,939**	**5,874**
The principal assumptions used in determining the leave encashment benefit are shown below:			
Salary escalation rate	9%	9%	8%
Discount rate	7.23%	6.97%	6.67%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	15.00%	12.00%	15.00%
Leave Availment Ratio	10.00%	10.00%	10.00%
Retirement Age	60 years	60 years	60 years

Note 26: Segment Reporting

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended 31 March, 2021
1. Segment Revenue		
(net sale/income from each segment should be disclosed under this head)		
(a) Segment – Collect	2,10,910	2,40,851
(b) Segment – Create	3,19,817	2,68,808
(c) Segment – Consume	30,792	29,717
(d) Unallocated	-	-
Less: Inter Segment Revenue	-	-
Net sales/Income From Operations	**5,61,519**	**5,39,376**
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)		
(a) Segment – Collect	15,164	60,792
(b) Segment – Create	51,005	55,290
(c) Segment – Consume	2,767	3,684
(d) Unallocated	6,513	2,204
Total	**75,449**	**1,21,970**
Less: i) Interest	10,480	17,043
ii) Depreciation & Amortisation	52,112	62,695
iii) Other non-cash un-allocable expenses	-	-
iv) Other Un-allocable Expenditure net off Un-allocable income	-	-
Total Profit Before Tax	**12,857**	**42,232**

Note:

Assets and liabilities used in the Company's business are not identifiable to any of the reportable segment, as these are used interchangeably between segments.

The management believes that it not practicable to provide segment disclosures relating to total assets and liabilities.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 27: Transactions with Related Party

Names of related parties and related party relationship

a. Subsidiary Companies

1. IRIS Business Services, LLC
2. IRIS Business Services (Asia) Pte. Ltd.
3. Atanou S.r.l.
4. IRIS Logix Solutions Private Limited

b. Key Managerial Personnel (KMP)

1. S. Swaminathan, Whole Time Director and Chief Executive Officer
2. Deepta Rangarajan, Whole Time Director
3. K. Balachandran, Whole Time Director and Chief Financial Officer

c. Relatives of Key Managerial Personnel (KMP)

1. Deepta Rangarajan, Spouse of Mr S. Swaminathan
2. N Subramaniam, Father of Mr S. Swaminathan
3. S. Chandrasekhar, Brother of Mr S. Swaminathan
4. S. Swaminathan, Spouse of Ms Deepta Rangarajan
5. Santhanakrishnan Rangarajan, Father of Ms Deepta Rangarajan
6. Shanti Rangarajan, Mother of Ms Deepta Rangarajan
7. Rajlaxmi Nambiar, Spouse of Mr K. Balachandran
8. Sharanya Balachandran, Daughter of Mr K. Balachandran
9. Shyama Balachandran, Daughter of Mr K. Balachandran
10. Vijayalakshmi Nambiar, Mother of Mr K. Balachandran

d. Enterprises over which the above persons exercise significant influence/ control and with which the Company has transactions during the Year

1. FinX Solutions (UAE)
2. IRIS Knowledge Foundation

e. Independent Directors

1. Bhaswar Mukherjee, Non-Executive Independent Director
2. Vinod Balmukand Agarwala, Non-Executive Independent Director
3. Ashok Venkatramani, Non-Executive Independent Director
4. Haseeb A Drabu, Non-Executive Independent Director

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note 27: Transactions with Related Party

f. Transactions with Related parties

(Amount in Thousands - ₹)

Particulars	Relationship with Related Party	Nature of Transactions	Transactions during the year ended			Outstanding balances		
			March 31, 2022	March 31, 2021	April 01, 2020	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Services rendered								
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Sales of Services	653	8,081	10,852	1,656	1,246	2,721
IRIS Business Services, LLC	Subsidiary	Sales of Services	3,422	-	-	3,422	-	-
FinX Solutions (UAE)	An entity in which one of the Promoter Director is the managing partner	Sales of Services	2,248	549	-	1,708	549	6,596
IRIS Logix Solutions Private Limited	Subsidiary	Sales of Services	2,101	1,181	-	1,471	400	-
IRIS Knowledge Foundation	Promoter Directors are common Directors	Sales of Services	-	-	-	1,211	1,211	1,211
Services availed								
IRIS Business Services, LLC	Subsidiary	Rendered of Services	-	-	-	-	-	2,230
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Rendered of Services	1,642	9,739	3,827	990	-	-
CSR Contribution								
IRIS Knowledge Foundation	Promoter Directors are common Directors	Donation	-	-	50	-	-	-
Investments								
Atanou S.r.l.	Subsidiary	Investment	-	-	-	1,525	1,525	1,525
IRIS Business Services, LLC	Subsidiary	Investment	-	-	8,579	14,540	14,540	14,540
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Investment	-	-	-	11,195	11,195	11,195
IRIS Logix Solutions Private Limited	Subsidiary	Investment	-	-	760	760	760	760
Receivables Against Expenses Incurred on Behalf of Subsidiaries								
IRIS Business Services (Asia) Pte. Ltd.			-	-	-	-	599	3,649

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Compensation to KMPs of the Company	Transactions during the year ended			Outstanding balances		
	March 31, 2022	March 31, 2021	April 01, 2020	March 31, 2022	March 31, 2021	April 01, 2020
Short-term employee benefits*	13,050	10,604	13,874	19,755	17,667	15,934
Post-employment benefits #	-	-	-	-	-	-
Other long-term benefits	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-
Total	**13,050**	**10,604**	**13,874**	**19,755**	**17,667**	**15,934**

* includes sitting fees and reimbursement of expenses

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 28: Financial Instruments - Disclosure, Accounting classifications amd fair value measurements:

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

A. Classification of Financial Instruments by category

As at March 31, 2022

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	287	-	-	287	287
2	Investments	27,085	-	-	27,085	27,085
3	Trade Receivables	1,48,463	-	-	1,48,463	1,48,463
4	Cash and Cash equivalent	27,630	-	-	27,630	27,630
5	Other Financial assets	54,136	-	711	54,847	54,847
	Financial liabilities					
6	Borrowings	64,857	-	-	64,857	64,857
7	Lease liabilities	1,365	-	-	1,365	1,365
8	Trade Payables	15,754	-	-	15,754	15,754
9	Other financial liabilities	54,366	-	-	54,366	54,366

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

As at March 31, 2021

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	75	-	-	75	75
2	Investments	27,085	-	-	27,085	27,085
3	Trade Receivables	1,31,378	-	-	1,31,378	1,31,378
4	Cash and Cash equivalent	33,170	-	-	33,170	33,170
5	Other Financial assets	55,910	-	-	55,910	55,910
	Financial liabilities					
6	Borrowings	60,210	-	-	60,210	60,210
7	Lease liabilities	2,096	-	-	2,096	2,096
8	Trade Payables	11,966	-	-	11,966	11,966
9	Other financial liabilities	45,033	-	-	45,033	45,033

As at April 01, 2020

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	219	-	-	219	219
2	Investments	27,085	-	-	27,085	27,085
3	Trade Receivables	1,60,643	-	-	1,60,643	1,60,643
4	Cash and Cash equivalent	3,675	-	-	3,675	3,675
5	Other Financial assets	26,774	-	-	26,774	26,774
	Financial liabilities					
6	Borrowings	87,514	-	-	87,514	87,514
7	Lease liabilities	5,839	-	-	5,839	5,839
8	Trade Payables	20,587	-	-	20,587	20,587
9	Other financial liabilities	70,983	23	-	71,006	71,006

Fair Value Hierarchy:

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares which are traded on the stock exchanges, is valued using the closing price at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. Investments in Debentures or Bonds are valued on the basis of dealer's quotation based on fixed income and money market association (FIMMDA). If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2022 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	711	-	-	711
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	64,857	64,857
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2021 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	60,210	60,210
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

The details of financial instruments that are measured at fair value on recurring basis as at April 01, 2020 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	87,514	87,514
Measured through FVTOCI				
- Derivative Liabilities	-	23	-	23

The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

During the reporting year ending March 31, 2022 and March 31, 2021, there was no transfer between level 1 and level 2 fair value measurement

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Key Inputs for Level 2 & 3 Fair valuation Technique:

Derivative Liabilities (Level 2):

- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies

Description of Significant Unobservable Inputs used for Financial Instruments (Level 3)

The following table shows the valuation techniques used for financial instruments:

Other Financial Liabilities (Non-current)	Discounted cash flow method using risk adjusted discount rate

Note 29 Financial risk management objectives

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, investments and cash and cash equivalents that arise directly from its operations. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risks faced by the Company. The risk management systems are reviewed periodically. The Audit Committee of the Board, oversees the compliance with the policy. The Internal Auditreviews the risk management controls and procedures and reports to the Audit Committee.

The Company's activities expose it to market risk, liquidity risk and credit risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the Company is exposed to and their management are given below:

Risks Market Risk:	Exposure arising from	Measurement	Management
- Foreign Exchange Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in ₹	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts & currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates	Sensitivity Analysis, Interest rate Movements	
- Credit Risk	Trade Receivable, Derivative Financial Instruments	Ageing analysis, Credit Rating,	Credit limit and credit worthiness monitoring
- Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long range business forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Details relating to the risks are provided here below:

A. Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's transactions denominated in a foreign currency including trade receivables and unbilled revenues, loans given to overseas subsidiaries, trade payables and bank balances. The Company's exposure to foreign currency risk with respect to material currencies as detailed below:

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies and standard operating procedures. When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure.

As at 31.03.2022 (Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	55	28	-	-	-	83
EUR	372	22	-	-	(15)	379
GBP	18	48	-	-	-	66
JOD	-	77	-	-	-	77
MYR	154	281	-	-	(16)	419
OMR	-	106	-	-		106
SGD	18	12	-	-		30
USD	308	58	-	-	(118)	248
ZAR	1,624	300	-	-	(2)	1,922
QAR	-	-	-	-	-	-
SAR	496	-	-	-	-	496

As at 31.03.2021 (Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	28	-	-	-	-	28
EUR	128	-	-	-	(3)	125
GBP	72	19	-	-	-	91
JOD	178	-	-	-	(35)	143
MYR	-	22	-	-	-	22
OMR	-	87	-	-	-	87
SGD	23	-	-	-		23
USD	224	82	5	-	(11)	300
ZAR	2,210	-	-	-	-	2,210
QAR	505	-	-	-	-	505
SAR	413	-		-	-	413

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

As at 01.04.2020

(Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	-	-	-	-	-	-
EUR	1	-	-	-	-	1
GBP	28	-	-	-	-	28
JOD	-	111	-	-	-	111
MYR	-	-	-	-	-	-
OMR	31	-	-	-	-	31
SGD	51	155	-	-	-	206
USD	577	0	4	-	(12)	569
ZAR	-	-	-	-	-	-
QAR	439	538	-	-	-	977
SAR	186	-		-	-	186

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at 31st March 2022 that are not denominated in Indian Rupees. The sensitivities do not take into account the Company's sales and costs and the results of the sensitivities could change due to other factors such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

Sensitivity analysis between Indian Rupee and the foreign currencies specified above for an increase of / decrease by ₹ 1.

(Amount in Thousands - ₹)

Foreign currency	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
AED	83	(83)	28	(28)	-	-
EUR	379	(379)	125	(125)	1	(1)
GBP	66	(66)	91	(91)	28	(28)
JOD	77	(77)	143	(143)	111	(111)
MYR	419	(419)	22	(22)	-	-
OMR	106	(106)	87	(87)	31	(31)
SGD	30	(30)	23	(23)	206	(206)
USD	248	(248)	300	(300)	569	(569)
ZAR	1,922	(1,922)	2,210	(2,210)	-	-
QAR	-	-	505	(505)	977	(977)
SAR	496	(496)	413	(413)	186	(186)

B. Interest rate risk:

The Company has borrowed debt at variable rates to finance its operations, which exposes it to interest rate risk. The Company's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating.

Interest rate risk exposure on the average borrowing for the year:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Fixed rate borrowing	-	-	-
Variable rate borrowing	64,857	60,210	87,514

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2021-22 by ₹ 649 thousands (FY 2020-21 by ₹ 602 thousands FY 2019-20 by ₹ 875 thousands).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

C. Credit risk

Credit risk arises when a customer or counterparty does not meet its contractual obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financiang/investing activities, including treasury operations. Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and unbilled revenues are regularly monitored and the Company creates a provision based on expected credit loss model.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

i) Trade Receivables: Ageing & Movement

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk

(Amount in Thousands - ₹)

ii) Movement of Doubtful debts	As at March 31, 2022	As at March 31, 2021
Opening provision	898	4,096
Add: Provided during the year	1,619	445
Less: Utilised during the year	-	-
Less: Written back during the year	(644)	(3,643)
Closing Provision	**1,873**	**898**

The details in respect of percentage of revenues generated from the top customer and the top 10 customers are as follows:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue from top customer	57,733	58,434
Revenue from top 10 customers	2,44,020	2,73,839

iii) Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies. Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

D. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows. The table below provides details of financial liabilities at the reporting date based on contractual undiscounted payments. The Company has access to the following undrawn borrowing facilities:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Expiring in one year'	Expiring beyond one year	Expiring in one year'	Expiring beyond one year	Expiring in one year'	Expiring beyond one year
Loans repayable on demand from Banks	66,893	-	77,540	-	1,393	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

E. Capital Management

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital means the Total Equity as per the Balance Sheet.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by the total equity.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Borrowings	64,857	60,210	87,514
Less: Cash and cash equivalents	27,630	33,170	3,675
Net Debt (A)	37,227	27,040	83,839
Equity Share Capital	192,182	189,232	188,792
Other Equity	115,721	109,279	63,130
Total Equity (B)	3,07,903	2,98,511	2,51,922
Debt / Equity (A / B)	12%	9%	33%

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc. which is maintained by the Company

Note 30: Financial performance indicators

In accordance with Notification dated March 24, 2021, the Central Government in it's Amendment to Schedule III to Companies Act 2013 stated that the Company shall disclose the following ratios which shall indicate the financial performance of the Company. Company is required to give details of significant changes (change of 25% or more as compared to the previous financial year) in sector-specific key financial ratios, as well as any changes in return on net worth.

(Amount in Thousands - ₹)

Sr. No.	Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	April 1, 2020
1	Current Ratio	Current Assets	Current Liabilities	1.62	1.38	1.06
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.21	0.20	0.35
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	10.85	11.19	5.28
4	Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	4.01	3.69	0.01
5	Trade Payables Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	11.74	8.00	0.01
6	Net Capital Turnover Ratio	Revenue	Current Assets-Current Liability	3.81	5.79	30.99
7	Net profit ratio	Net Profit	Revenue	1.20%	8.81%	-1.64%
8	Return on Capital Employed	Earning before interest and taxes	Net worth + deferred tax liabilities + Lease Liabilities	6.26%	16.52%	2.73%
9	Return on Equity	Net Profits after taxes	Net worth	2.19%	15.92%	-3.04%

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Note:

a) Disclosure of Inventory Turnover Ratio is not applicable as tye Company does not hold any Inventory.

b) Disclosure of Return on Investment is not applicable as the Investments reported under note 5 pertains to Investment made in subsidiaries only.

c) The above ratios may not be comparable due to spread of coronavirus pandemic, impacting all the geographies of the business operations and more particularly in the early months of the preceeding financial year when the severity was extreme.

Detailed explanation for significant changes in sector-specific key financial ratios and changes in Return on Net Worth:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Trade Payables Turnover Ratio	162,749	13,860	11.74	8.00	47%	Due to increase in Other expenses
Net Capital Turnover Ratio	561,519	147,362	3.81	5.79	-34%	Due to increase in Net working Capital
Net profit ratio	6,757	561,519	1.20%	8.81%	-86%	Due to decrease in Net profit after Tax
Return on Capital Employed	23,337	372,759	6.26%	16.52%	-62%	Due to decrease in Earning before interest and tax
Return on Equity	6,757	307,903	2.19%	15.92%	-86%	Due to decrease in Net profit after Tax

Note 31 : Hedge Accounting

As part of its risk management strategy, the company endeavors to hedge its net foreign currency exposure of highly forecasted sale transactions for the next 10 to 12 months in advance. The company uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges. The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to to foreign exchange risk. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge. Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2022

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments - Liability	Maturity	Average booking price/ rate
Foreign exchange forward contracts	2,69,240 USD 1,93,423 GBP	711 (₹ in Thousands)	-	FY 22-23	1 USD = 77.1411 1 GBP = 103.5063

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting :

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended April 01, 2020
Balance at the beginning of year	-	-	-
Gain/(loss) recognised in Other Comprehensive Income during the year	2,532	-	-
Amount reclassified to profit/loss during the year	1,821	-	-
Tax imapct on the above	-	-	-
Balance at the end of year	711	-	-

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability
Net amount presented in Balance Sheet	711	-	-	-	-	-

Note 32: Employee Stock Option Scheme

The Company provides share-based payment schemes to its employees. The relevant details of the scheme are as follows: On September 11, 2017, the Board of Directors approved the "IRIS Business Services Limited – Employee Stock Option Scheme 2017" ("Scheme") in order to reward the employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company with an intent to attract and retain talent in the organisation. The aforesaid Scheme was duly approved by shareholders in its Extra-Ordinary General Meeting held on September 13, 2017. The Nomination and Remuneration committee of the Board has granted options under the said Scheme to certain category of employees as per criteria laid down by Nomination and Remuneration committee of the Board. The shareholders of the Company approved the ratification of the Scheme and extension of the benefits of the Scheme to the employees of Subsidiary Company(ies) by Special Resolutions through Postal Ballot on March 29, 2019.

Key terms of the scheme:

Date of Shareholder's Approval	September 13, 2017
Total Number of Options approved	700,000
Vesting Schedule	Option shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of grant
Maximum term of Options granted	9 Years
Method of Settlement	Shares
Source of shares	Primary-Fresh equity allotment by the company

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Option Movement during the year ended March 2021

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
No. of Options Outstanding at the beginning of the year	450,000	547,000	552,000
Options Granted during the year	-	-	-
Options exercised during the year	295,000	44,000	-
Options Forfeited during the year	-	-	-
Options Expired during the year	-	53,000	5,000
No. of Options Outstanding at the end of the year	155,000	450,000	547,000
No. of Options exercisable at the end of the year	155,000	447,000	531,000
Exercise price (amount in ₹)	32	32	32

Weighted average share price during the period for shares options exercised during the year, the weighted average share price at the date of exercise was ₹. 74.55/-

Fair value determination method

The Black-Scholes model requires consideration of certain variables such as implied volatility, risk free rate of interest, expected dividend yield, expected life of option, market price of the underlying stock and exercise price for the calculation of Fair Value of the option. Variability of these parameters could significantly affect the estimated Fair value of the option.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Risk Free interest rate	6.61% to 7.00%	6.61% to 7.00%	6.61% to 7.00%
Expected Life (in Years)	3.5 Years to 6.5 years	3.5 Years to 6.5 years	3.5 Years to 6.5 Years
Expected Volatility	11.73%	11.73%	11.73%
Dividend Yield	0%	0%	0%
Stock price* (amount in ₹)	32	32	32
Exercise price (amount in ₹)	32	32	32
Weighted Average remaining Contractual life	1.06	1.34	2.12

* The stock price of the Company is the listing market price of the Company's equity share on Stock Exchanges on the date of grant.

To understand the effect of share based payment transactions on the entity's profit and loss for the year refer Note no.22

Note 33: Contingent Liabilities and Commitments:

(Amount in Thousands - ₹)

Sr. No.	Contingent Libailities, Commitments	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
1	Claims agaisnt the company not acknowledged as debts Disputed EPFO Demand Relating to May-2005 to May-2007 and pending before Honorable High Court of Bombay	174	174	174
2	Commitments	-	-	800

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgements pending at various forums / authorities.

a) Foreseeable Losses: The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required uner any law / applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

b) Pending Litigations: The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements.

Note 34: Earnings Per Share

(Amount in Thousands - ₹)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
Net Profit for the Year attributable to equity Shareholders	**6,757**	**47,515**
Weighted Average No. of Shares - Basic	19,147	18,879
Weighted Average No. of Shares - Diluted	19,257	^18,879
EPS - Basic	0.35	2.52
EPS - Diluted	0.35	2.52
Nominal value of each Equity Share	**10.00**	**10.00**

(Since the potential dilutive equity shares are anti-dilutive no. of shares considered for diluted EPS is same as basic EPS)

Note 35: First Time Adoption

The Company has prepared financial statements for the year ended 31st March, 2022, in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accoutning Standard) Rules, 2015, as amended, for the first time. For the periods upto and including the year ended 31st March, 2021, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31 March 2022 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101.

In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April, 2021 i.e. the transition date to Ind AS for the Company. This note explains the principal adjustment made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2020, and the financial statements as at and for the year ended 31st March 2021. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognized directly in equity.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

1. Ind AS optional exemptions

(a) Share based payments

The Company has elected to apply Ind AS 102 share based payment to equity instruments in respect of the unvested options as on the transition date

(b) Deemed cost of Assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost as at the date of transition. The Company shall also measure it's investment in subsdiaries as per previous GAAP's carrying amount as at date of transition.

2. Key explanations towards Ind AS Adjustements

a) Property, Plant and Eqiupment and Right to use - Lease Assets

Under Previous GAAP , the lease contracts in nature of finance lease (lessee accounting) were forming part of the property, plant and equipement. Pursuant to the requirement of Ind AS 116 - Leases, the same has been separately disclosed and impact of the related accounting has been effected.

b) Trade Receivable & ECL

Pursuant to the application of the Ind AS 109 - Financial Instruments, the Company has applied simplied appraoch for the measurment and recognition of ECL. Also the amount as previous GAAP has been impacted with the effects of application of Ind AS 115 - Revenue from Contracts with Customers

c) Revenue Recognition:

The company has applied the recognition and measurment priciples laid down in the Ind AS 115 - Revenue from Contracts with Customer, resulting in adjustment in revenue recognised in the previous periods. Pursuant to the application of the Ind AS 115, performance of transfer of services to a customer before the customer pays consideration or before payment is due, is presented as contract asset, excluding any amounts presented as a receivable."

d) Other Comprehensive Income:

Under the previous GAAP, there was no concept of OCI. Under Ind AS, fair valuation of Bonds and Equity Investments not held for trade (other than Subsidiaries, Joint Ventures and Associates), effective portion of gains and losses on hedging instruments in a cash flow hedge and re-measurements on defined benefit liability, which was charged to the Statement of Profit and Loss as per the IGAAP, are recognised in OCI"

e) Borrowings

As per Ind AS 109 - Financial Instruments, the Company has classified the Borrowing as financial liabilities to be measured at amortised cost. The borrowings have been restated as at the date of transition

f) Classification of Financial Assets and Liabilities

Current and Non-Current Liabilities have been reclassified into Financial and Non-Financial Liabilities as per the nature of liabilities.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Effect of Ind AS adoption on the Standalone Balance Sheet as at March 31, 2021 and April 01, 2020

(Amount in Thousands - ₹)

Particulars	As at 1 April 2020 (Date of Transition to Ind AS)			As at 31 March 2021		
	Indian GAAP	Adjustments	Ind AS	Indian GAAP	Adjustments	Ind AS
(I) ASSETS						
(1) NON-CURRENT ASSETS						
(a) Property, Plant and Equipment	96,229	(92,551)	3,678	95,585	(92,717)	2,868
(b) Right-of-Use-Assets	-	98,390	98,390	-	92,717	92,717
(c) Other Intangible Assets	1,69,916	-	1,69,916	1,20,138	-	1,20,138
(d) Intangible Assets under Development	3,295	-	3,295	-	-	-
(e) Financial Assets						-
(i) Investments	27,085	-	27,085	27,085	-	27,085
(ii) Other Financial Assets	3,302	-	3,302	3,102	-	3,102
Total Non-Current Assets	**2,99,827**	**5,839**	**3,05,666**	**2,45,910**	**-**	**2,45,910**
(2) CURRENT ASSETS						
(a) Financial Assets						
(i) Trade Receivables	1,64,161	(3,518)	1,60,643	1,29,769	1,609	1,31,378
(ii) Cash and Cash Equivalents	3,675	-	3,675	33,170	-	33,170
(iii) Bank Balances other than Cash and Cash Equivalents above	9,431	-	9,431	35,695	-	35,695
(iv) Loans	219	-	219	75	-	75
(v) Other Financial Assets	14,042	-	14,042	16,875	238	17,113
(b) Current Tax Assets (Net)	38,445	-	38,445	42,565	-	42,565
(c) Other Assets	60,107	(10,505)	49,602	69,927	9,503	79,430
Total Current Assets	**2,90,080**	**(14,023)**	**2,76,057**	**3,28,076**	**11,350**	**3,39,426**
TOTAL ASSETS	**5,89,907**	**(8,184)**	**5,81,723**	**5,73,986**	**11,350**	**5,85,336**
(II) EQUITY AND LIABILITIES						
EQUITY						
(a) Equity Share Capital	1,88,792	-	1,88,792	1,89,232	-	1,89,232
(b) Other Equity	88,798	(25,668)	63,130	1,22,658	(13,379)	1,09,279
	2,77,590	**(25,668)**	**2,51,922**	**3,11,890**	**(13,379)**	**2,98,511**
LIABILITIES						
(1) NON-CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings	28,907	-	28,907	-	-	-
(ii) Lease Liabilities		3,537	3,537	1,355	-	1,355
(b) Provisions	30,481	-	30,481	39,156	-	39,156
(c) Deferred Tax Liabilities (Net)	5,834	-	5,834	-	-	-
Total Non-Current Liabilities	**65,222**	**3,537**	**68,759**	**40,511**	**-**	**40,511**
(2) CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings	58,607	-	58,607	60,210	-	60,210
(ii) Lease Liabilities	-	2,302	2,302	741	-	741
(iii) Trade Payables		-	-		-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Particulars	As at 1 April 2020 (Date of Transition to Ind AS)			As at 31 March 2021		
	Indian GAAP	Adjustments	Ind AS	Indian GAAP	Adjustments	Ind AS
a) Total outstanding dues of micro and small enterprises	2,666	-	2,666	289	-	289
b) Total outstanding dues of creditors other than micro and small enterprises	17,921	-	17,921	11,677	-	11,677
(iv) Other Financial Liabilities	71,006	-	71,006	45,033	-	45,033
(b) Provisions	58,457	-	58,457	58,304	-	58,304
(c) Current Tax Liabilities (Net)	-	-	-	-	-	-
(d) Other Liabilities	38,438	11,645	50,083	45,331	24,729	70,060
Total Current Liabilities	**2,47,095**	**13,947**	**2,61,042**	**2,21,585**	**24,729**	**2,46,314**
TOTAL EQUITY AND LIABILITIES	**5,89,907**	**(8,184)**	**5,81,723**	**5,73,986**	**11,350**	**5,85,336**

Effect of Ind AS adoption on the Standalone Profit & Loss for the year ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	IGAAP	Ind AS Adjustments	Ind AS
(I) INCOME			
(a) Revenue from Operations	5,30,878	8,498	5,39,376
(b) Other Income	2,782	(578)	2,204
Total Income	**5,33,660**	**7,920**	**5,41,580**
(II) EXPENSES			
(a) Employee Benefits Expense	2,91,334	(1,970)	2,89,364
(b) Finance Costs	16,807	236	17,043
(c) Depreciation and Amortisation Expense	62,330	365	62,695
(d) Other Expenses	1,35,217	(4,971)	1,30,246
Total Expenses	**5,05,688**	**(6,340)**	**4,99,348**
(III) Profit before Tax	**27,972**	**14,260**	**42,232**
(IV) Tax Expense			
- Tax Expense for earlier year	551	-	551
- Deferred Tax	(5,834)	-	(5,834)
Total Tax Expense	**(5,283)**	**-**	**(5,283)**
(V) Profit for the year (III-IV)	**33,255**	**14,260**	**47,515**
(VI) Profit for the year from Continuing Operations	**33,255**	**14,260**	**47,515**
(VII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit and Loss	-	-	-
(a) Remeasurements gain / (loss) on defined benefit obligations	-	(1,970)	(1,970)
(b) Equity Instruments at fair value through other comprehensive income	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Particulars	IGAAP	Ind AS Adjustments	Ind AS
(ii) Income tax relating to items that will not be reclassified to profit and loss	-	-	-
(B) (i) Items that will be reclassified to Profit and Loss	-	-	-
(a) Fair Value Changes on Derivatives Designated as cash flow hedge	-	-	-
(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-
Total Comprehensive Income for the year	**33,255**	**12,290**	**45,545**

Reconciliation of Total Comprehensive Income for the year ended March 31, 2021 (Amount in Thousands - ₹)

Particulars	
Profit as reported under the previous GAAP (A)	**27,972**
Ind AS Adjustment on account of -	
Impact on revenue from operations	8,498
Impact due to recognising Finance cost on lease.	(201)
Impact due to ECL creation/reversal on debtors	5,127
Impact due to Forex gain and loss	(1,134)
Reclassification of Actuarial gain loss -Employee Benefits	1,970
Total Effect of Ind AS Adjustments (B)	14,260
Profit for the year ended under Ind AS (A+B)	**42,232**
Tax Expense	(5,283)
Other Comprehensive Income for the year ended	(1,970)
Total Comprehensive Income under Ind AS	**45,545**

Reconciliation of Equity as at March 31, 2021 and April 01, 2020

(Amount in Thousands - ₹)

Particulars	As at 31st March 2021 (End of last period presented under the previous GAAP)	As at 1st April 2020 (Date of transition to Ind AS)
Equity as reported under the previous GAAP (A)	3,11,890	2,77,590
Ind AS Adjustment on account of -		
Impact on revenue from operations	(14,925)	(23,422)
Impact of ECL	1,609	(3,518)
Impact due to Forex	(63)	1,071
Impact on Finance Cost	-	201
Total Effect of Ind AS Adjustments (B)	**(13,379)**	**(25,668)**
Total Equity under Ind AS (A+B)	**2,98,511**	**2,51,922**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

Effect of Ind AS adoption on Cash Flow Statement for the year ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	IGAAP	Ind AS Adjustment	Ind AS
Net cash inflow / (outflow) from operating activities (A)	99,772	5,293	1,05,065
Net cash inflow / (outflow) from investing activities (B)	(4,391)	(27,121)	(31,512)
Net cash inflow / (outflow) from financing activities (C)	(65,886)	21,828	(44,058)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**29,495**	**-**	**29,495**
Cash and cash equivalents at the beginning of the year	3,675	-	3,675
Cash and cash equivalents at the end of the year	**33,170**	**-**	**33,170**

Note 36: Additional Regulatory Information

Pursuant to the requirement stipulated under para (6)(L) to the General Instructions for Preparation of Balance Sheet under schedule III of Companies Act, 2013, the required additional regulatory information are disclosed as under:

i) The company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.

ii) The Company does not have any investment property.

iii) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) during the current year or the preceeding year.

iv) The Company has not revalued its intangible assets during the current year or the preceeding year.

v) There are no loans or advances in the nature of loans that are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person

vi) There is no Capital Work in progress

vii) For disclosure pertaining to Intangible assets under development - Refer Note No.4b

viii) No proceedings have been initiated on or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ix) The borrowings from banks or financial institutions reported under Refer Note No.13, are made on the basis of security of assests other than current asset and on the unconditional and irrevocable Personal guarantees of Whole Time Directors of the Company.

x) The Company has not been declared a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or any other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

xi) The Company did not have any transactions with companies struck off under Companies Act, 2013.

xii) There are no charges or satisfaction thereof yet to be registered with ROC beyond the statutory period - Refer note No.3b and Refer Note No. 13 for the details of charge created.

xiii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, with respect to the extent of holding of the company in downstream companies - Refer Note No. 5.

xiv) Analytical Ratios - Refer Note No. 30

xv) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

xvi) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2022

(whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvii) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xviii) There is no income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

xix) The Company has not traded or invested in Crypto currency or Virtual currency during the current or the previous financial year.

Note 37: Impact of COVID-19

While the expectation is that the world, in the medium term, should gradually come out of the economic slowdown caused by the COVID 19 pandemic, the business environment still faces some degree of uncertainty. The Company management believes that it has taken into account the external and internal information for assessing the impact of the COVID-19 pandemic on the various elements of its financial statements, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the various unknowns associated with its nature and duration. The eventual outcome of impact of the global pandemic may be different from those estimated as on the date of approval of the financial statements. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

Note 38: The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Note 39: Previous year figures have been regrouped / rearranged, wherever necessary.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

INDEPENDENT AUDITOR'S REPORT

To
The Members of
IRIS Business Services Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of IRIS Business Services Limited (the "Holding Company" or the "Parent" or the "Company") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), which comprise the consolidated balance sheet as at 31 March 2022, the consolidated statement of profit (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (the "Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and of such subsidiary, as were audited by the other auditor, 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 31 March 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. Attention is invited to Note No. 35 (b) to the Consolidated Financial Statements where it is mentioned that financial statements of a subsidiaries, IRIS Business Services, LLC and Atanou S.R.L, are prepared on going concern basis despite the liabilities thereof exceeding the total assets, having regard to business plans of these subsidiaries, and continued financial support from the Parent.

5. Attention is invited to Note No 38 to the Consolidated Financial Statements describing the impact outbreak of COVID-19 pandemic on the Consolidated Financial Statement as also on business operations of the Group, assessment thereof made by the management of the Company based on its internal, external, and macro factors, involving certain estimation uncertainties.

   Our opinion is not modified in respect of the above matters.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
Impairment of Intangibles: As on 31 March 2022, Group's Intangibles Assets is measured at ₹ 738.37 Lakhs which includes capitalized software / application development costs. The Holding Company is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives. Based on the recoverable amount determined of the underlying assets, supported by value-in-use calculations which are based on estimates of future discounted cash flows, management concluded that there are no indications of impairment in its intangible and other assets.	Our audit tests include as under: • We obtained management's future cash flow forecasts and assessed the methodology of determination of future cash flow to obtain understanding of the usage of assets and impairment model. • Tested the arithmetical accuracy of the underlying value-in-use calculations.
The assessments made by management involves significant estimates and judgments, including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. These estimates and judgments may be affected by unexpected changes in future market or economic conditions, or discount rates applied. Considering the use of such signification estimates and judgements, Impairment of Intangible is identified as Key Audit Matter.	• Assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed them with management to understand and evaluate management's basis for determining the assumptions. • Evaluated management's assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of intangible assets. • Performing sensitivity analysis on revenue growth assumptions to assess the impact on forecasted cashflows. • Obtained suitable representations from the management pertaining to key estimates.

Other Information

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

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

9. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's responsibility for the Consolidated Financial Statements

10. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profits and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair

view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

11. 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 each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Consolidated Financial Statements

13. 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.

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

    14.1. 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.

    14.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

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

    14.4. 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.

    14.5. 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.

    14.6. 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 financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor. 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.

15. 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.

16. 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.

17. From the matters communicated with those charged with governance, we determine those matters that were of most

significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

18. We did not audit the financial statements one foreign subsidiary, whose financial statements reflect total assets of ₹ 8,489 thousand as at 31 March 2022, total revenues of ₹ 22,477 thousand, total net profit after tax of ₹ 1,620 thousand, total comprehensive income of ₹ 1,716 thousand and cash outflows (net) of ₹ 6,626 thousand for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

19. 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 reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

20. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

    20.1. 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.

    20.2. 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.

    20.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    20.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    20.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the Holding Company, and the report of the subsidiary incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    20.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

    20.7. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, its subsidiary company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act.

21. 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 audit reports of the other auditors on separate financial statements of such subsidiaries, as noted in the 'Other Matters' paragraph:

    21.1. The Group does not have any pending litigations which would impact its financial position. The Group has disclosed the impact of pending litigation as at 31 March 2022 on its financial position in the Consolidated Financial Statements. Refer Note No. 32 (b) to the Consolidated Financial Statements.

    21.2. The Group has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

    21.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India during the year ended 31 March 2022.

21.4. The management has represented to us, to the best of their knowledge, that no funds (which are material either individually or in aggregate) advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

21.5. The management has also represented to us , to the best of their knowledge, that no funds (which are material either individually or in aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

21.6. The Group has not declared and paid any dividend in the current year and has not proposed dividend for the current year, and hence reporting as per the provisions of Section 123 of the Act is not applicable to the Group.

22. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and based on our consideration of CARO report the subsidiary incorporated in India, we report that there are no qualifications or adverse remarks in the CARO report.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AJSLHD7595

Place: Mumbai
Date: May 27, 2022

Annexure "A" to the Independent Auditors' report on the Consolidated Financial Statements of IRIS Business Services Limited for the year ended 31 March 2022

(Referred to in paragraph 20.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of IRIS Business Services Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of IRIS Business Services Limited (the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

2. In our opinion, the Holding Company, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to

Consolidated Financial Statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Holding Company and its subsidiary Company, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs 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 the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

6. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the 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 Consolidated 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AJSLHD7595

Place: Mumbai
Date: May 27, 2022

Consolidated Balance Sheet as at March 31, 2022

(Amount in Thousands - ₹)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(I) ASSETS				
(1) NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	3a	7,965	2,927	3,678
(b) Right-of-Use-Assets	3b	89,977	92,717	98,390
(c) Other Intangible Assets	4a	73,837	1,20,796	1,69,916
(d) Intangible Assets under Development	4b	3,865	-	3,295
(e) Financial Assets				
(i) Other Financial Assets	5	6,810	3,102	3,302
Total Non-Current Assets		**1,82,454**	**2,19,542**	**2,78,581**
(2) CURRENT ASSETS				
(a) Financial Assets				
(i) Trade Receivables	6	1,56,473	1,32,265	1,71,320
(ii) Cash and Cash Equivalents	7	46,947	48,835	7,423
(iii) Bank Balances other than Cash and Cash Equivalents above	8	27,436	35,695	9,431
(iv) Loans	9	287	75	219
(v) Other Financial Assets	5	23,409	15,501	4,933
(b) Current Tax Assets (Net)		24,936	42,676	38,445
(c) Other Assets	10	1,41,312	85,201	53,388
Total Current Assets		**4,20,800**	**3,60,248**	**2,85,159**
TOTAL ASSETS		**6,03,254**	**5,79,790**	**5,63,740**
(II) EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	11a	1,92,182	1,89,232	1,88,792
(b) Other Equity	11b	80,437	71,023	30,855
Equity attributable to the owners of the parent		**2,72,619**	**2,60,255**	**2,19,647**
(a) Non-controlling interests		278	205	171
		2,72,897	**2,60,460**	**2,19,818**
LIABILITIES				
(1) NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	12	-	-	28,907
(ii) Lease Liabilities	13	510	1,355	3,537
(b) Provisions	14	47,609	39,156	30,481
(c) Deferred Tax Liabilities (Net)	15	61	-	5,834
Total Non-Current Liabilities		**48,180**	**40,511**	**68,759**
(2) CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	12	64,857	60,210	58,607
(ii) Lease Liabilities	13	855	741	2,302
(iii) Trade Payables	16			
(a) Total outstanding dues of micro and small enterprises		3,733	289	2,671
(b) Total outstanding dues of creditors other than micro and small enterprises		16,387	22,209	20,201
(iv) Other Financial Liabilities	17	77,273	64,720	82,229
(b) Provisions	14	19,395	58,304	58,457
(c) Other Current Liabilities	18	99,677	72,346	50,696
Total Current Liabilities		**2,82,177**	**2,78,819**	**2,75,163**
TOTAL EQUITY AND LIABILITIES		**6,03,254**	**5,79,790**	**5,63,740**

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements
As per our report of even date attached

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars				Notes	Year ended March 31, 2022	Year ended March 31, 2021
(I)	**INCOME**					
	(a)	Revenue from Operations		19	6,12,723	5,71,496
	(b)	Other Income		20	6,531	2,204
	Total Income				**6,19,254**	**5,73,700**
(II)	**EXPENSES**					
	(a)	Employee Benefits Expense		21	3,47,691	3,09,935
	(b)	Finance Costs		22	10,676	17,147
	(c)	Depreciation and Amortisation Expenses		23	52,315	62,728
	(d)	Other Expenses		24	1,92,310	1,47,786
	Total Expenses				**6,02,992**	**5,37,596**
(III)	**Profit before Tax (I-II)**				**16,262**	**36,104**
(IV)	**Tax Expense**					
	(a)	Current Tax			1,150	-
	(b)	Tax Expense for earlier year			5,000	551
	(c)	Deferred Tax			61	(5,834)
	Total Tax Expense				**6,211**	**(5,283)**
(V)	**Profit for the year (III-IV)**				**10,051**	**41,387**
(VI)	**Other Comprehensive Income**					
	(A)	**(i)**	**Items that will not be reclassified to Profit or Loss**			
			(a) Remeasurements gain / (loss) on defined benefit obligations		(10,162)	(1,970)
			(b) Equity Instruments at fair value through other comprehensive income		-	-
		(ii)	**Income tax relating to items that will not be reclassified to profit and loss**		2,642	-
	(B)	**(i)**	**Items that will be reclassified to Profit or Loss**			-
			(a) Fair Value Changes on Derivatives Designated as cash flow hedge		2,532	-
			(b) Exchange differences on translation of financial statements of foreign operations		(250)	179
		(ii)	**Income tax relating to items that will be reclassified to profit and loss**			-
(VII)	**Total Comprehensive Income for the year**				**4,813**	**39,596**
	Profit for the year attributable to:					
		Owners of the parent			**9,980**	**41,352**
		Non-controlling interests			**71**	**35**
					10,051	**41,387**
	Other comprehensive income for the year attributable to:					
		Owners of the parent			**(5,240)**	**(1,789)**
		Non-controlling interests			**2**	**(2)**
					(5,238)	**(1,791)**
	Total comprehensive income for the year attributable to:					
		Owners of the parent			4,740	39,563
		Non-controlling interests			73	33
					4,813	**39,596**
	Earnings per equity share of face value of ₹ 10 each					
	Basic (₹)			33	0.52	2.19
	Diluted (₹)			33	0.52	2.19

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date attached

For **KKC & Associates LLP**
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Company Secretary
(Membership No: ACS 35139)

Consolidated Statement of cash flows for the year ended March 31, 2022

(Amount in Thousands - ₹)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash Flows from Operating Activities**		
	Profit/(loss) for the year	10,051	41,388
	Adjustments for:		
	Depreciation and amortisation expense	52,315	62,728
	Income Tax Expense	6,211	(5,283)
	Loss / (profit) on sale / disposal of property, plant and equipment	(9)	-
	Expense on Employee Stock Option Scheme	4	(364)
	Bad debts written off	254	233
	Provision for doubtful trade receivables	2,656	3,157
	Sundry Balance Written-Off	2,672	4,376
	Sundry Creditors Balance W/back	-	(98)
	Doubtful Debts Provision Reverse	(1,002)	(6,355)
	Finance costs	10,676	17,147
	Interest income (refer note no. 20)	(2,841)	(1,169)
	Effect of change in forign currency translation reserve	(250)	179
	Operating profit / (loss) before working capital changes	**80,737**	**1,15,939**
	Changes in operating assets and liabilities		
	(Increase) / decrease in trade receivables	(26,117)	42,021
	(Increase) / decrease in loans	(212)	144
	Increase / (decrease) in trade payables	(2,377)	(276)
	(Increase) / decrease in other financial assets	(10,832)	(10,561)
	(Increase) / decrease in other assets	(55,896)	(31,743)
	Increase / (decrease) in provisions	(38,157)	6,552
	Increase / (decrease) in other financial liabilities	12,552	(17,036)
	Increase / (decrease) in other liabilities	27,334	21,650
	Cash inflow / (outflow) from operating activity	**(12,968)**	**1,26,690**
	Direct Taxes paid	8,845	(8,853)
	Net cash inflow / (outflow) from operating activities - Total (A)	**(4,123)**	**1,17,837**
B.	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment, intangibles and capital work in progress	(11,547)	(6,986)
	Sale of property, plant and equipment and capital work in progress	37	-
	Bank deposits with original maturity of more than 3 months	8,259	(26,264)
	Interest received	2,807	988
	Net cash inflow / (outflow) from investing activities - Total (B)	**(444)**	**(32,262)**
C.	**Cash flows from financing activities**		
	Proceeds from issue of equity share capital under ESOP Scheme	2,950	440
	Securities premium received on issue of shares	6,490	968
	Repayment of Lease Liabilities	(731)	(646)
	(Repayment) / proceeds from long term borrowings (net)	-	(28,907)
	(Repayment) / proceeds from short term borrowings (net)	4,646	1,604
	Interest paid on bank loans and others	(10,676)	(17,622)
	Net cash inflow / (outflow) from financing activities - Total (C)	**2,679**	**(44,163)**
	Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**(1,888)**	**41,412**
D.	Cash and cash equivalents as at the beginning of the year	48,835	7,423
E.	**Cash and cash quivalents as at the end of the year (Refer Note 8)**	**46,947**	**48,835**

Consolidated Statement of cash flows for the year ended March 31, 2022

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements
As per our report of even date attached

Reconciliation of Cash and cash equivalents at the end of the year		
Cash and cash equivalents as per balance sheet	**46,947**	**48,835**
Cash and cash equivalents as per cash flow statement	**46,947**	**48,835**

Note:

i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 “Statement of Cash Flows” prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013.

ii) Note No. 36 describes the effect of Ind AS adoption on the “Statement of Cash Flows” for the comparative period

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited (CIN:L72900MH2000PLC128943)

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Whole Time Director & CEO
(DIN: 01185930)

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Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital (Refer Note no. 11a)

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the reporting period	**1,89,232**	**1,88,792**	**1,88,792**
Changes in equity share capital due to prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
Changes in equity share capital during the current year	2,950	440	-
Balance at the end of the reporting period	**1,92,182**	**1,89,232**	**1,88,792**

B. Other Equity (Refer Note no. 11b)

(1) Current Reporting Period for the year ended 31 March 2022

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity			Total Other Equity Attributable to Parent	Non Controlling Interest	Total Other Equity
					Cash Flow Hedge	Others	Foreign Currency Translation Reserve			
Balance as at April 01, 2021	**1,12,133**	**3,252**	**475**	**(38,236)**	**-**	**(4,968)**	**(1,633)**	**71,023**	**205**	**71,228**
Profit / (Loss) for the year	-	-	-	9,980	-	-	-	9,980	71	10,051
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	2,532	(7,520)	(251)	(5,239)	2	(5,237)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**9,980**	**2,532**	**(7,520)**	**(251)**	**4,741**	**73**	**4,814**
Share-based payments	-	4	-	-	-	-	-	4	-	4
Add : Securities premium credited on share issue	8,635	-	-	-	-	-	-	8,635	-	8,635
Less: Transfer on exercise of stock options	-	(2,145)						(2,145)		(2,145)
Less: Derecognition of financials assets	-	-	-	-	(1,821)	-	-	(1,821)	-	(1,821)
Balance as at March 31, 2022	**1,20,768**	**1,111**	**475**	**(28,256)**	**711**	**(12,488)**	**(1,884)**	**80,437**	**278**	**80,715**

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

(2) Previous Reporting Period for the year ended 31 March 2021

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity			Total Other Equity Attributable to Parent	Non Controlling Interest	Total Other Equity
					Equity Instruments through OCI	Others	Foreign Currency Translation Reserve			
Balance as at April 01, 2020	**1,10,827**	**3,954**	**475**	**(79,588)**	**-**	**(2,998)**	**(1,814)**	**30,856**	**171**	**31,027**
Profit / (Loss) for the year	-	-	-	41,352	-	-	-	41,352	35	41,387
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	-	(1,970)	181	(1,789)	(1)	(1,790)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**41,352**	**-**	**(1,970)**	**181**	**39,563**	**34**	**39,597**
Share-based payments	-	(364)	-	-	-	-	-	(364)		(364)
Add : Securities premium credited on share issue	1,306				-	-	-	1,306		1,306
Less: Written Back in Current Year	-	(338)			-	-	-	(338)		(338)
Balance as at March 31, 2021	**1,12,133**	**3,252**	**475**	**(38,236)**	**-**	**(4,968)**	**(1,633)**	**71,023**	**205**	**71,228**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

1. Corporate Information

IRIS Business Services Limited ("the Company" or "IRIS") is a public limited company domiciled and incorporated in India under the provisions of Companies Act, 1956 with its registered office in Navi Mumbai, Maharashtra. Its Equity shares are listed on the listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The consolidated financial statements comprise financial statements of IRIS Business Services Limited, India ("the Parent Company") and its subsidiaries (collectively, "the Group") as given below for the year ended March 31, 2022

Name of Subsidiary	Country	% of holding	Year ended on
IRIS Business Services LLC	USA	100.00	31-03-2022
IRIS Business Services (Asia) Pte Ltd	Singapore	98.36	31-03-2022
Atanou Srl	Italy	100.00	31-03-2022
IRIS Logix Solutions Private Limited	India	76.00	31-03-2022

The Group primarily offers Regtech solutions to regulators and enterprises. Regulators include Central Banks, Business Registries, Capital Market Regulators and Stock Exchanges while regulated entities include Corporates, Banks, and Mutual Funds. The Group is one of the pioneers in providing an entire range of XBRL products and solutions to organizations across the globe. In addition, the Group also offers an array of tax technology solutions in the Indian market, addressing GST compliance requirements. The Group's XBRL based software and adjacent solutions for enterprise CFO office include SaaS based software products for authoring and assisted services related to converting structured and unstructured data into XBRL. The Group offers workflow based e-filing software solutions for Regulators, especially those in Capital Markets and Banking, including consulting and training services and taxonomy development. The Group has migrated from the SME Board to the main board of the Bombay Stock Exchange (BSE) and NSE with effect from November 8th, 2021.

2. Significant Accounting Policies

2.1 Statement of Compliance and Basis of preparation and presentation of Consolidated financial statements

These Consolidated financial statements (CFS) are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act'') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The Consolidated financial statements for the period up to 31 March, 2021, were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous Indian GAAP) as the Company was listed on the SME Platform of the Bombay Stock Exchange (BSE). Pursuant to the Company's migration to the main board of the Bombay Stock Exchange (BSE) with effect from November 8th, 2021, there is a mandatory requirement for the Company to adopt the Indian Accounting Standards (referred to as "Ind AS") for the purpose of preparation of its Consolidated financial statements. Previous periods have been restated to Ind AS.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of shareholders' equity as at March 31, 2021 and April 1, 2020 and of the comprehensive net income for the year ended March 31, 2021. The Group has availed first time adoption exemption as per Ind AS 101 – First time Adoption of Indian Accounting Standards.

These financial statements have been prepared and presented on the going concern basis and at the historical cost basis, except for following financial instruments which are measured at fair values at the end of each reporting period (as explained in the accounting policies below in notes 2.12, 2.21, 2.7).

- Derivative Financial Instruments
- Certain financial assets and liabilities at fair value
- Employee's Defined Benefit Plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The financial statements are presented in Indian Rupees and all values are rounded to the nearest thousands except otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

The Balance Sheet and the Statement of Profit/Loss, Statement of Other Comprehensive Income are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per Ind AS 7 "Statement of Cash Flows".

Basis of Consolidation

IRIS consolidates entities which it owns or controls. The Consolidated Financial statements comprise the financial statements of the Company, its controlled trusts and subsidiaries. As per Ind AS 110, control exists when the

- parent has power over the entity,
- is exposed or has rights to variable returns from its involvement with the entity and
- has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences till the date control ceases.

The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent's separate financial statements.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Non-controlling interest in the net assets of consolidated subsidiaries consists of: a) the amount of equity attributable to the non-controlling interest at the dates on which investment in a subsidiary is made; and b) the share of movements in equity of Non-controlling interest since the date the parent subsidiary relationship came into existence.

Translation to foreign currency

The functional currency of the Parent Company is Indian Rupee.

The functional currencies of the subsidiaries are their respective local currencies. Their accounts are converted from their local currency to Indian Rupees in the following manner:

All income and expense items are translated at the annual average rate of exchange applicable for the year. All monetary assets and liabilities are translated at the closing rate of exchanges on the Balance Sheet date. For all non-monetary assets and liabilities opening balances are brought forward from the last year Indian rupee value and addition, deletions and adjustments thereto during the financial year have been made using the average annual rate of exchange applicable for the year. The equity share capital is stated at the exchange rate at the date of investment. The exchange difference arising out of the year end translation is debited or credited to Foreign Currency Translation Reserve account and is being classified under Other Equity.

2.2 Use of estimates and judgment

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

2.3 Classification of Assets and Liabilities into Current/Non-Current

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

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

Operating cycle

Based on the nature of products and the time lag between the development of the products, provision of services, and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months as its normal operating cycle for the purpose of Current/ Non - Current classification of its Assets and Liabilities.

Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current asset. All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities. All other liabilities are classified as non-current.

Fair Value measurement

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

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

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.4 Revenue Recognition

Ind AS 115 - Revenue from Contract with Customers

The Group derives revenues from Software Products, Solutions & Services.

Revenues from software products, in the form of:

a) Software licensing

b) Subscription of software as a service

c) Application maintenance service

Revenue from Software services are mainly in the form of Implementation services/Professional services

Revenue is recognized in the Statement of Profit and Loss 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 services or products and excluding taxes or duties. To recognize revenues, the Group applies the following five step approach:

(1) identify contract(s) with a customer,

(2) identify performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract, and

(5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgment to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single 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. For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided. The method for recognizing revenues depends on the nature of the products sold / services rendered.

a) Software Licensing

Software licensing revenues represent all fees earned from granting customers licenses to use the Group's software, through initial licensing and or through the purchase of additional modules. For software license arrangements that do not require significant modification or customization of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

b) Subscription for Software as a Service

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

c) Application Maintenance Services

Fees for the application maintenance services, covering inter alia the support of the customized software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

d) Product Support Services

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC, GST and subscription services) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

e) Implementation / Professional Services

Software Implementation / Professional Services contracts are either fixed price or time and material based. Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognized using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Where the Software is required to be substantially customized as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognized using the percentage of completion method as the implementation services are performed. Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision. In the case of time and material contracts, revenue is recognized based on billable time spent in the project, priced at the contractual rate. Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized once the customer obtains a right to access and use the Software.

f) Royalty Income

Royalty income is recognised as and when right to receive royalty is established.

Contract assets, liabilities and financing arrangements:

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue). Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue). The unbilled royalty revenue is also grouped herein.

A contract liability is an entity's obligation to transfer

Software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue). The Group assesses the timing of the transfer of software products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

2.5 Other Income

Dividend income is recognized in the Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Foreign currency gain/loss are reported on a net basis.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

2.6 Cost Recognition

Costs and expenses are recognised as and when incurred and have been classified according to their nature.

2.7 Employee Benefit expenses

a) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service on accrual basis.

b) Post-employment benefits

1. Defined Contribution Plan – Provident Fund

The defined contribution plan is post - employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no obligation beyond it's monthly contribution. The Group's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, and Labour Welfare Fund. The Group's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

2. Defined Benefit Plan – Gratuity

The obligation in respect of defined benefit plans, which covers Gratuity Plan, is provided for on the basis of an actuarial valuation at the end of each financial year. The employees are covered under the Company Gratuity Scheme of the Life Insurance Corporation of India.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of profit and loss.

Defined benefit costs include service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense or income; and re-measurement. The service cost and net interest expense or income are presented in the Statement of Profit and Loss.

The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the Balance Sheet date using the "projected unit credit method"

The discounted rates used for determining the present value are based on the market yields on Government bonds as at the balance sheet date. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur.. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

3. Other Long Term Employee Benefit Obligations

The employees are eligible for leave as per leave policy of the Group. The un-utilised leave can be carried forward and utilised during the course of employment. No encashment is allowed of unutilised leave. The obligation for the leave encashment is recognised based on an independent actuarial valuation at the Balance Sheet date. The expense is recognised in the statement of profit and loss at the present value of the amount payable determined based on actuarial valuation using "projected unit credit method".

The obligation is measured at the present value of estimated future cash flows.

The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

2.8 Share based payment arrangements

Stock options granted to employees of the Company and its subsidiaries under the stock option schemes approved by the shareholders of the Company on September 13, 2017 are accounted as per the treatment prescribed by the relevant Ind AS and as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Statement of Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is shown net of unamortised deferred employee compensation expenses.

The fair value of the option being stock option granted for purchase could be exchanged between knowledgeable, willing parties in an arm's length transaction is recognised as deferred employee compensation with a credit to share options outstanding account.

The fair value has been calculated using the Black Scholes Option Pricing model.

2.9 Property, Plant and Equipment

The expenditure incurred for acquisition or development of Property, Plant & Equipment is recognised as asset 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.

Property, Plant & Equipment (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of Property, Plant & Equipment comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the Property, Plant & Equipment'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 item can be measured reliably. The carrying amount of any component accounted for as separate asset is recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The carrying amount of an item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the de-recognition of an item of Property, Plant & Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

If significant parts of an item of Property, Plant & Equipment have different useful life, then they are accounted for as separate items of PPE.

An item of Property, Plant & Equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation method, Estimated useful life and residual value

Depreciation on Property, Plant & Equipment is the systematic allocation of the depreciable amount over its estimated useful lives and is provided on a straight-line basis from the date the same are ready for intended use. Useful life of Property, Plant & Equipment is in accordance with the useful lives prescribed in Schedule II –

Pursuant to the adoption of Ind AS, the Group has not revised its estimate useful life of property, plant & equipment and they continue to remain the same basis the table given below:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Asset Class	Useful Life (in years)
Laptops and Desktops	3
Servers and network	6
Office equipment	5
Furniture	10

The accounting policy followed by IRIS Business Services (Asia) Pte. Ltd. regarding depreciation rates in respect following fixed assets is not in line with the policy followed by the holding company.

Asset Class	Rate followed by Subsidary	Rate followed by the holding Company
Furniture and Fixtures	33 % p.a.	10% p.a.
Office Equipment	33 % p.a.	20% p.a.

Considering the value of fixed assets held by IRIS Business Services (Asia) Pte. Ltd. and the depreciation thereon, the Group is of the view that there are no material differences to the overall consolidated financial statement due to this different depreciation policy followed by the subsidiary.

Depreciation on Property, Plant & Equipment acquired/ disposed-off during the year is provided on pro-rata basis with reference to the date of acquistion/disposal

Items of Property, Plant & Equipment having cost of ₹ 5,000 or less are depreciated fully in the year of purchase/capitalisation.

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

Intangible Assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to that asset will flow to the Group and the cost of the item can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Directly attributable costs, that are capitalised as part of the software development include employee costs and an appropriate portion of relevant overheads or expenses.

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss.

Intangible Assets under Development

Intangible assets under development are stated at cost less accumulated impairment losses, if any.

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, “Intangible Assets”.

Amortisation

Amortization is recognised over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use, as under:

Asset Class	Useful Life
Software	5
Servers	6

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Software development costs

Research costs are expensed as incurred. Software development expenditures on product / platform are recognised as intangible assets when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of these assets begins from the year, following the year in which such development costs are incurred. It is amortized over the period of expected future benefits. Amortization expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as “Product software” under intangible assets.

Impairment of Property, Plant and Equipment / Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Non-current Assets Classified as Held for Disposal

Assets which are available for immediate sale and its sale must be highly probable are classified as “Assets held for Disposal”. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for Disposal”. Once classified as held for disposal, such assets are no longer amortized or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell

2.10 Leases

Group as a lessee

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

As a Lessee

The Group's leased assets consist of leases for buildings and computers. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a 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 the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

2.11 Borrowing Costs

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, development or production of a qualifying asset are capitalised as part of cost of that asset, till such time the asset is ready for the intended use. All other borrowing costs are recognized as an expense in the period which are incurred and are charged to the Statement of Profit & Loss.

The exchange differences arising from the foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

2.12 Derivate Contracts and Accounting

The Group enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The Company does not hold financial instruments for speculative purpose.

Hedge Accounting –

- The Group designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.
- The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss.
- Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a nonfinancial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.
- Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the Statement of Profit and Loss.

2.13 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Cash flow statement

Cash flows are presented using indirect method, whereby profit / loss after extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of Cash on Hand, Cash at Bank, and other short-term deposits net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. The cash flows from operating, investing and financing activities of the Group are segregated.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

2.15 Income Tax

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date in each of the applicable jurisdictions. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities are generally recognised for all taxable temporary differences

Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 GST Input Tax Credit

Goods and Service tax Input tax credit is accounted in the books in the period in which supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits. The Input tax Credit was claimed in respect of eligible expenses and shall be adjusted against the GST payable as per the provisions of the applicable GST Act. The unutilised input credit under the GST provisions as on the Balance Sheet date was disclosed as other current asset in the Balance Sheet.

2.17 Functional and Presentation Currency

The Group's consolidated financial statements are presented in Indian Rupees, which is also the Parent's functional currency as Indian Rupees is the currency in which the primary economic environment of the Group operates.

2.18 Foreign Currency Transactions

As enumerated in paragraph 2.17 to the notes to accounts, the functional currency of the Group is Indian Rupees. In preparing the financial statements of the Group:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

- Transactions denominated in foreign currencies are recognised at the exchange rates prevailing on the date of the transactions. As at balance sheet date, monetary assets and liabilities designated in foreign currency are translated at the closing exchange rate. Foreign currency non-monetary items measured at fair value on initial recognition are translated at the prevailing exchange rate as at the date of initial transactions foreign currency nonmonetary items measured in terms of historical cost are not translated at the reporting date.
- Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets (tangible/intangible) under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.19 Provisions, Contingent Liabilities, Contingent Assets

A provision is recognized when the Group has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date, unless the effect of time value of money is material. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Further, long term provisions are determined by discounting the expected future cash flow specific to the liability. The unwinding of the discount is recognised as a finance cost.

Onerous Contracts

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

Contingent Liabilities and Assets

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

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

2.20 Earnings Per Share

The Basic earnings per share is computed by dividing the net profit or loss (before other comprehensive income) for the year attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the year/reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity shares and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.21 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

i. Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

ii. Classification and Subsequent Measurement

(A) Financial Assets -

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets

a. Amortised Cost

A financial asset shall be classified and measured at amortised cost (based on Effective Interest Rate method), if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Cash and bank balances, trade receivables, loans and other financial assets of the Group are covered under this category

b. Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

c. Fair Value through Profit or Loss A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVOCI.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period.

The Group assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies 'simplified approach' as specified under Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as FVTOCI) in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Statement of Profit or Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit or Loss if such gain or loss would have otherwise been recognised in Statement of Profit or Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(B) Liabilities and Equity Instruments

Classification as Debt or Equity:

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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

Subsequent Measurement

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

1) Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

2) Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) Financial Guarantee Contracts:

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

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when 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.

2.22 Segment Reporting

Based on Management approach, as defined in Ind AS 108, the "Chief Operating Decision Maker' (CODM) evaluates the operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to CODM. Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major products of the Group are sold or services are provided.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to the segments based on their relationship to the operating activities of the segment. Unallocated Corporate Items include general corporate income and expenses which are not attributable to segments

2.23 Cash Dividend to Equity Holders

The Group recognizes a liability to make cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.24 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Useful Life & Residual of Property, plant and equipment (PPE) and Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. Depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Measurement of Current taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgment by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Recognition and Measurement of Deferred tax asset (including MAT credit entitlement)

Significant management judgment is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Recognition and Measurement of Contingent liabilities

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Impairment of financial assets

The impairment of financial assets are done based on assumptions about risk of default and expected cash loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgment considering the past history, market conditions and forward-looking estimates at the end of each reporting date.

Impairment of non-financial assets (PPE / Intangible assets)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgment considering the timing of future cash flows, discount rates and the risks specific to the asset.

Impairment of Investments in Subsidiaries / Associate

Significant management judgment is exercised in determining whether the investment in subsidiaries / associate are impaired or not, is on the basis of its nature of long term strategic investments and other business considerations.

Measurement of Defined Employee Benefit plans and other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rate are reasonable. Due to the complexities involved in the valuation and itlong term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where

this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share based payments

The Group initially measures the equity settled transactions with employees using fair value model. This requires determination of most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility and dividend yield and associated assumptions thereof.

Revenue recognition

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group applies the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts, which are performed over a period of time. The Group exercises judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation. 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 judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgment is also required to determine the transaction price for the contract. The Group uses judgment 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. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the noncancellable term of a lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization made to the leased asset). The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment or which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 3a : Property, Plant and Equipment

(Amount in Thousands - ₹)

Particulars	Owned Assets			Total
	Plant and Equipment (Computer Equipments)	Furniture and Fixtures	Office Equipment	
Gross Carrying Value				
As at April 01, 2021	58,869	3,931	5,084	67,884
Additions	7,682	-	-	7,682
Disposals / Adjustments	(58)	(181)	-	(239)
As at March 31, 2022	**66,493**	**3,750**	**5,084**	**75,327**
Accumulated Depreciation				
As at April 01, 2021	56,222	3,658	5,077	64,957
Depreciation for the year	2,480	134	2	2,616
Disposals / Adjustments	(30)	(181)	-	(211)
As at March 31, 2022	**58,672**	**3,611**	**5,079**	**67,362**
Net Carrying Value As at March 31, 2022	**7,821**	**139**	**5**	**7,965**
Gross Carrying Value				
As at April 01, 2020	57,706	3,931	5,077	66,714
Additions	1,163	-	7	1,170
Disposals / Adjustments				
As at March 31, 2021	**58,869**	**3,931**	**5,084**	**67,884**
Accumulated Depreciation	54,461	3,501	5,074	63,036
As at April 01, 2020				
Depreciation for the year	1,761	157	3	1,921
Disposals / Adjustments				
As at March 31, 2021	**56,222**	**3,658**	**5,077**	**64,957**
Net Carrying Value As at March 31, 2021	**2,647**	**273**	**7**	**2,927**
Gross Carrying Value				
As at April 01, 2019	56,058	3,819	5,077	64,954
Additions	1,843	112	-	1,955
Disposals / Adjustments	(195)	-	-	(195)
As at March 31, 2020	**57,706**	**3,931**	**5,077**	**66,714**
Accumulated Depreciation				
As at April 01, 2019	52,828	3,185	5,069	61,082
Depreciation for the year	1,828	316	5	2,149
Disposals / Adjustments	(195)	-	-	(195)
As at March 31, 2020	**54,461**	**3,501**	**5,074**	**63,036**
Net Carrying Value As at March 31, 2020	**3,245**	**430**	**3**	**3,678**
Net Carrying Value As at April 01, 2020	**3,245**	**430**	**3**	**3,678**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 36, on transition to Ind AS, The Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 3b : Right-of-Use-Assets

(Amount in Thousands - ₹)

Particulars	Building	Laptops	Total
Gross Carrying Value			
As at April 01, 2021	1,07,094	2,377	1,09,471
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2022	**1,07,094**	**2,377**	**1,09,471**
Accumulated Depreciation			
As at April 01, 2021	16,489	265	16,754
Additions	1,947	793	2,740
Disposals	-	-	-
As at March 31, 2022	**18,436**	**1,058**	**19,494**
Net Carrying Value As at March 31, 2022	**88,658**	**1,319**	**89,977**
Gross Carrying Value			
As at April 01, 2020	1,12,932	-	1,12,932
Additions	-	2,377	2,377
Disposals / Adjustments	(5,838)	-	(5,838)
As at March 31, 2021	**1,07,094**	**2,377**	**1,09,471**
Accumulated Depreciation			
As at April 01, 2020	14,542	-	14,542
Additions	1,947	265	2,212
Disposals	-	-	-
As at March 31, 2021	**16,489**	**265**	**16,754**
Net Carrying Value As at March 31, 2021	**90,605**	**2,112**	**92,717**
Gross Carrying Value			
As at April 01, 2019	1,12,932	-	1,12,932
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2020	**1,12,932**	**-**	**1,12,932**
Accumulated Depreciation			
As at April 01, 2019	12,595	-	12,595
Additions	1,947	-	1,947
Disposals			
As at March 31, 2020	**14,542**	**-**	**14,542**
Net Carrying Value As at March 31, 2020	**98,390**	**-**	**98,390**
Net Carrying Value As at April 01, 2020	**98,390**	**-**	**98,390**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Right-of-Use-Assets" for the comparative period.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 4a : Other Intangible Assets

(Amount in Thousands - ₹)

Particulars	Database	URL's	Computer Software	In-House Software	Total
Gross Carrying Value					
As at April 01, 2021	600	500	15,288	4,69,157	4,85,545
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,288**	**4,69,157**	**4,85,545**
Accumulated Depreciation					
As at April 01, 2021	600	500	14,889	3,48,760	3,64,749
Amortisation for the year	-	-	246	46,713	46,959
Deletions	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,135**	**3,95,473**	**4,11,708**
Net Carrying Value As at March 31, 2022	**-**	**-**	**153**	**73,684**	**73,837**
Gross Carrying Value					
As at April 01, 2020	600	500	15,288	4,60,046	4,76,434
Additions	-	-	-	9,111	9,111
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2021	**600**	**500**	**15,288**	**4,69,157**	**4,85,545**
Accumulated Depreciation					
As at April 01, 2020	600	500	14,333	2,91,085	3,06,518
Additions	-	-	556	57,675	58,231
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2021	**600**	**500**	**14,889**	**3,48,760**	**3,64,749**
Net Carrying Value As at March 31, 2021	**-**	**-**	**399**	**1,20,397**	**1,20,796**
Gross Carrying Value					
As at April 01, 2019	600	500	15,130	4,60,046	4,76,276
Additions	-	-	158	-	158
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2020	**600**	**500**	**15,288**	**4,60,046**	**4,76,434**
Accumulated Depreciation					
As at April 01, 2019	600	500	13,576	2,34,279	2,48,955
Additions	-	-	757	56,806	57,563
Disposals / Adjustments	-	-	-	-	-
As at March 31, 2020	**600**	**500**	**14,333**	**2,91,085**	**3,06,518**
Net Carrying Value As at March 31, 2020	**-**	**-**	**955**	**1,68,961**	**1,69,916**
Net Carrying Value As at April 01, 2020	**-**	**-**	**955**	**1,68,961**	**1,69,916**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 4b : Intangible Assets under Development

(Amount in Thousands - ₹)

Particulars	In-House Software	Total
As at April 01, 2021	-	-
Additions	3,865	3,865
Deletions	-	-
Net Carrying Value As at March 31, 2022	**3,865**	**3,865**
As at April 01, 2020	3,295	3,295
Additions	-	-
Disposals / Adjustments	3,295	3,295
Net Carrying Value As at March 31, 2021	**-**	**-**
Intangible Assets under Development		
As at April 01, 2019	-	-
Additions	3,295	3,295
Disposals / Adjustments	-	-
Net Carrying Value As at March 31, 2020	**3,295**	**3,295**
Net Carrying Value As at April 01, 2020	**3,295**	**3,295**

Intangible assets under development ageing schedule:

A: For intangible assets which are under development

Intangible assets under development as on March 31, 2022 (Amount in Thousands - ₹)

	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products						
IRIS Noah	2,335	-	-	-	-	2,335
IRIS Bushchat	1,530	-	-	-	-	1,530
Projects temporarily suspended	-	-	-	-	-	-
Total	**3,865**	**-**	**-**	**-**	**-**	**3,865**

Intangible assets under development as on April 01, 2020 (Amount in Thousands - ₹)

	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products	-	-	-	-	-	-
IRIS Onyx	3,295					3,295
Projects temporarily suspended	-	-	-	-	-	-
Total	**3,295**	**-**	**-**	**-**	**-**	**3,295**

B: For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Intangible assets under development to be completed in

(Amount in Thousands - ₹)

	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Software Products	-	-	-	-	-	-
Project 1	-	-	-	-	-	-
Project 2	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Transition to Indian Accounting Standard (Ind AS) on First time Adoption:

As stated under Note no. 36, on transition to Ind AS, The Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard.

Note 5 : Other Financial Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Other Financial Assets			
(a) Security Deposits	4,373	3,102	3,302
(b) Bank Deposits with more than 12 months maturity	2,437	-	-
Total Non-Current Other Financial Assets	**6,810**	**3,102**	**3,302**
(2) Current Other Financial Assets			
(a) Rental Deposits	160	155	157
(b) Contract Assets	17,644	14,440	3,989
Less: Allowance for Contract Assets	-	-	-
(c) Deferred Expenses	3,424	-	-
(d) Interest Accrued but not due	661	627	446
(e) Foreign currency forward and options contracts	711	-	-
(f) Others	809	279	341
Total Current Other Financial Assets	**23,409**	**15,501**	**4,933**
Contract Assets includes			
Contract Assets - other than related parties	17,075	14,440	3,989
Contract Assets - related parties	569	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Contract Assets Ageing schedule:

For the period ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	17,477	-	167	-	17,644
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**17,477**	**-**	**167**	**-**	**17,644**
Less: Allowance for Bad and Doubtful Trade Receivables	-	-	-	-	-
Total					**17,644**

For the period ended March 31, 2021 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	14,440	-	-	-	14,440
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**14,440**	**-**	**-**	**-**	**14,440**
Less: Allowance for Bad and Doubtful Trade Receivables	-	-	-	-	-
Total					**14,440**

For the period ended April 01, 2020 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	3689	300	-	-	3989
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**3689**	**300**	**-**	**-**	**3989**
Less: Allowance for Bad and Doubtful Trade Receivables	-	-	-	-	-
Total					**3989**

As stated under Note no. 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Contract Assets" for the comparative period.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 6 : Trade Receivables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Current Trade Receivables			
(a) Trade Receivables considered good - Secured;	-	-	-
(b) Trade Receivables considered good - Unsecured;	1,58,346	1,30,655	1,74,838
(c) Trade Receivables which have significant increase in Credit Risk; and	-	2,507	578
(d) Trade Receivables - Credit Impaired	-	-	-
	1,58,346	**1,33,162**	**1,75,416**
Less: Allowance for Bad and Doubtful Trade Receivables	(1,873)	(897)	(4,096)
Total Trade Receivables	**1,56,473**	**1,32,265**	**1,71,320**
Trade receivables includes			
Trade receivables - other than related parties	1,55,996	1,31,402	1,67,609
Trade receivables - related parties	2,350	1,760	7,807

Trade Receivables Ageing schedule:

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,51,838	3,368	1,900	14	1,226	1,58,346
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**1,51,838**	**3,368**	**1,900**	**14**	**1,226**	**1,58,346**
Less: Allowance for Bad and Doubtful Trade Receivables						(1,873)
Total						**1,56,473**

For the period ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,19,556	5,960	2,067	2,282	3,297	1,33,162
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**1,19,556**	**5,960**	**2,067**	**2,282**	**3,297**	**1,33,162**
Less: Allowance for Bad and Doubtful Trade Receivables						(897)
Total						**1,32,265**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

For the period ended April 01, 2020 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,10,132	54,841	5,927	16	4,500	1,75,416
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	**1,10,132**	**54,841**	**5,927**	**16**	**4,500**	**1,75,416**
Less: Allowance for Bad and Doubtful Trade Receivables						(4,096)
Total						**1,71,320**

As stated under Note no. 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the “Allowance for Bad and Doubtful Trade Receivables” for the comparative period.

Note 7 : Cash and Cash Equivalents

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Balances with banks			
a) in current accounts	21,675	30,722	4,572
b) in deposit accounts with original maturity of 3 months or less	25,249	18,092	2,824
(2) Cash on Hand	23	21	27
Total Cash and Cash Equivalents	**46,947**	**48,835**	**7,423**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods.

Note 8 : Bank Balances other than Cash and Cash Equivalents above

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Balances with banks			
a) in deposit accounts due for maturity within 12 months of the reporting date	27,436	35,695	9,431
Total Bank Balances other than Cash and Cash Equivalents above	**27,436**	**35,695**	**9,431**

The above cash and cash equivalents are neither earmarked for any purpose nor held as security as security against borrowings, guarantee, or other commitment.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 9 : Loans

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Loans	-	-	-
(2) Current Loans			
(a) Other Loans - Loans to Employees			
(i) Loans to Employees considered good - Unsecured;	287	75	219
Less: Allowance for Bad and Doubtful Loans to Employees	-	-	-
Total Current Loans	**287**	**75**	**219**

Note 10 : Other Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Other Non-Current Assets	-	-	-
(2) Other Current Assets			
(a) Advance other than Capital Advance			
(i) Advance to Employees	2,353	4,308	3,080
(b) Others			
(i) Prepaid Expenses	5,292	5,005	9,282
(ii) Contract Asset	1,32,424	74,529	39,824
Less: Allowance for Contract Assets	(584)	-	-
(iii) Withholding Taxes and Others	1,827	1,359	1,202
Total Other Current Assets	**1,41,312**	**85,201**	**53,388**

Contract Assets Ageing schedule:
For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	76,788	36,172	19,464	-	1,32,424
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**76,788**	**36,172**	**19,464**	**-**	**1,32,424**
Less: Allowance for Contract Assets					584
Total					**1,31,840**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

For the period ended March 31, 2021 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	63,420	11,109	-	-	74,529
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**63,420**	**11,109**	**-**	**-**	**74,529**
Less: Allowance for Contract Assets					-
Total					**74,529**

For the period ended April 01, 2020 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed Contract Assets - considered good	39,824	-	-	-	39,824
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-
Sub Total	**39,824**	**-**	**-**	**-**	**39,824**
Less: Allowance for Contract Assets					-
Total					**39,824**

As stated under Note no.36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Contract Assets" for the comparative period.

Note 11a : Equity Share Capital

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital						
Equity shares of ₹ 10 each	19,218	1,92,182	18,923	1,89,232	18,879	1,88,792
Total	**19,218**	**1,92,182**	**18,923**	**1,89,232**	**18,879**	**1,88,792**
Issued capital						
Equity shares of ₹ 10 each	19,218	1,92,182	18,923	1,89,232	18,879	1,88,792
Subscribed and paid up capital*						
Equity shares of ₹ 10 each fully paid up	19,218	1,92,182	18,923	1,89,232	18,879	1,88,792
Total	**19,218**	**1,92,182**	**18,923**	**1,89,232**	**18,879**	**1,88,792**

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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	18,923	1,89,232	18,879	1,88,792	18,879	1,88,792
Add: Equity shares issued during the year	295	2,950	44	440	-	-
Less: Equity shares cancelled during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	**19,218**	**1,92,182**	**18,923**	**1,89,232**	**18,879**	**1,88,792**

Terms / rights attached to class of shares

The Group has only one class of share referred to as Equity Shares having a par value of ₹ 10 each. The holders of Equity Shares are entitled to one vote per share. In the event of liquidation of The Group, the equity shareholders will be entitled to receive remaining assets of The Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding Pattern of Promoters (More than 5%)

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Mr Swaminathan Subramaniam	4,572	23.79%	-1.43%
Mr Balachandran Krishnan	1,104	5.74%	-0.09%
Ms Deepta Rangarajan	1,446	7.53%	-0.12%
Total	**7,122**	**37.06%**	

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 11b : Other Equity

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Retained Earnings	(28,256)	(38,236)	(79,589)
Securities Premium	1,20,768	1,12,133	1,10,827
General Reserve	475	475	475
Share based payment Reserve	1,111	3,252	3,954
Other Comprehensive Income	(12,488)	(4,968)	(2,998)
Cash Flow Hedge	711	-	-
Foreign Currency Translation Reserve - FCTR	(1,884)	(1,633)	(1,814)
Total other equity	**80,437**	**71,023**	**30,855**

Nature and purpose of other reserves

Retained earnings

Retained earnings represent the accumulated earnings/(losses) that The Group has till date

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening Balance	(38,236)	(79,589)	(60,660)
Net Profit / (Loss) for the year	9,980	41,353	(18,929)
Transfer from Other Comprehensive Income	-	-	-
Closing balance	**(28,256)**	**(38,236)**	**(79,589)**

Securities Premium

Securities premium represents share issued at premium less share issue expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	1,12,133	1,10,827	1,10,827
Add: Premium on equity shares issued under ESOP	8,635	1,306	-
Closing balance	**1,20,768**	**1,12,133**	**1,10,827**

Share options outstanding account

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	3,252	3,954	3,863
Share-based payments			
Employee stock option expense	4	(364)	91
Employee stock options exercised during the year	(2,145)	(338)	-
Closing balance	1,111	3,252	3,954

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Other comprehensive income

This represents items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as "Other comprehensive income". This comprises actuarial gain / loss on remeasurement of defined benefit plans and the income tax effect thereon.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Opening balance	(6,601)	(4,812)	(1,639)
Remeasurements of defined benefit liability/ (asset)	(7,520)	(1,970)	(2,998)
Cash Flow Hedge	711	-	-
FCTR	(251)	181	(175)
Closing balance	**(13,661)**	**(6,601)**	**(4,812)**

Nature and purpose of reserves

Securities Premium

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued.

Employee stock options outstanding

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under various employees stock option schemes of The Group.

Retained Earnings

Represents the portion of the net income / (loss) of the Group.

Effective portion of cash flow hedge

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Statement of Profit and Loss.

Note 12 : Borrowings

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Borrowings			
(a) Term Loans from Banks	-	-	28,907
Total Non-Current Borrowings	**-**	**-**	**28,907**

This loan is secured by charge on all unencumbered fixed assets of The Group . Term Loan borrowings carry interest rate which stood at 13.50% p.a. as at April 01, 2020. The interest rate is reset on yearly basis. The term loan was repayable in equal quarterly instalments on various dates as per the grouped maturity profile given below:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Repayment Schedule as at April 01, 2020

(Amount in Thousands - ₹)

Repayment due in	No. of Installments	Amount
FY 2020-21	4	22,785
FY 2021-22	4	22,785
FY 2022-23	1	6,122
	9	**51,692**
Less: transferred to current maturities of long term loans	4	22,785
Balance shown here	**5**	**28,907**

Of the above, ₹ 22,785 thousands being the current maturities of the long term loan, repayable in FY 2020-21 was shown under other current liabilities as on April 01, 2020 in Note 17. The entire loan of ₹ 51,692 thousands was repaid in financial year 2020-21.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(2) Current Borrowings			
(b) Loans repayable on demand from Banks	64,857	60,210	58,607
Total Current Borrowings	**64,857**	**60,210**	**58,607**

Loans repayable on demand from Banks, secured

ICICI Bank Limited

1. **Security details**
   a. Exclusive charge by way of equitable mortgage on the property T-231, 3rd Floor, Tower No. 2, International Infotech Park, Vashi, Navi Mumbai - 400 703.
   b. Exclusive charge by way of hypothecation of The Group's book debts
   c. Unconditional and irrevocable Personal guarantees of the Promoters
   d. Pledge of shares by Promoters to the extent of 30% of the Equity of the Directors

2. **Interest rate**

   The rate of interest of the Facility shall be the sum of the Repo Rate *+ "Spread" per annum, plus applicable statutory levy, if any ("Interest Rate"). Spread during the year has been in the range of 4.7% to 4.0%.

   *"Repo Rate" or "Policy Repo Rate" means the rate of interest published by the Reserve Bank of India ("RBI") on the RBI website from time to time as Repo Rate or Policy Repo Rate. The Repo Rate component of the Interest Rate resets after every 3 months following the date of limit set-up /renewal (as applicable)

Note 13 : Lease Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Lease Liabilities			
(a) Lease Liabilities	510	1,355	3,537
Total Current Lease Liabilities	**510**	**1,355**	**3,537**
(2) Current Lease Liabilities			
(a) Lease Liabilities	855	741	2,302
Total Current Lease Liabilities	**855**	**741**	**2,302**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Movement in lease liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Lease liability in the beginning of the year	**2096**	**5,839**	**-**
Addition	-	2,377	5,839
Disposal	-	(5,474)	-
Interest expense	159	51	-
Lease payment	(890)	(697)	-
Lease liability at the end of the year	**1365**	**2096**	**5,839**

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2021 is between the range of 8% to 9% for a period varying from 2 to 4 years.

As stated under Note 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Lease Liabilities" for the comparative period.

Note 14 : Provisions

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Provisions			
(a) Provision for Employee Benefits			
(i) Gratuity	40,219	31,634	26,390
(ii) Leave Encashment	7,390	7,522	4,091
Total Non-Current Provisions	**47,609**	**39,156**	**30,481**
(2) Current Provisions			
(a) Provision for Employee Benefits			
(i) Gratuity	6,880	3,650	4,844
(ii) Leave Encashment	2,744	2,417	1,783
(iii) Incentives	9,290	51,756	51,830
(b) Other Provisions			
(i) Provision for Warranty	481	481	-
Total Current Provisions	**19,395**	**58,304**	**58,457**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 15 : Deferred Tax Liabilities (Net)

(a) Deferred tax (asset) / liability (Amount in Thousands - ₹)

Nature of (asset) / liability	Balance Sheet at			Statement of profit and loss & OCI	
Particulars	**March 31, 2022**	**March 31, 2021**	**April 1, 2020**	**March 31, 2022**	**March 31, 2021**
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act,1961	22,660	26,359	29,108	61	(29,108)
Tax impact on unutilized carry forward losses	(4,336)	-	-	-	-
Tax effect of provision for gratuity & compensated absences	(14,881)	(11,758)	(9,648)	-	9,648
Tax effect of provision for bad and doubtful debts /advances	(487)	(651)	(151)	-	151
Tax impact on remeasurement gains and (losses) on defined benefit obligations (net)				-	13,475
Tax impact on all other items	(2,895)	(14,127)	(13,475)	-	-
Deferred tax (asset) / liability (net)	**61**	**(177)**	**5,834**	**-**	**-**
Deferred tax (income) / expense (net)				**61**	**(5,834)**

(b) Reconciliation of deferred tax (asset) / liability (Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	**March 31, 2021**
i) Deferred tax (asset) / liability		
Opening balance		5,834
Deferred tax (income) / expense during the year recognized in Statement of Profit and Loss	61	(5,834)
Deferred tax (income) / expense during the year recognized in OCI		
Closing balance	**61**	**-**

(c) Components of tax expenses (Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	**March 31, 2021**
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	1,150	-
Tax Expense for earlier year	5,000	551
Total tax (income) / expenses reported in statement of profit and loss	**6,150**	**551**
Deferred tax		
Relating to the origination and reversal of temporary differences	61	(5,834)
Total tax (income) / expenses reported in statement of profit and loss	**61**	**(5,834)**
ii) Other comprehensive income (OCI)		
Tax impact on remeasurement gains / (losses) on defined benefit obligations (net)	(2,642)	
Total tax (income) / expense (net)	**(2,642)**	-
iii) Total tax (income) / expense reported in the total comprehensive income	**3,569**	**(5,283)**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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

(Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2022	March 31, 2021
Accounting profit before tax	16,262	36,105
Less: Adjustment from carry forward losses	12,857	42,231
Corporate tax rate %	28	28
Computed tax expense	947	(1,705)
Increase / (reduction) in taxes on account of:		
MAT on above mentioned accounting profit before tax	1,150	
Tax adjustments of earlier years	5,000	551
Tax on non-taxable income for Indian tax purposes / impact due to differential tax rates from India	(947)	1,705
Current Tax recognition	6,150	551
Deferred tax (income) / expense recognition during the year	61	(5,834)
Tax (income) / expense reported in the statement of profit and loss	6,211	(5,283)
Tax (income) / expense reported in the other comprehensive income	(2,642)	-

Note 16 : Trade Payables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Non-Current Trade Payables	-	-	-
(2) Current Trade Payables			
(a) Total outstanding dues of micro and small enterprises	3,733	289	2,671
(b) Total outstanding dues of creditors other than micro and small enterprises	16,387	22,209	20,201
Total Current Trade Payables	**20,120**	**22,498**	**22,872**

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,660	20	53	-	-	3,733
(ii) Others	16,201	-	48	58	80	16,387
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

For the period ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	289	-	-	-	-	289
(ii) Others	18,007	-	-	2,138	2,064	22,209
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

For the period ended April 01, 2020 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2,671	-	-	-	-	2,671
(ii) Others	14,574	4,514	332	243	538	20,201
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Group has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) asat 31 March 2022 and 31 March 2021. 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 entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payableto such enterprises as at 31 March 2022 has been made in the financial statements based on the information received and available with The Group

Note 17 : Other Financial Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Current Other Financial Liabilities			
(a) Current Maturities of Long-Term Debt	-	-	22,785
(b) Interest Accrued on Term Loan	-	-	473
(c) Others		-	
(i) Accrued Compensation to Employees	39,237	44,572	44,340
(ii) Accrued Expenses Current	37,372	20,116	13,544
(iii) Foreign Currency Forward Contract	-	-	23
(iv) Other Payables	664	32	1,064
Total Current Other Financial Liabilities	**77,273**	**64,720**	**82,229**

Note 18 : Other Current Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(1) Current Other Liabilities			
(a) Unearned and Deferred Revenue	85,867	61,834	43,169
(b) Others Payables			
(i) Statutory Dues Payables	12,670	9,499	6,577
(ii) Contribution to PF / ESIC / MLWF / PT Payable	1,132	1,013	950
Total Current Other Liabilities	**99,677**	**72,346**	**50,696**

As stated under Note no.36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Unearned and Deferred Revenue" for the comparative period.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 19 : Revenue from Operations

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Products	2,50,964	1,87,742
Sale of Services	3,61,759	3,83,754
Total Revenue from Operations	**6,12,723**	**5,71,496**
Revenue by Division		
Revenue from Collect Division	2,31,092	2,62,901
Revenue from Create Division	3,50,840	2,78,878
Revenue from Consume Division	30,791	29,717
Total	**6,12,723**	**5,71,496**
Revenue Geography-wise		
Asia Pacific	40,048	42,753
India	2,74,923	2,43,597
Europe & UK	1,19,397	96,719
Middle East	57,633	79,047
Africa	87,287	97,670
USA	33,435	11,710
Total	**6,12,723**	**5,71,496**

The Group has presented contract assets as “unbilled revenues” (refer note no. 5 and 10) in other financial assets and other current assets and contract liabilities as “unearned revenues” (refer note no 18) in other current liabilities in the balance sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

Movement of contract balances

(Amount in Thousands - ₹)

Particulars	31-Mar-22		31-Mar-21	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance	88,968	61,834	43,813	43,169
Revenue recognised during the year	1,32,175	1,31,864	1,39,661	82,661
Invoices raised during the year	71,074	1,55,897	94,506	1,01,326
Balances at the end of the year	1,50,069	85,867	88,968	61,834

Note 20 : Other Income

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income	4,552	2,026
Other Non-Operating Income	158	178
Financial Assets Derecognised	1,821	-
Total Other Income	**6,531**	**2,204**

As stated under Note no. 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the “Revenue from operation and Other Income” for the comparative period.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 21 : Employee Benefits Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	3,29,452	2,90,938
Contribution to Provident and Other Funds	6,078	5,431
Leave availment (refer note no. 21b)	195	4,064
Gratuity and other retiral benefits (refer note no. 21a)	8,359	7,075
Share Based Payment to Employees (refer note no. 31)	4	(364)
Staff Welfare Expenses	3,603	2,791
Total Employee Benefits Expense	**3,47,691**	**3,09,935**

Note 22 : Finance Costs

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense	6,792	10,850
Interest on Right of Use Asset	159	51
Other Borrowing Costs*	3,725	6,246
Total Finance Costs	**10,676**	**17,147**

* Includes bank changes and processing fees towards cash credit / bank guarantees / term loan facility

Note 23 : Depreciation and Amortisation Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of Property, Plant and Equipment	2,616	1,921
Amortisation of Intangible Assets	46,959	58,230
Amortisation of Right of Use Asset	2,740	2,577
Total Depreciation and Amortisation Expense	**52,315**	**62,728**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 24 : Other Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Advertisement & Business Promotion	379	222
Data Sourcing Expenses	271	302
Internet Co-Location Charges	6,283	7,099
Legal, Professional And Consultancy Fees	40,498	33,021
Miscellaneous Expenses	2,306	1,386
Payment to Auditors*	1,671	908
Postage, Telephone & Communication Charges	5,339	5,471
Printing & Stationery	258	208
Rates & Taxes	1,801	986
Travelling And Conveyance	11,987	7,986
Director Sitting Fees	1,405	975
Marketing And Sales Expenses	10,450	3,658
Other Expenses IPO, Listing Fees etc.	2,310	344
Rent	1,368	1,809
Power	2,563	2,384
Insurance	1,955	949
Office Maintenance	3,183	3,010
Repairs & Maintainance	1,188	1,019
Partner Fees	55,103	41,602
Software maintenance expenses	3,782	3,236
Software License & Hardware Fees	27,565	20,717
NSTP- Annual Service Charges	250	250
Sales Commission	5,124	2,990
Business Promotion Expenses	260	21
Membership Fees	1,120	1,323
Conference Expenses	318	568
Staff Recruitment Charges	-	110
Forward Contracts Gain / Loss A/C	52	35
Bad Debts Written-Off	254	233
Allowance for Trade Receivables	1,560	(3,198)
Exchange Loss	(966)	3,786
Sundry Balance Written-Off	2,673	4,376
Total Other Expenses	**1,92,310**	**1,47,786**
***Detail of payment to statutory auditor (exclusive of GST)**		
As Auditor		
Statutory Audit Fees	1,585	850
Other Services	50	15
Reimbursement of out-of-pocket expenses	36	43
Total	**1,671**	**908**

As stated under Note no. 36, on transition to Ind AS, as per transition provision in Ind AS 101 First time Adoption of Indian Accounting Standard, describes the effect of Ind AS adoption on the "Employee Benefits Expense / Depreciation and Amortisation Expense/ Other Expenses" for the comparative period.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 21a: Defined benefit plan - Gratuity (unfunded)

Gratuity is classified as Defined Benefit plan as Group's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by The Group. Actuarial & Investment risks are borne by The Group.

The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

The defined benefit plan comprises of gratuity which is unfunded. Acturial gains and losses are recognised in the Other Comprehensive Income (OCI).

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the position of assets and obligations relating to the plan.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14			
Present Value of Defined Benefit Obligation	60,186	43,412	35,978
Fair value of Plan Assets	13,087	8,128	4,743
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14	**47,099**	**35,284**	**31,235**
Amounts in Statement of Profit & Loss			
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss			
Service cost	5,853	4,986	3,757
Net interest cost	2,507	2,088	1,589
Past service cost	-	-	-
Administration expenses	-	-	-
(Gain)/loss due to settlements/curtailments/diversitures	-	-	-
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**8,360**	**7,074**	**5,346**
Amounts in the Balance Sheet			
Current/Non Current Bifurcation			
Current Benefit Obligation	8,791	4,491	4,844
Non - Current Benefit Obligation	51,395	38,921	31,134
(Asset)/Liability recognised in the Balance sheet	**60,186**	**43,412**	**35,978**
Actual Return on Plan Assets			
Interest income on plan assets	567	317	394
Remeasurements on plan assets	-	(140)	(152)
Actual Return on Plan Assets	**567**	**177**	**242**

The Group provides the gratuity benefit through annual contributions to a fund managed by approved trust. Under this plan, the settlement obligation remains with The Group, although the trust administers the plan and determines the contribution required to be paid by The Group. The trust has invested the plan assets in the Insurer managed funds. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on investments of the funds during the estimated term of the obligation.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Category of Assets

Insurer Managed Funds & T-Bills

The principal assumptions used in determining the gratuity benefit are shown below:	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Salary escalation rate	9%	9%	8%
Discount rate	7.23%	6.97%	6.67%
Expected rate of return on assets	7.23%	6.97%	6.67%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Defined Benefit Obligation - Discount Rate + 100 basis points	(3,077)	(2,703)	(1,880)
Defined Benefit Obligation - Discount Rate - 100 basis points	3,427	2,836	1,989
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	2,542	2,465	1,907
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(2,488)	(2,329)	(1,801)

Note 21b: Defined benefit plan - Compensated absences

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below:

The Group provides for expenses towards compensated absences (leave encashment) provided to its employees. The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14			
Defined Benefit Obligation	10,134	9,939	5,874
Present Value of Unfunded Defined Benefit Obligation	-	-	-
Fair value of Plan Assets	10,134	9,939	5,874
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14	**10,134**	**9,939**	**5,874**
Amounts in Statement of Profit & Loss			
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss			
Service cost	1,279	1,075	632
Net interest cost	653	368	254
Past service cost	-	-	-
Remeasurements	(1,737)	2,621	1,154
(Gain)/loss due to settlements/curtailments/diversitures			

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**195**	**4,064**	**2,040**
Amounts in the Balance Sheet			
Current/Non Current Bifurcation			
Current Benefit Obligation	2,744	2,417	1,783
Non - Current Benefit Obligation	7,390	7,522	4,091
(Asset)/Liability recognised in the Balance sheet	**10,134**	**9,939**	**5,874**
Actual Return on Plan Assets			
Expected Return on Plan Assets	-	-	-
Remeasurements Gains/(Losses) on Plan Assets	-	-	-
Actual Return on Plan Assets	-	-	-
The principal assumptions used in determining the leave encashment benefit are shown below:			
Salary escalation rate	9%	9%	8%
Discount rate	7.23%	6.97%	6.67%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	15.00%	12.00%	15.00%
Leave Availment Ratio	10.00%	10.00%	10.00%
Retirement Age	60 years	60 years	60 years

Note 25: Segment Reporting

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended 31 March, 2021
1. Segment Revenue		
(net sale/income from each segment should be disclosed under this head)		
(a) Segment – Collect	2,31,092	2,62,901
(b) Segment – Create	3,50,840	2,78,878
(c) Segment – Consume	30,791	29,717
(d) Unallocated	-	-
Less: Inter Segment Revenue		
Net sales/Income From Operations	**6,12,723**	**5,71,496**
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)		
(a) Segment – Collect	16,782	63,167
(b) Segment – Create	52,774	46,787
(c) Segment – Consume	2,767	3,684
(d) Unallocated	6,531	2,204
Total	**78,854**	**1,15,842**
Less: i) Interest	10,480	17,043
ii) Depreciation & Amortisation	52,112	62,695
Total Profit Before Tax	**16,262**	**36,104**

Note:

Assets and liabilities used in The Group's business are not identifiable to any of the reportable segment, as these are used interchangeably between segments.

The management believes that it not practicable to provide segment disclosures relating to total assets and liabilities.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 26: Transactions with Related Party

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

a. **Key Managerial Personnel (KMP), including KMP under Companies Act, 2013**

1. S. Swaminathan, Whole Time Director and Chief Executive Officer
2. Deepta Rangarajan, Whole Time Director
3. K. Balachandran, Whole Time Director and Chief Financial Officer

b. **Relatives of Key Managerial Personnel (KMP)**

1. Deepta Rangarajan, Spouse of Mr S. Swaminathan
2. N Subramaniam, Father of Mr S. Swaminathan
3. S. Chandrasekhar, Brother of Mr S. Swaminathan
4. S. Swaminathan, Spouse of Ms Deepta Rangarajan
5. Santhanakrishnan Rangarajan, Father of Ms Deepta Rangarajan
6. Shanti Rangarajan, Mother of Ms Deepta Rangarajan
7. Rajlaxmi Nambiar, Spouse of Mr K. Balachandran
8. Sharanya Balachandran, Daughter of Mr K. Balachandran
9. Shyama Balachandran, Daughter of Mr K. Balachandran
10. Vijayalakshmi Nambiar, Mother of Mr K. Balachandran

c. **Enterprises over which the above persons exercise significant influence/ control and with which The Group has transactions during the Year**

1. FinX Solutions (UAE)
2. IRIS Knowledge Foundation

e. **Independent Directors**

1. Bhaswar Mukherjee, Non-Executive Independent Director
2. Vinod Balmukand Agarwala, Non-Executive Independent Director
3. Ashok Venkatramani, Non-Executive Independent Director
4. Haseeb A Drabu, Non-Executive Independent Director

f. **Transactions with Related parties**

(Amount in Thousands - ₹)

Particulars	Relationship with Related Party	Transactions during the year ended			Outstanding balances		
		March 31, 2022	March 31, 2021	April 01, 2020	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Services rendered							
FinX Solutions	An entity in which one of the Promoter Director is the managing partner	2,248	549	-	1,708	549	6,596
IRIS Knowledge Foundation	Promoter Directors are common Directors	-	-	-	1,211	1,211	1,211
CSR Contribution							
IRIS Knowledge Foundation	Promoter Directors are common Directors	-	-	50	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amount in Thousands - ₹)

Compensation to KMPs of the Company	Transactions during the year ended			Outstanding balances		
	March 31, 2022	March 31, 2021	April 01, 2020	March 31, 2022	March 31, 2021	April 01, 2020
Short-term employee benefits*	13,050	10,604	13,874	19,755	17,667	15,934
Post-employment benefits #	-	-	-	-	-	-
Other long-term benefits	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-
Share-based payment	-	-	-	-	-	-
Total	**13,050**	**10,604**	**13,874**	**19,755**	**17,667**	**15,934**

* includes sitting fees and reimbursement of expenses

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Group as a whole

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 27 : Disclosure of fair value measurements:

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

A. Classification of Financial Instruments by category

As at March 31, 2022

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	287	-	-	287	287
2	Investments		-	-	-	-
3	Trade Receivables	1,56,473	-	-	1,56,473	1,56,473
4	Cash and Cash equivalent	46,947	-	-	46,947	46,947
5	Other Financial assets	56,944	-	711	57,655	57,655
	Financial liabilities					
6	Borrowings	64,857	-	-	64,857	64,857
7	Lease liabilities	1,365	-	-	1,365	1,365
8	Trade Payables	20,120	-	-	20,120	20,120
9	Other financial liabilities	77,273	-	-	77,273	77,273

As at March 31, 2021

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	75	-	-	75	75
2	Investments				-	-
3	Trade Receivables	1,32,265	-	-	1,32,265	1,32,265
4	Cash and Cash equivalent	48,835	-	-	48,835	48,835
5	Other Financial assets	54,298	-	-	54,298	54,298
	Financial liabilities					
6	Borrowings	60,210	-	-	60,210	60,210
7	Lease liabilities	2,096	-	-	2,096	2,096
8	Trade Payables	22,498	-	-	22,498	22,498
9	Other financial liabilities	64,720	-	-	64,720	64,720

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

As at April 01, 2020

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	219	-	-	219	219
2	Investments				-	-
3	Trade Receivables	1,71,320	-	-	1,71,320	1,71,320
4	Cash and Cash equivalent	7,423	-	-	7,423	7,423
5	Other Financial assets	17,666	-	-	17,666	17,666
	Financial liabilities					
6	Borrowings	87,514	-	-	87,514	87,514
7	Lease liabilities	5,839	-	-	5,839	5,839
8	Trade Payables	22,872	-	-	22,872	22,872
9	Other financial liabilities	82,206	23	-	82,229	82,229

Fair Value Hierarchy:

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares which are traded on the stock exchanges, is valued using the closing price at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. Investments in Debentures or Bonds are valued on the basis of dealer's quotation based on fixed income and money market association (FIMMDA). If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2022 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	711	-	-	711
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	64,857	64,857
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2021 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	60,210	60,210
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

The details of financial instruments that are measured at fair value on recurring basis as at April 01, 2020 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	87,514	87,514
Measured through FVTOCI				
- Derivative Liabilities	-	23	-	23

The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

During the reporting year ending March 31, 2022 and March 31, 2021, there was no transfer between level 1 and level 2 fair value measurement.

Key Inputs for Level 2 & 3 Fair valuation Technique:

1. Derivative Liabilities (Level 2):

- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies

Description of Significant Unobservable Inputs used for Financial Instruments (Level 3)

The following table shows the valuation techniques used for financial instruments:

Other Financial Liabilities (Non-current)	Discounted cash flow method using risk adjusted discount rate

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 28: Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance The Group's operations. The Group's principal financial assets, other than derivatives, include trade and other receivables, investments and cash and cash equivalents that arise directly from its operations. The Board of Directors has overall responsibility for the establishment and oversight of The Group's risk management framework and thus established a risk management policy to identify and analyse the risks faced by The Group. The risk management systems are reviewed periodically. The Audit Committee of the Board, oversees the compliance with the policy. The Internal Auditreviews the risk management controls and procedures and reports to the Audit Committee.

The Group's activities expose it to market risk, liquidity risk and credit risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of The Group. The Group uses derivative financial instruments, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which The Group is exposed to and their management are given below:

Risks Market Risk:	Exposure arising from	Measurement	Management
- Foreign Exchange Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in ₹	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts & currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates	Sensitivity Analysis, Interest rate Movements	
- Credit Risk	Trade Receivable, Derivative Financial Instruments	Ageing analysis, Credit Rating	Credit limit and credit worthiness monitoring
- Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long range business forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

Details relating to the risks are provided here below:

A. Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to The Group's transactions denominated in a foreign currency including trade receivables and unbilled revenues, loans given to overseas subsidiaries, trade payables and bank balances. The Group's exposure to foreign currency risk with respect to material currencies as detailed below:

The Group regularly evaluates exchange rate exposure arising from foreign currency transactions. The Group follows the established risk management policies and standard operating procedures. When a derivative is entered into for the purpose of hedge, The Group negotiates the terms of those derivatives to match the terms of the foreign currency exposure.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

As at 31.03.2022 (Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	55	28	-	-	-	83
EUR	371	22	-	-	(15)	378
GBP	18	48	-	-	-	66
JOD	-	77	-	-	-	77
MYR	154	281	-	-	(16)	419
OMR	-	106	-	-	-	106
SGD	-	41	28	-	17	86
USD	431	122	197	-	(238)	512
ZAR	1,624	300	-	-	(24)	1,900
QAR	-	-	-	-	-	-
SAR	496	-	-	-	-	496

As at 31.03.2021 (Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	28	-	-	-	-	28
EUR	128	-	-	-	(3)	125
GBP	72	19	-	-	-	91
JOD	178	-	-	-	(35)	143
MYR	-	22	-	-	-	22
OMR	-	87	-	-	-	87
SGD	2	31	150	-	(188)	(5)
USD	283	89	50	-	(13)	409
ZAR	2,210	-	-	-	-	2,210
QAR	505	-	-	-	-	505
SAR	413	-	-	-	-	413

As at 01.04.2020 (Amount in Thousands)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	-	-	-	-	-	-
EUR	1	-	-	-	-	1
GBP	28	-	-	-	-	28
JOD	-	111	-	-	-	111
MYR	-	-	-	-	-	-
OMR	31	-	-	-	-	31
SGD	346	-	28	-	(44)	330
USD	626	3	14	-	(34)	609
ZAR	-	-	-	-	-	-
QAR	439	538	-	-	-	977
SAR	186	-	-	-	-	186

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at 31st March 2022 that are not denominated in Indian Rupees. The sensitivities do not take into account The Group's sales and costs and the results of the sensitivities could change due to other factors such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

Sensitivity analysis between Indian Rupee and the foreign currencies specified above for an increase of / decrease by ₹ 1.

(Amount in Thousands)

Foreign currency	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
AED	83	(83)	28	(28)	-	-
EUR	379	(379)	125	(125)	1	(1)
GBP	66	(66)	91	(91)	28	(28)
JOD	77	(77)	143	(143)	111	(111)
MYR	419	(419)	22	(22)	-	-
OMR	106	(106)	87	(87)	31	(31)
SGD	86	(86)	(5)	5	330	(330)
USD	511	(511)	410	(410)	609	(609)
ZAR	1,901	(1,901)	2,210	(2,210)	-	-
QAR	-	-	505	(505)	977	(977)
SAR	496	(496)	413	(413)	186	(186)

B. Interest rate risk:

The Group has borrowed debt at variable rates to finance its operations, which exposes it to interest rate risk. The Group's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating.

Interest rate risk exposure on the average borrowing for the year:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Fixed rate borrowing	-	-	-
Variable rate borrowing	64,857	60,210	87,514

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2021-22 by ₹ 649 thousands (FY 2020-21 by ₹ 602 thousands FY 2019-20 by ₹ 875 thousands).

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

C. Credit risk

Credit risk arises when a customer or counterparty does not meet its contractual obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and from its financiang/investing activities, including treasury operations. Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and unbilled revenues are regularly monitored and The Group creates a provision based on expected credit loss model.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

i) Trade Receivables: Ageing & Movement

As per simplified approach, The Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(Amount in Thousands - ₹)

ii) Movement of Doubtful debts	As at March 31, 2022	As at March 31, 2021
Opening provision	898	4,096
Add: Provided during the year	1,619	445
Less: Utilised during the year	-	-
Less: Written back during the year	(644)	(3,643)
Closing Provision	**1,873**	**898**

The details in respect of percentage of revenues generated from the top customer and the top 10 customers are as follows:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue from top customer	57,733	58,434
Revenue from top 10 customers	2,55,160	2,94,815

iii) Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies. Credit Risk on Derivative Instruments is generally low as The Group enters into the Derivative Contracts with the reputed Banks.

D. Liquidity Risk

Liquidity risk is defined as the risk that The Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors The Group's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows.

The table below provides details of financial liabilities at the reporting date based on contractual undiscounted payments. The Group has access to the following undrawn borrowing facilities:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Expiring in one year'	Expiring beyond one year	Expiring in one year'	Expiring beyond one year	Expiring in one year'	Expiring beyond one year
Loans repayable on demand from Banks	66,893	-	77,540	-	1,393	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

E. Capital Management

The Group's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of The Group's capital management, capital means the Total Equity as per the Balance Sheet.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by the total equity.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Borrowings	64,857	60,210	87,514
Less: Cash and cash equivalents	46,947	48,835	7,423
Net Debt (A)	17,910	11,375	80,091
Equity Share Capital	1,92,182	1,89,232	1,88,792
Other Equity	80,437	71,023	30,855
Total Equity (B)	2,72,619	2,60,255	2,19,647
Debt / Equity (A / B)	7%	4%	36%

In addition, The Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc. which is maintained by The Group.

Note 29: Financial performance indicators

In accordance with Notification dated March 24, 2021, the Central Government in it's Amendment to Schedule III to Companies Act 2013 stated that The Group shall disclose the following ratios which shall indicate the financial performance of The Group. Company is required to give details of significant changes (change of 25% or more as compared to the previous financial year) in sector-specific key financial ratios, as well as any changes in return on net worth.

(Amount in Thousands - ₹)

Sr. No.	Financial Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	April 1, 2020
1	Current Ratio	Current Assets	Current Liabilities	1.49	1.29	1.04
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.24	0.23	0.40
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	11.40	10.64	4.44
4	Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	4.24	3.76	0.01
5	Trade Payables Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	9.02	6.51	0.01
6	Net Capital Turnover Ratio	Revenue	Current Assets - Current Liabilities	4.42	7.02	48.58
7	Net profit Margin	Net Profit	Revenue	1.6%	7.2%	-3.9%
8	Return on Capital Employed	Earning before interest and taxes	Net worth + deferred tax liabilities + Lease Liabilities	7.0%	14.8%	-0.5%
9	Return on Equity	Net Profits after taxes	Net worth	3.68%	15.89%	-8.63%

Note:

a) Disclosure of Inventory Turnover Ratio is not applicable as tye Company does not hold any Inventory.

b) The above ratios may not be comparable due to spread of coronavirus pandemic, impacting all the geographies of the business operations and more particularly in the early months of the preceeding financial year when the severity was extreme.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Detailed explanation for significant changes in sector-specific key financial ratios and changes in Return on Net Worth:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Trade Payables Turnover Ratio	1,92,310	21,309	9.02	6.51	39%	Due to increase in Other expenses
Net Capital Turnover Ratio	6,12,723	1,38,621	4.42	7.02	-37%	Due to increase in Net working Capital
Net profit Margin	10,051	6,12,723	1.64%	7.24%	-77%	Due to decrease in Net profit after Tax
Return on Capital Employed	26,938	3,85,361	6.99%	14.80%	-53%	Due to decrease in Earning before interest and tax
Return on Equity	10,051	2,72,897	3.68%	15.89%	-77%	Due to decrease in Net profit after Tax

Note 30 : Hedge Accounting

As part of its risk management strategy, The Group endeavors to hedge its net foreign currency exposure of highly forecasted sale transactions for the next 10 to 12 months in advance. The Group uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges.

The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

“For derivative contracts designated as hedge, The Group documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Group applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to to foreign exchange risk. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge.

Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Group enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over–the–counter market.”	Cash flow hedge

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2022

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments - Liability	Maturity	Average booking price/rate
Foreign exchange forward contracts	2,69,240 USD 1,93,423 GBP	711 (₹ in Thousands)	-	FY 22-23	1 USD = 77.1411 1 GBP = 103.5063

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting :

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended April 01, 2020
Balance at the beginning of year	-	-	-
Gain/(loss) recognised in Other Comprehensive Income during the year	2,532	-	-
Amount reclassified to profit/loss during the year	1,821	-	-
Tax imapct on the above		-	-
Balance at the end of year	711	-	-

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and The Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows

(Amount in Thousands - ₹)

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 01, 2020	
	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability
Net amount presented in Balance Sheet	711	-	-	-	-	-

Note 31: Employee Stock Option Scheme

The Group provides share-based payment schemes to its employees. The relevant details of the scheme are as follows: On September 11, 2017, the Board of Directors approved the "IRIS Business Services Limited – Employee Stock Option Scheme 2017 ("Scheme") in order to reward the employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of The Group with an intent to attract and retain talent in the organisation. The aforesaid Scheme was duly approved by shareholders in its Extra-Ordinary General Meeting held on September 13, 2017. The Nomination and Remuneration committee of the Board has granted options under the said Scheme to certain category of employees as per criteria laid down by Nomination and Remuneration committee of the Board. The shareholders of The Group approved the ratification of the Scheme and extension of the benefits of the Scheme to the employees of Subsidiary Company(ies) by Special Resolutions through Postal Ballot on March 29, 2019. Key terms of the scheme:

Date of Shareholder's Approval	September 13, 2017
Total Number of Options approved	700,000
Vesting Schedule	Option shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of grant
Maximum term of Options granted	9 Years
Method of Settlement	Shares
Source of shares	Primary-Fresh equity allotment by the company

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Option Movement during the year ended March 2022

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
No. of Options Outstanding at the beginning of the year	4,50,000	5,47,000	5,52,000
Options Granted during the year	-	-	-
Options exercised during the year	2,95,000	44,000	-
Options Forfeited during the year	-	-	-
Options Expired during the year	-	53,000	5,000
No. of Options Outstanding at the end of the year	1,55,000	4,50,000	5,47,000
No. of Options exercisable at the end of the year	1,55,000	4,47,000	5,31,000
Exercise price (amount in ₹)	32	32	32

Weighted average share price during the period for shares options exercised during the year, the weighted average share price at the date of exercise was ₹ 74.55/-

The Black-Scholes model requires consideration of certain variables such as implied volatility, risk free rate of interest, expected dividend yield, expected life of option, market price of the underlying stock and exercise price for the calculation of Fair Value of the option. Variability of these parameters could significantly affect the estimated Fair value of the option.

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Risk Free interest rate	6.61% to 7.00%	6.61% to 7.00%	6.61% to 7.00%
Expected Life (in Years)	3.5 Years to 6.5 years	3.5 Years to 6.5 years	3.5 Years to 6.5 Years
Expected Volatility	11.73%	11.73%	11.73%
Dividend Yield	0%	0%	0%
Stock price	32	32	32
Exercise price	32	32	32
Weighted Average remaining Contractual life	1.06	1.34	2.12

* The stock price of The Group is the listing market price of The Group's equity share on Stock Exchanges on the date of grant.

To understand the effect of share based payment transactions on the entity's profit and loss for the year refer note no.21.

Note 32: Contingent Liabilities and Commitments:

(Amount in Thousands - ₹)

Sr. No.	Contingent Libailities, Commitments	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
1	Claims agaisnt the company not acknowledged as debts Disputed EPFO Demand Relating to May-2005 to May-2007 and pending before Honorable High Court of Bombay	174	174	174
2	Commitments	-	-	800

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgements pending at various forums / authorities.

a) Foreseeable Losses: The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, The Group has reviewed and ensured that adequate provision as required uner any law / applicable accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

b) Pending Litigations: The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material adverse effect on its financial statements.

Note 33: Earnings Per Share

(Amount in Thousands - ₹)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
Net Profit for the Year attributable to equity Shareholders	**9,980**	**41,352**
Weighted Average No. of Shares - Basic	19,147	18,879
Weighted Average No. of Shares - Diluted	19,257	^18,879
EPS - Basic	0.52	2.19
EPS - Diluted	0.52	2.19
Nominal value of each Equity Share	**10.00**	**10.00**

(Since the potential dilutive equity shares are anti-dilutive no. of shares considered for diluted EPS is same as basic EPS)

Note 34: Disclousure of Interest held in Subsidiary

(Amount in Thousands - ₹)

Sr. No	Name of the entity	Place of incorporation	Principal business activities	Ownership Interest held by group	Ownership Interest held by NCI
1	IRIS Business Services, LLC	USA	USA	100%	
2	IRIS Business Services (Asia) Pte. Ltd	Singapore	Singapore	98.36%	1.64%
3	Atanou S.r.l.	Italy	Italy	100%	
4	IRIS Logix Solutions Private Limited	India	India	76%	24%

Summarised Financial Information - (Consolidated)

Balance Sheet

(Amount in Thousands - ₹)

Particulars	IRIS Business Services, LLC	IRIS Business Services (Asia) Pte. Ltd	Atanou S.r.l.	IRIS Logix Solutions Private Limited
Non Current Assets	187	137	-	659
Current Assets	29,970	8,352	816	3,420
Total	**30,157**	**8,489**	**816**	**4,079**
Non Current Liabilities	-	-	-	61
Current Liabilities	42,583	4,206	1,334	3,153
Total	**42,583**	**4,206**	**1,334**	**3,214**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Profit/Loss (Amount in Thousands - ₹)

Particulars	IRIS Business Services, LLC	IRIS Business Services (Asia) Pte. Ltd	Atanou S.r.l.	IRIS Logix Solutions Private Limited
Revenue from Operations	33,099	22,477		3,447
Profit/(Loss)	2,139	1,620	(679)	188
Other Comprehensive Income	(361)	96	15	
Total	**1,778**	**1,716**	**(664)**	**188**
Summarised Cash flow				
Cash flows from operating activities	11,900	(6,626)	(51)	1,947
Cash flows from financing activities	(2)			(47)
Cash flows from investing activities	(47)			(2)
Net Increase/(Decrease) in cash & cash equivalents	11,851	(6,626)	(51)	1,898

Note 35a : Statutory Group Information

Name of the entity	Net assets less net liabilities		Share in profit/loss		Share in other comprehensive income		Share in Total comprehensive income	
Parent	As a % of Consolidated	Amount in ₹	As a % of Consolidated	Amount in ₹	As a % of Consolidated	Amount in ₹	As a % of Consolidated	Amount in ₹
IRIS Business Services Ltd.	112.94%	3,07,903	68%	6,757	95%	(4,988)	37%	1,769
Subsidiaries								
IRIS Business Services, LLC	-4.56%	(12,426)	21%	2,139	7%	(361)	38%	1,778
IRIS Business Services (Asia) Pte. Ltd	1.57%	4,283	16%	1,620	-2%	96	36%	1,716
Atanou S.r.l.	-0.19%	(518)	-6%	(679)	0%	15	-14%	(664)
IRIS Logix Solutions Private Limited	0.32%	865	2%	188	0%		4%	188
Minority interest in subsidiaries	-0.10%	(278)	-1%	(72)	0%	(2)	-2%	(74)
Sub Total	109.98%	3,00,850	100%	9,953	100%	(5,240)	99%	4,713
Less: Effect of intercompany adjustments / eliminations	-9.98%	(27,210)	0%	27	0%		1%	27
Total	100.00%	2,72,619	100%	9,980	100%	(5,240)	100%	4,740

Note 35b: Activities of Subsidiary

With regards to our investment in subsidiaries in USA "IRIS Business Services LLC" & Italy "Atanou S.r.l.", as at 31st March 2022, the total liabilities exceeded its total assets by in ₹ 12,426 thousands and ₹ 518 thousands respectively. The parent company is committed to provide necessary financial support as and when necessary. Considering the future prospect of these subsidiaries and continued support of Parent, the investment in the subsidiaries is measured at cost itself.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Note 36: First Time Adoption

The Group has prepared financial statements for the year ended 31st March, 2022, in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accoutning Standard) Rules, 2015, as amended, for the first time. For the periods upto and including the year ended 31st March, 2021, The Group prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31 March 2022 for The Group, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, The Group has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101.

In preparing these financial statements, The Group's opening Balance Sheet was prepared as at 1st April, 2021 i.e. the transition date to Ind AS for The Group. This note explains the principal adjustment made by The Group in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2020, and the financial statements as at and for the year ended 31st March 2021. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognized directly in equity.

1. **Ind AS optional exemptions**

(a) Share based payments

The Group has elected to apply Ind AS 102 share based payment to equity instruments in respect of the unvested options as on the transition date

(b) Deemed cost of Assets

The Group has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost as at the date of transition. The Group shall also measure it's investment in subsdiaries as per previous GAAP's carrying amount as at date of transition.

2. **Key explanations towards Ind AS Adjustements**

a) Property, Plant and Eqiupment and Right to use - Lease Assets

Under Previous GAAP , the lease contracts in nature of finance lease (lessee accounting) were forming part of the property, plant and equipement. Pursuant to the requirement of Ind AS 116 - Leases, the same has been separately disclosed and impact of the related accounting has been effected.

b) Trade Receivable & ECL

Pursuant to the application of the Ind AS 109 - Financial Instruments, The Group has applied simplied appraoch for the measurment and recognition of ECL. Also the amount as previous GAAP has been impacted with the effects of application of Ind AS 115 - Revenue from Contracts with Customers

c) Revenue Recognition:

The Group has applied the recognition and measurment priciples laid down in the Ind AS 115 - Revenue from Contracts with Customer, resulting in adjustment in revenue recognised in the previous periods. Pursuant to the application of the Ind AS 115, performance of transfer of services to a customer before the customer pays consideration or before payment is due, is presented as contract asset, excluding any amounts presented as a receivable.

d) Other Comprehensive Income:

Under the previous GAAP, there was no concept of OCI. Under Ind AS, fair valuation of Bonds and Equity Investments not held for trade (other than Subsidiaries, Joint Ventures and Associates), effective portion of gains and losses on hedging instruments in a cash flow hedge and re-measurements on defined benefit liability, which was charged to the Consolidated Statement of Profit and Loss as per the IGAAP, are recognised in OCI

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

e) Borrowings

As per Ind AS 109 - Financial Instruments, The Group has classified the Borrowing as financial liabilities to be measured at amortised cost. The borrowings have been restated as at the date of transition

f) Classification of Financial Assets and Liabilities

Current and Non-Current Liabilities have been reclassified into Financial and Non-Financial Liabilities as per the nature of liabilities.

Effect of Ind AS adoption on the Consolidated Balance Sheet as at March 31, 2021 and April 01, 2020

(Amount in Thousands - ₹)

Particulars	As at 1 April 2020 (Date of Transition to Ind AS)			As at 31 March 2021		
	Indian GAAP	Adjustments	Ind AS	Indian GAAP	Adjustments	Ind AS
(I) ASSETS						
(1) NON-CURRENT ASSETS						
(a) Property, Plant and Equipment	96,229	(92,551)	3,678	95,644	(92,717)	2,927
(b) Right-of-Use-Assets	-	98,390	98,390	-	92,717	92,717
(c) Other Intangible Assets	1,69,916		1,69,916	1,20,796		1,20,796
(d) Intangible Assets under Development	3,295		3,295	-		-
(e) Financial Assets						
(i) Other Financial Assets	3,302		3,302	3,102		3,102
Total Non-Current Assets	**2,72,742**	**5,839**	**2,78,581**	**2,19,542**	**-**	**2,19,542**
(2) CURRENT ASSETS						
(a) Financial Assets						
(i) Trade Receivables	1,74,838	(3,518)	1,71,320	1,30,658	1,607	1,32,265
(ii) Cash and Cash Equivalents	7,423	-	7,423	48,835		48,835
(iii) Bank Balances other than Cash and Cash Equivalents above	9,431	-	9,431	35,695		35,695
(iv) Loans	219	-	219	75		75
(v) Other Financial Assets	5,434	(501)	4,933	14,933	568	15,501
(b) Current Tax Assets (Net)	38,445	-	38,445	42,676		42,676
(c) Other Assets	63,893	(10,505)	53,388	76,187	9,014	85,201
Total Current Assets	**2,99,683**	**(14,524)**	**2,85,159**	**3,49,059**	**11,189**	**3,60,248**
TOTAL ASSETS	**5,72,425**	**(8,685)**	**5,63,740**	**5,68,601**	**11,189**	**5,79,790**
(II) EQUITY AND LIABILITIES						
EQUITY						
(a) Equity Share Capital	1,88,792	-	1,88,792	1,89,232	-	1,89,232
(b) Other Equity	57,503	(26,648)	30,855	85,436	(14,413)	71,023
Equity attributable to equity holders of the parent	**2,46,295**	**(26,648)**	**2,19,647**	**2,74,668**	**(14,413)**	**2,60,255**
(a) Non-controlling interests	171		171	205	-	205
Total Equity	**2,46,466**	**(26,648)**	**2,19,818**	**2,74,873**	**(14,413)**	**2,60,460**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Particulars	As at 1 April 2020 (Date of Transition to Ind AS)			As at 31 March 2021		
	Indian GAAP	Adjustments	Ind AS	Indian GAAP	Adjustments	Ind AS
LIABILITIES						
(1) NON-CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings	28,907	-	28,907	-	-	-
(ii) Lease Liabilities	-	3,537	3,537	1,355	-	1,355
(b) Provisions	30,481	-	30,481	39,156	-	39,156
(c) Deferred Tax Liabilities (Net)	5,834	-	5,834	-	-	-
(d) Other Liabilities	-	-	-	-	-	-
Total Non-Current Liabilities	**65,222**	**3,537**	**68,759**	**40,511**	**-**	**40,511**
(2) CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings (Current)	58,607	-	58,607	60,210		60,210
(ii) Lease Liabilities	-	2,302	2,302	741		741
(iii) Trade Payables						
a) Total outstanding dues of micro and small enterprises	2,671	-	2,671	289	-	289
b) Total outstanding dues of creditors other than micro and small enterprises	20,201	-	20,201	22,209	-	22,209
(iv) Other Financial Liabilities	82,229	-	82,229	64,720	-	64,720
(b) Provisions	58,457	-	58,457	58,304	-	58,304
(c) Other Liabilities	38,572	12,124	50,696	46,744	25,602	72,346
Total Current Liabilities	**2,60,737**	**14,426**	**2,75,163**	**2,53,217**	**25,602**	**2,78,819**
TOTAL EQUITY AND LIABILITIES	**5,72,425**	**(8,685)**	**5,63,740**	**5,68,601**	**11,189**	**5,79,790**

Effect of Ind AS adoption on the Consolidated Profit & Loss for the year ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	As at 31 March 2021		
	IGAAP	Ind AS Adjustments	Ind AS
(I) INCOME			
(a) Revenue from Operations	5,63,078	8,418	5,71,496
(b) Other Income	2,869	(665)	2,204
Total Income	**5,65,947**	**7,753**	**5,73,700**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Particulars	As at 31 March 2021		
	IGAAP	Ind AS Adjustments	Ind AS
(II) EXPENSES			
(a) Employee Benefits Expense	3,12,090	(2,155)	3,09,935
(b) Finance Costs	16,911	236	17,147
(c) Depreciation and Amortisation Expense	62,363	365	62,728
(d) Other Expenses	1,52,659	(4,873)	1,47,786
Total Expenses	**5,44,023**	**(6,427)**	**5,37,596**
(III) Profit before Tax (I-II)	**21,924**	**14,180**	**36,104**
(IV) Tax Expense			
- Tax Expense for earlier year	551		551
- Deferred Tax	(5,834)		(5,834)
(V) Profit for the year (III-IV)	**27,207**	**14,180**	**41,387**
(VI) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit and Loss	-		-
(a) Remeasurements gain / (loss) on defined benefit obligations	-	(1,970)	(1,970)
(b) Equity Instruments at fair value through other comprehensive income	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit and loss	-	-	-
(B) (i) Items that will be reclassified to Profit and Loss	-		-
(a) Fair Value Changes on Derivatives Designated as cash flow hedge	-	-	-
(b) Exchange differences on translation of financial statements of foreign operations	179	-	179
(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-
(VII) Total Comprehensive Income for the year	**27,386**	**12,210**	**39,596**

Reconciliation of Total Comprehensive Income for the year ended March 31, 2021 (Amount in Thousands - ₹)

Particulars	
Profit as reported under the previous GAAP (A)	**21,924**
Ind AS Adjustment on account of -	
Impact on revenue from operations	8,418
Impact due to recognising Finance cost on lease.	(201)
Impact due to ECL creation/reversal on debtors	5,127
Impact due to Forex gain and loss	(1,134)
Reclassification of Actuarial gain loss -Employee Benefits	1,970
Total Effect of Ind AS Adjustments (B)	**14,180**
Profit for the year ended under Ind AS (C) [A + B]	**36,104**
Tax Expense	(5,283)
Other Comprehensive Income for the year ended	(1,791)
Other Comprehensive Income for the year ended	**39,596**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Reconciliation of Equity as at March 31, 2021 and April 01, 2020

(Amount in Thousands - ₹)

Particulars	As at 31st March 2021 (End of last period presented under the previous GAAP)	As at 1st April 2020 (Date of transition to Ind AS)
Equity as reported under the previous GAAP (A)	2,74,873	2,46,466
Ind AS Adjustment on account of -		
Impact on revenue from operations	(15,926)	(24,343)
Impact of ECL	1,609	(3,518)
Impact due to Forex	(96)	1,012
Impact on Finance Cost	-	201
Total Effect of Ind AS Adjustments (B)	**(14,413)**	**(26,648)**
Total Equity under Ind AS (A+B)	**2,60,460**	**2,19,818**

Effect of Ind AS adoption on Cash Flow Statement for the year ended March 31, 2021

(Amount in Thousands - ₹)

Particulars	IGAAP	Ind AS Adjustment	Ind AS
Net cash inflow / (outflow) from operating activities (A)	1,12,440	(5,397)	1,17,837
Net cash inflow / (outflow) from investing activities (B)	(5,141)	27,121	(32,262)
Net cash inflow / (outflow) from financing activities (C)	(65,887)	(21,724)	(44,163)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	41,412	-	41,412
Cash and cash equivalents at the beginning of the year	7,423	-	7,423
Cash and cash equivalents at the end of the year	**48,835**	**-**	**48,835**

Note 37: Additional Regulatory Information

Pursuant to the requirement stipulated under para (6)(L) to the General Instructions for Preparation of Balance Sheet under schedule III of Companies Act, 2013, the required additional regulatory information are disclosed as under:

i) The Group does not have any immovable properties (other than properties where The Group is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of The Group.

ii) The Group does not have any investment property.

iii) The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) during the current year or the preceeding year.

iv) The Group has not revalued its intangible assets during the current year or the preceeding year.

v) There are no loans or advances in the nature of loans that are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2022

vi) There is no Capital Work in progress

vii) For disclosure pertaining to Intangible assets under development - Refer Note No. 4b

viii) No proceedings have been initiated on or are pending against The Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ix) The borrowings from banks or financial institutions reported under Refer Note No. 12, are made on the basis of security of assests other than current asset and on the unconditional and irrevocable Personal guarantees of Whole Time Directors of The Group.

x) The Group has not been declared a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or any other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

xi) The Group did not have any transactions with companies struck off under Companies Act, 2013.

xii) There are no charges or satisfaction thereof yet to be registered with ROC beyond the statutory period - Refer Note No. 3b and Refer Note No. 12 for the details of charge created.

xiii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, with respect to the extent of holding of The Group in downstream companies.

xiv) Analytical Ratios - Refer Note No. 29

xv) The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

xvi) During the year, The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Group (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvii) During the year, The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Group shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xviii) There is no income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

xix) The Group has not traded or invested in Crypto currency or Virtual currency during the current or the previous financial year.

Note 38: Impact of COVID-19

While the expectation is that the world, in the medium term, should gradually come out of the economic slowdown caused by the COVID 19 pandemic, the business environment still faces some degree of uncertainty. The Group management believes that it has taken into account the external and internal information for assessing the impact of the COVID-19 pandemic on the various elements of its financial statements, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the various unknowns associated with its nature and duration. The eventual outcome of impact of the global pandemic may be different from those estimated as on the date of approval of the financial statements. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

Note 39: The new Code on Social Security, 2020 has been enacted, which could impact the contributions by The Group towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Note 40: Previous year figures have been regrouped / rearranged, wherever necessary.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Hasmukh B. Dedhia
Partner
ICAI Membership No: 033494

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Corporate Information

BOARD OF DIRECTORS

Vinod Agarwala
Independent Director (Chairman)

Bhaswar Mukherjee
Independent Director

Ashok Venkatramani
Independent Director

Haseeb Ahmad Drabu
Independent Director

Swaminathan Subramaniam
Whole Time Director & CEO

Deepta Rangarajan
Whole Time Director

Balachandran Krishnan
Whole Time Director & CFO

COMPANY SECRETARY & COMPLIANCE OFFICER

Jay Mistry
(till 4th June 2021)

Santoshkumar Sharma
(5th June 2021 onwards)

CORPORATE IDENTITY NUMBER (CIN)

L72900MH2000PLC128943

REGISTERED OFFICE

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Website: www.linkintime.co.in

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ICAI Firm Registration No. 105146W/W100621

SECRETARIAL AUDITOR

M/s. Parikh & Associates,
Practicing Company Secretary

INTERNAL AUDITOR

M/s. M.P. Chitale & Co.,
Chartered Accountants

LEGAL ADVISORS

Chitale Legal, Mumbai
VBA Legal, Mumbai
Valsangkar & Associates, Patent Attorney, Pune

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HDFC Bank Limited

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