

## Strategic Report

The Directors present their Strategic Report for the year ended 31st March 2022.

### Key Performance Indicators

Year Ended March 31,	£ (million)	
	2022	2021
Total Revenue	40.02	48.80
Cost of Sales	35.60	42.68
Gross Profit	4.42	6.12
Profit before Tax	0.90	1.11
Profit after Tax	0.79	0.90

### Section 172(1) statement

During the year ended 31st March, 2022, the directors have complied with their duties with regard to the matters set out in section 172(1) (a)-(f) of the Companies Act 2006. The directors believe that they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. Further information is set out in this Strategic Report and the Directors' Report.

### Business review

In 2021-22 the Company achieved a revenue of GBP 40.02 million while the net profit was GBP 0.79 million. Changes in client priorities/strategies in few key accounts contributed to revenue decline in the current year. However, the Company successfully adapted to the evolving technology landscape to create new opportunities, driven by digital transformation agendas accelerated due to the pandemic. Hybrid work models, cost optimization, 'everything-as-a-service' and digital workplace solutions continued to drive technology spending. The Company was able to leverage these trends successfully, and witness a strong performance across verticals, particularly in Travel, Banking & Financial Services, Consumer & Packaged Goods and Hospitality. The Company saw good demand for its Digital Experience, as well as Digital Workplace Solutions and continued to strengthen its domain-specific offerings in areas like Digital Banking and Digital Manufacturing. Majority of the customers of the Company are based in UK, please refer to Note 13.

### Customers

Customer centricity is one of the strategic pillars of the Company. We continued to sharpen our focus on our key customer relationships across all industry verticals. Customer feedback remains at the core of our focus on client-centricity and building differentiated service offerings. This approach enabled us to sustain industry-leading customer satisfaction levels across all key relationships.

### Employees

As we enter the post-pandemic, hybrid workplace of the future, sustaining and enhancing employee experience remains our key focus. The Company sharpened its focus on employee centricity, another of our strategic pillars. We made focused investments towards enhancing employee experience,

strengthening our culture of continuous learning, and hiring & training the right talent.

### Future Outlook

Our vision is to enable our clients to anticipate and adapt to the constantly evolving business and technology landscape. We help them succeed by accelerating value realization at the intersection of domain and technology. Towards this, we make sustained investments to build industry capabilities leveraging future-focused technologies. Today, across all areas of business, Digital Transformation and Software as a Service (SaaS) adoption are becoming mainstream. As organizations continue to adapt to new ways of working with a distributed workforce, hybrid operating models are fast becoming the norm. Digital and Capability-led opportunities and new models of technology consumption in a 'Everything as a Service' model are expected to continue being the key drivers of growth. The Company expects a continued momentum in demand for its suite of services across Digital Workplace Solutions, Intelligent Planning & Execution (IPE), Manufacturing Execution Systems (MES) and Product Lifecycle Management (PLM).

In this context, the Company will focus on taking a leadership position in helping our clients with their digital transformation and Software as a Service (SaaS) adoption and accelerating our growth momentum by mining and growing key customer relationships. The Company will continue to invest, and shape well-defined offerings aligned to the theme of delivering Business Friendly Solutions across select industry verticals. The Company will also strengthen its alliance ecosystem with future ready Software Vendors in identified capability areas in Digital, Data & Analytics, Infrastructure Services, IPE and MES amongst others. The Company will sustain its investments in hiring and training the right talent with a focus on building a culture of continuous learning.

### Principal Risks and Uncertainties

The volatile economic and geo-political environment is expected to impact client sentiment and IT spending, sustaining the pressure on cost-optimization. The war for talent, particularly for niche skills and local talent, continues to remain a top priority to support hybrid work models across onsite, offshore and near-shore engagements. However, the Company's strategy of increasing its onsite presence, including local hiring, its investments in strengthening its Sales teams (hiring & sales enablement training) and its continued investments in learning & development for its employees will mitigate these risks. The Company is also focused on increasing its client relevance through differentiated and integrated offerings across its portfolio of services. In addition, the volatility around British Pound, USD and Euro are also key risks for the Company. The Company will focus on the stated strategy to grow the business in identified markets in the European region, which present a significant growth opportunity.

### Approved by the Board on 2nd May, 2022 and signed on behalf of the Board by

S. Singh Director	S. Sivakumar Vice Chairman	ITC Infotech Limited Building 5, Caldecotte Lake Drive, Caldecotte, Milton Keynes, Buckinghamshire MK7 8LF
----------------------	-------------------------------	--

## Directors' Report

Your Directors present their Report together with the Audited Financial Statements for the year ended 31st March, 2022.

The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India. The Company has foreign branches in Singapore and Czech Republic. Details of the future outlook for the Company can be found in the Strategic Report which forms part of this Report.

### Principal activities

The Company is engaged in providing information technology services to enterprise clients.

### Financial risk management objectives and policies

The objective of financial risk management is to protect the value of the Company's financial assets against possible erosion due to adverse materialisation of risks related to credit, liquidity, and foreign currency exposures.

The existence of financial assets exposes the Company to a number of financial risks. The main risks are market risk due to currency risk, credit risk and liquidity risk.

#### a) Market risk - currency risk

The Company is exposed to translation and transaction foreign exchange risks. While the Company makes payments, mostly in GBP to its major supplier(s), 20% (2021: 19%) of its sales in the year under review were in US dollars and 16% (2021: 8%) in Euro. The Company has bank accounts in multiple currencies. The Company reviews its foreign exchange management processes on a regular basis and ensures that fund flow position is maintained in a manner to minimize the impact of foreign exchange fluctuations.

#### b) Credit risk

The Company's principal financial assets are cash and trade debtors. The Company has robust processes to assess customer credit worthiness and consequently there are no significant risks on this count.

#### c) Liquidity risk

The Company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

### Directors

The Directors in office at the end of the year are listed below. All the Directors served on the Board throughout the year. The Directors did not have any interest in the shares of the Company during the year and to the date of signing this report as indicated below:

	Ordinary Shares
S. Puri	-
S. Sivakumar	-
B. B. Chatterjee	-
S. Singh	-
R. Tandon	-

Messrs. S. Sivakumar and B. B. Chatterjee, Directors, will retire by rotation at the next Annual General Meeting.

Mr. Chatterjee has informed that he would not like to offer himself for re-election at the next Annual General Meeting. The Board has recommended that the vacancy that will be so caused be not filled up.

Mr. Sivakumar, being eligible, has offered himself for re-election. The Board has recommended re-election of

Mr. Sivakumar as a Director of the Company at the next Annual General Meeting.

## Equal Opportunities for Employees

The Company believes that people are our most valuable asset and will give our business a distinct competitive advantage. Our people strategies are designed to enable our employees to enhance their professional skills and actualise their potential. The Company is committed to building a work culture that will enable people to derive the maximum professional satisfaction and help them harness their potential in achieving individual and organisational goals.

The Company strives to give full and fair consideration to applications for employment made by differently abled persons, having regard to their particular aptitudes and abilities, and extends full support during their employment by providing, inter alia, appropriate training and opportunities for career development.

The Company is an equal opportunity employer and all positions within the Company are open to all regardless of sex, race, religion, colour or marital status. This also covers opportunities for promotion within ITC Infotech. The Company continues to be guided by its values of Customer focus, Respect for People, Excellence, Abounding Innovation, Trusteeship and Ethical Corporate Citizenship.

## Business Relationships

As stated in the Strategic Report, the Company is focussed on achieving growth through well defined offerings aligned to the theme of delivering Business Friendly Solutions to select industry verticals. Strengthening alliances with a select set of Software Vendors will continue to be an important focus area of the Company, while forming and nurturing new partnerships with emerging, future ready Software Vendors.

## Impact of COVID-19 and Going Concern

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of trade receivables, contract assets-unbilled revenues etc., and on the Going Concern status of the Company.

### Carrying value of assets

For this purpose, the Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts etc. The Company has also performed sensitivity analysis on the assumptions used, and based on current estimates, does not expect any material impact on such carrying values for a period of 12 months from the date of signing the financial statements.

### Going Concern

For its day-to-day working capital requirements, the Company uses its cash reserves, when required. In this context, the key factors considered in assessing the going concern status of the Company are:

1. The transfer pricing arrangements with its parent company, whereby the Company will earn a minimum return on relevant costs.
2. The results of the forecasts and projections prepared by the Company for its business plan for FY 2022-23 which, taking into account reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves.
3. The Company's FY 2021-22 collections from customers have remained robust which is evident in reduction in Trade Receivables (£6.12 million as at 31st March, 2021 to £5.17 million as at 31st March, 2022) and contract assets-unbilled revenue accrual (£3.93 million as at 31st March, 2021 to £2.35 million as at 31st March, 2022).

Based on the above, the Directors are confident that the business plan projections support their reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

## Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards

(IFRSs) as adopted by the U.K. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors, whose names are listed in Directors' Report confirm that, to the best of their knowledge:

- the company financial statements, which have been prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that it faces.

## Disclosure of Information to Auditor

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

## Independent Auditor

Messrs. Deloitte LLP, UK, Reg. no. OC303675 (Deloitte LLP), Auditors, complete their term of appointment at the conclusion of the next Annual General Meeting of the Company and offer themselves for re-appointment, in accordance with the provisions of Section 485 of the Companies Act 2006.

The Board has recommended for the approval of the Members, the appointment of Deloitte LLP to conduct the audit of the Financial Statements of the Company for the financial year 2022-23.

Appropriate resolution seeking your approval in respect of the said appointment is included in the Notice convening the Annual General Meeting of the Company for the year ended 31st March, 2022.

## Approved by the Board on 2nd May, 2022 and signed on behalf of the Board by

S. Singh Director	S. Sivakumar Vice Chairman	ITC Infotech Limited Building 5, Caldecotte Lake Drive, Caldecotte, Milton Keynes, Buckinghamshire MK7 8LF
----------------------	-------------------------------	--

Independent auditors' report to the members of ITC Infotech Limited**Report on the audit of the financial statements****Opinion**

In our opinion the financial statements of ITC Infotech Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation etc; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for in the following area, and our specific procedures performed to address are described below:

Cut off for revenues and occurrence for unbilled revenues has been pinpointed as the potential risk in fraud. Unbilled revenues is billed from the approval of timesheets by the end customer for revenues generated on a Time and Materials basis, capturing the data and agreeing across ledgers to ensure these revenues are included within the correct time period requires manual adjustments and so may be subject to errors. Our procedures have tested unbilled revenues against customer approvals and ensured the occurrence of revenue is correct, our procedures also tested timesheet allocations around the year end and check it had been allocated to the correct accounting period.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

**Report on other legal and regulatory requirements****Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's

members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chris Wademan FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Newcastle, U.K.

6th May 2022

#### Income Statement

		Year ended March 31,			
		2022	2022	2021	2021
		£	₹	£	₹
			Unaudited		Unaudited
Revenue					
-Sale of Services		39,693,829	3,947,749,769	48,310,856	4,867,439,539
-Resale of Software/Hardware		273,856	27,236,332	493,845	49,756,090
-Other Revenue		52,668	5,238,130	-	-
<b>Total Revenue</b>	<b>13</b>	<b>40,020,353</b>	<b>3,980,224,231</b>	<b>48,804,701</b>	<b>4,917,195,629</b>
Cost of sales	14	(35,597,912)	(3,540,390,316)	(42,681,736)	(4,300,291,633)
<b>Gross profit</b>		<b>4,422,441</b>	<b>439,833,915</b>	<b>6,122,965</b>	<b>616,903,996</b>
Selling, general and administrative expenses	14	(3,645,870)	(362,599,991)	(4,366,256)	(439,911,217)
<b>Operating Profit</b>		<b>776,571</b>	<b>77,233,924</b>	<b>1,756,709</b>	<b>176,992,779</b>
Foreign exchange gain/(loss)		115,003	11,437,613	(644,660)	(64,951,126)
Finance and other income	16	3,517	349,807	939	94,631
<b>Profit before income tax</b>		<b>895,091</b>	<b>89,021,344</b>	<b>1,112,988</b>	<b>112,136,284</b>
Income tax expense	11	(107,773)	(10,718,583)	(211,266)	(21,285,581)
<b>Profit for the year</b>		<b>787,318</b>	<b>78,302,761</b>	<b>901,722</b>	<b>90,850,703</b>

All the above results relate to continuing activities.

There are no recognised gains or losses in the current and prior year other than as included in the income statement. Accordingly, no statement of comprehensive income is presented.

The accompanying notes on pages 111 to 121 form an integral part of these financial statements.

## Statement of Financial Position

Company Reg No - 02777705

	Note	As at 31 March 2022 £	As at 31 March 2022 ₹ Unaudited	As at 31 March 2021 £	As at 31 March 2021 ₹ Unaudited
<b>Assets</b>					
Property, plant and equipment	4	209,026	20,788,681	206,054	20,760,613
Other non-current assets	7	1,950	193,938	2,713	273,341
Non current - Contract asset	18	982,691	97,733,543	-	-
Right-of-Use Asset	17	137,542	13,679,209	216,137	21,776,356
<b>Total non-current assets</b>		<b>1,331,209</b>	<b>132,395,371</b>	<b>424,904</b>	<b>42,810,310</b>
Current tax asset		-	-	28,496	2,871,043
Trade receivables	5	5,171,013	514,283,098	6,124,252	617,033,700
Contract assets-Unbilled revenue	5	2,347,127	233,433,516	3,928,525	395,808,715
Other current assets	7	103,892	10,332,579	103,602	10,438,072
Cash and cash equivalents	6	4,391,602	436,766,777	2,548,754	256,793,337
Current - Contract asset	18	146,912	14,611,111	-	-
<b>Total current assets</b>		<b>12,160,546</b>	<b>1,209,427,080</b>	<b>12,733,629</b>	<b>1,282,944,867</b>
<b>Total assets</b>		<b>13,491,755</b>	<b>1,341,822,451</b>	<b>13,158,533</b>	<b>1,325,755,177</b>
<b>Equity</b>					
Share capital	12	685,815	68,207,731	685,815	69,097,576
Retained earnings		6,676,249	663,986,281	5,888,930	593,324,439
Equity attributable to owners of the company		7,362,064	732,194,012	6,574,745	662,422,015
<b>Total equity</b>		<b>7,362,064</b>	<b>732,194,012</b>	<b>6,574,745</b>	<b>662,422,015</b>
Non current - Lease liability	17	64,899	6,454,530	149,932	15,106,047
Non current - Contract liability	18	572,886	56,976,348	-	-
Deferred income tax liability	11	47,425	4,716,693	29,461	2,968,269
<b>Total Non current liabilities</b>		<b>685,210</b>	<b>68,147,571</b>	<b>179,393</b>	<b>18,074,316</b>
Trade payables and accrued expenses	8	3,985,600	396,388,047	3,324,244	334,925,948
Unearned revenue		78,005	7,757,960	138,143	13,918,253
Current tax liability		1,625	161,453	-	-
Current - Lease liability	17	85,836	8,536,819	84,153	8,478,588
Current - Contract liability	18	283,768	28,222,146	-	-
Other current liabilities	9	1,009,647	100,414,442	2,857,855	287,936,056
<b>Total current liabilities</b>		<b>5,444,481</b>	<b>541,480,867</b>	<b>6,404,395</b>	<b>645,258,846</b>
<b>Total liabilities</b>		<b>6,129,691</b>	<b>609,628,438</b>	<b>6,583,788</b>	<b>663,333,162</b>
<b>Total equity and liabilities</b>		<b>13,491,755</b>	<b>1,341,822,451</b>	<b>13,158,533</b>	<b>1,325,755,177</b>

These financial statements on pages 108 to 121 were approved by the directors on 2nd May, 2022 and are signed on their behalf by:

Anindya Roy  
President

Karan Shukla  
Financial Controller

S. Singh  
Director

S. Sivakumar  
Vice Chairman

The accompanying notes on pages 111 to 121 form an integral part of these financial statements.

## Statement of Changes in Equity for the year ended 31st March, 2022

	No. of Shares Note	Share Capital		Retained Earnings		Total equity	
		£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited
Balance as at April 1, 2020	685,815	685,815	69,097,576	5,844,478	588,845,731	6,530,293	6,579,43,307
Profit for the year	-	-	-	901,722	90,850,703	901,722	908,50,703
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>901,722</b>	<b>90,850,703</b>	<b>901,722</b>	<b>908,50,703</b>
Transactions with owners in their capacity as owners:							
Cash dividend paid	-	-	-	(857,269)	(86,371,995)	(857,269)	(863,71,995)
	-	-	-	(857,269)	(86,371,995)	(857,269)	(863,71,995)
Balance as at March 31, 2021	685,815	685,815	69,097,576	5,888,931	593,324,439	6,574,746	6,624,22,015
Balance as at April 1, 2021	685,815	685,815	68,207,731	5,888,931	585,683,520	6,574,746	6,538,91,251
Profit for the year	-	-	-	787,318	78,302,761	787,318	783,02,761
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>787,318</b>	<b>78,302,761</b>	<b>787,318</b>	<b>783,02,761</b>
Transactions with owners in their capacity as owners:							
Cash dividend paid	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>685,815</b>	<b>685,815</b>	<b>68,207,731</b>	<b>6,676,249</b>	<b>663,986,281</b>	<b>7,362,064</b>	<b>7,321,94,012</b>

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at 31st March of the respective financial year. The accompanying notes on pages 111 to 121 form an integral part of these financial statements.

## Statement of Cash Flows

	Note	Year ended March 31,			
		2022 £	2022 ₹ Unaudited	2021 £	2021 ₹ Unaudited
<b>Cash flows from operating activities</b>					
<b>Profit for the year</b>		<b>787,318</b>	<b>78,302,761</b>	901,722	90,850,703
Adjustment for:					
Depreciation	4	63,644	6,329,714	53,620	5,402,311
Loss on disposal of asset		63	6,300	-	-
ROU Depreciation	17	78,596	7,816,716	78,596	7,918,675
Interest on Lease Liability	17	3,904	388,268	5,553	559,587
Interest income	16	(3,517)	(349,807)	(939)	(94,632)
Income tax expense	11	107,773	10,718,583	211,266	21,285,581
<i>Changes in operating assets and liabilities</i>					
Trade receivables		953,240	94,804,455	1,609,914	162,202,821
Contract Assets-Unbilled revenues		1,581,398	157,277,927	1,179,311	118,818,523
Contract Asset	18	(1,129,603)	(112,344,696)	-	-
Contract Liability	18	856,653	85,198,424	-	-
Other assets		474	47,064	49,707	5,008,152
Trade payables and accrued expenses		661,354	65,774,999	(3,098,409)	(312,172,420)
Unearned revenues		(60,138)	(5,980,988)	(264,328)	(26,631,750)
Other liabilities		(1,848,208)	(183,813,513)	674,674	67,975,083
<b>Net cash provided by operating activities before taxes</b>		<b>2,052,951</b>	<b>204,176,207</b>	<b>1,400,687</b>	<b>141,122,634</b>
Income tax paid (net)		(59,688)	(5,936,310)	(217,077)	(21,871,092)
<b>Net cash generated from operating activities</b>		<b>1,993,263</b>	<b>198,239,897</b>	<b>1,183,610</b>	<b>119,251,542</b>
<b>Cash flows from investing activities</b>					
Purchases of property, plant and equipment	4	(66,679)	(6,631,560)	(11,892)	(1,198,110)
Interest received	16	3,517	349,807	939	94,632
<b>Net cash used in investing activities</b>		<b>(63,162)</b>	<b>(6,281,753)</b>	<b>(10,953)</b>	<b>(1,103,478)</b>
<b>Cash flows from financing activities</b>					
Lease Liability Payment		(87,253)	(8,677,697)	(85,057)	(8,569,644)
Dividends paid to the parent company		-	-	(857,269)	(86,371,995)
<b>Net cash used in financing activities</b>		<b>(87,253)</b>	<b>(8,677,697)</b>	<b>(942,326)</b>	<b>(94,941,639)</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,842,848</b>	<b>183,280,447</b>	230,331	23,206,425
Cash and cash equivalents at beginning of the year	6	2,548,754	253,486,329	2,318,423	233,586,913
<b>Cash and cash equivalents at end of the year</b>	<b>6</b>	<b>4,391,602</b>	<b>436,766,776</b>	<b>2,548,754</b>	<b>256,793,337</b>

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

The accompanying notes on pages 111 to 121 form an integral part of these financial statements.

## Notes to the financial statements

### Supplementary information - Indian Rupee amounts

The financial statements of ITC Infotech Limited are prepared in accordance with International Financial Reporting Standards and are presented in GBP. The supplementary information (comprising the pro-forma financial information disclosed in Indian Rupees) requested by the parent company has been arrived at by applying the year end interbank exchange rate of £1 = ₹99.46(2021: £1 = ₹100.75) as provided by the parent company. The supplementary information has not been audited.

#### 1. Company overview

The Company is engaged in providing information technology services to enterprise clients.

The Company is a private limited company incorporated and registered in England and Wales and has its registered office at Building 5, Caldecotte Lake Drive, Caldecotte, Milton Keynes, Buckinghamshire, England, United Kingdom, MK7 8LF.

#### 2. Basis of preparation of financial statements

##### (a) Statement of compliance

These financial statements as at and for the year ended March 31, 2022 have been prepared in accordance with the Companies Act 2006 as applicable to companies using International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee (IFRS IC).

##### (b) Basis of measurement

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable IFRS. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

##### (c) Impact of COVID-19 & Going Concern

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of trade receivables, contract assets-unbilled revenues etc., and on the Going Concern status of the Company.

#### Carrying value of assets

For this purpose, the Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts etc. The Company has also performed sensitivity analysis on the assumptions used, and based on current estimates, does not expect any material impact on such carrying values for a period of 12 months from the date of signing the financial statements.

#### Going Concern

For its day-to-day working capital requirements, the Company uses its cash reserves, when required. In this context, the key factors considered in assessing the going concern status of the Company are:

1. The transfer pricing arrangements with its parent company, whereby the Company will earn a minimum return on relevant costs.
2. The results of the forecasts and projections prepared by the Company for its business plan for FY 2022-23 which, taking into account reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves.
3. The Company's FY 2021-22 collections from customers have remained robust which is evident in reduction in Trade Receivables (£6.12 million as at 31st March 2021 to £5.17 million as at 31st March 2022) and contract assets-unbilled revenue accrual (£3.93 million as at 31st March 2021 to £2.35 million as at 31st March 2022).

Based on the above, the Directors are confident that the business plan projections support their reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of trade receivables, contract assets-unbilled revenues etc, and on the Going Concern status of the Company.

##### (d) Functional and presentation currency

The financial statements are presented in British pound, which is the functional currency of the company which is the currency of the primary economic environment in which the entity operates.

##### (e) Use of estimates

There are no judgments other than the estimates involving judgments as stated below. The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Revenue recognition:* The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the year in which the loss becomes probable. Due to the nature of the contracts under unbilled revenue, it is not feasible to prepare a sensitivity analysis. Contract assets-unbilled revenues represent amounts recognised based on services performed in advance of billing in accordance with contract terms. The Company recognises contract assets-unbilled revenues based on underlying contractual documents for services rendered, further evidenced by timesheet approval where applicable.
- Other estimates:* The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities and the reported amount of revenues and expenses for the reporting period. None of these are deemed significant enough to warrant further disclosure.

## Notes to the financial statements (Contd.)

### 3. Significant accounting policies

#### Financial instruments

Non-derivative financial instruments of the Company comprise of trade and other receivables and trade and other liabilities.

There are no derivative financial instruments.

The classification of financial instruments depends on the purpose for which those were acquired. Management determines the classification of its financial instruments at initial recognition.

#### (i) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Trade and other receivables are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Credit is extended to customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on risk assessment, which are conducted regularly and considers all aspects with respect to debts such as invoice ageing, credit information, etc. The Company writes off a financial asset when there is no probability of recovery of the debt, any recoveries made post write off are recognised in the profit & loss account.

In calculating expected credit loss, in view of the pandemic relating to COVID -19, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default (i.e., no longer recoverable) in future and has taken into account estimates of possible effect from the COVID - 19 scenario. Refer to note 5 for values of Trade Receivables and provisions.

Trade and other receivables are represented by trade receivables, contract assets-unbilled revenue, employee loans and other advances.

#### (ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which are unrestricted for withdrawal and usage.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

#### (iii) Trade and other payables

Trade and other payables are presented as current liabilities, except for those maturing later than 12 months after the reporting date which are presented as non-current liabilities. Trade and other payables are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest method.

#### (iv) Contract assets and liabilities

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with IFRS 15. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

#### Revenue

Revenue is recognised at fair value of amounts received or receivable for products delivered and services rendered and is net of discounts, and excludes amounts collected on behalf of third parties, such as value added tax. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

#### a) Time and materials contracts

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed.

#### b) Fixed price contracts

Revenue is recognised from services performed on "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

#### c) Amounts received or billed in advance of services performed are treated as 'unearned revenue' (contract liability).

#### d) 'Unbilled revenue' (contract asset) represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

#### e) Revenue is recognised from trading in software packages / licenses / hardware upon delivery to customer.

#### Property, plant and equipment

All fixed assets are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. Deposits and advances paid towards the acquisition of fixed assets outstanding as of each reporting date and the cost of fixed assets not available for use before such date are disclosed under capital work- in-progress.

#### Depreciation

The Company depreciates fixed assets over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life or the related lease term.

During the year, the Company reviewed the useful life of its assets to align with usage of assets with changing times. This resulted in changes in the expected usage of Computer Equipment from 4 years to 3 years and Fixtures and Fitting from 4 years to 10 years. The effect of these changes resulted in reduction in depreciation expense by £5,223.

The estimated useful lives of assets for the current and comparative period of significant items of fixed assets are as follows:

Category	Useful life
Leasehold improvements	10 years
Fixtures & fittings	10 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

**Notes to the financial statements (Contd.)****Income tax**

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of income except to the extent it relates to items directly recognised in equity or in other comprehensive income.

## a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period.

## b) Deferred income tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account except those gains and losses arising from the retranslation of the opening retained earnings in overseas branches are adjusted against the reserves.

**Employee Benefits**

The employer and employees each make periodic contributions to the pension fund equal to a specified percentage of the covered employee's salary. It is a defined contribution plan. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service.

**Leases****As a Lessee**

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

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 17. The total cash outflow for leases for the year is £163,583 (including payments in respect short-term leases of £76,330 and lease of low value of assets NIL).

The undiscounted potential future cash outflows of £392,648 have not been included in measurement of liabilities on exercising the extension/termination options.

**As a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**New Standards, interpretation and amendments not yet effective**

At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and, in some cases, had not yet been adopted by the IASB.

IFRS 17 (including the June 2020 Amendments to IFRS 17)	<i>Insurance Contracts</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to IFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to IAS 16	<i>Property, Plant and Equipment—Proceeds before Intended Use</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to IFRS Standards 2018-2020 Cycle	<i>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

## Notes to the financial statements (Contd.)

## 4. Property, plant and equipment

	Leasehold improvements		Computer equipment		Fixtures & fittings		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
<b>Gross carrying value:</b>								
As at 1 April 2020	147,829	14,894,141	134,215	13,522,497	56,224	5,664,709	338,268	34,081,504
Additions	-	-	11,056	1,113,931	836	84,179	11,892	1,198,110
Disposal	-	-	(9,967)	(1,004,180)	-	-	(9,967)	(1,004,180)
As at March 31, 2021	147,829	14,894,141	135,304	13,632,248	57,060	5,748,888	340,193	34,275,434
<b>Accumulated depreciation:</b>								
As at 1 April 2020	15,918	1,583,125	54,691	5,439,293	19,877	1,976,867	90,486	9,116,690
Depreciation	14,791	1,471,039	26,123	2,598,063	12,706	1,263,637	53,620	5,402,311
Disposal	-	-	(9,967)	(991,248)	-	-	(9,967)	(1,004,180)
As at March 31, 2021	30,709	3,054,164	70,847	7,046,108	32,583	3,240,504	134,139	13,514,821
Net carrying value as at March 31, 2021	117,120	11,839,977	64,457	6,586,140	24,477	2,508,384	206,054	20,760,613
<b>Gross carrying value:</b>								
As at 1 April 2021	147,829	14,702,333	135,304	13,456,690	57,060	5,674,853	340,193	33,833,876
Additions	-	-	66,679	6,631,560	-	-	66,679	6,631,560
Disposal	-	-	(1,682)	(167,283)	-	-	(1,682)	(167,283)
As at March 31, 2022	147,829	14,702,333	200,301	19,920,967	57,060	5,674,853	405,190	40,298,153
<b>Accumulated depreciation:</b>								
As at 1 April 2021	30,709	3,054,164	70,847	7,046,108	32,583	3,240,504	134,139	13,340,776
Depreciation	14,791	1,471,039	44,343	4,410,133	4,510	448,542	63,644	6,329,714
Disposal	-	-	(1,619)	(161,018)	-	-	(1,619)	(161,018)
As at March 31, 2022	45,500	4,525,203	113,571	11,295,223	37,093	3,689,046	196,164	19,509,472
Net carrying value as at March 31, 2022	102,329	10,177,130	86,730	8,625,744	19,967	1,985,807	209,026	20,788,681

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

## 5. Trade receivables

	As at 31 March 2022		As at 31 March 2021	
	£	₹	£	₹
	Unaudited		Unaudited	
Trade Receivables	5,171,013	514,283,098	6,124,252	617,033,700
Contract Assets-Unbilled Revenue				
- Time & Material	2,041,209	203,008,417	3,679,010	370,669,455
- Fixed Price contracts based on % Completion	305,918	30,425,099	249,515	25,139,260
<b>Total</b>	<b>7,518,140</b>	<b>747,716,614</b>	<b>10,052,777</b>	<b>1,012,842,415</b>

An expected credit loss provision of £159,359 (2021: £159,359) against Trade Receivables is included in the figures above. Contract assets-unbilled revenue receivables represent amounts recognised based on services performed in advance of billing in accordance with contract terms, (refer to note 2(e)(i) for further details):

- a) in a Time & Material Contract – Right to consideration from customer that is unconditional upon passage of time.  
b) in a Milestone Contract - Contractual right to consideration is dependent on completion of contractual milestones.

For receivables from group companies, please refer to Note 19.

## 6. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As at 31 March 2022		As at 31 March 2021	
	£	₹	£	₹
	Unaudited		Unaudited	
Cash at bank	4,391,602	436,766,777	2,548,754	256,793,337
<b>Cash and cash equivalents on statement of financial position</b>	<b>4,391,602</b>	<b>436,766,777</b>	<b>2,548,754</b>	<b>256,793,337</b>
<b>Cash and cash equivalents in the cash flow statement</b>	<b>4,391,602</b>	<b>436,766,777</b>	<b>2,548,754</b>	<b>256,793,337</b>

## 7. Other Assets

	As at 31 March 2022		As at 31 March 2021	
	£	₹	£	₹
	Unaudited		Unaudited	
<b>Non-current</b>				
Security deposits	100	9,946	463	46,648
Loans and Advances to employees	1,850	183,992	2,250	226,693
	1,950	193,938	2,713	273,341
<b>Current</b>				
Security deposits	7,352	731,193	-	-
Prepaid Expenses	42,484	4,225,246	54,603	5,501,389
Loans and Advances to Employees	52,580	5,229,344	47,523	4,787,972
Others	1,476	146,796	1,476	148,711
	103,892	10,332,579	103,602	10,438,072
<b>Total</b>	<b>105,842</b>	<b>10,526,517</b>	<b>106,315</b>	<b>10,711,413</b>

## Notes to the financial statements (Contd.)

## 8. Trade payables and accrued expenses

Trade payables and accrued expenses consist of the following:

	As at 31 March 2022 £	As at 31 March 2022 ₹ Unaudited	As at 31 March 2021 £	As at 31 March 2021 ₹ Unaudited
Trade payables	3,407,759	338,919,069	2,733,882	275,445,533
Accrued expenses	577,841	57,468,978	590,362	59,480,415
<b>Total</b>	<b>3,985,600</b>	<b>396,388,047</b>	<b>3,324,244</b>	<b>334,925,948</b>

For payables to group companies, please refer to Note 19.

## 9. Other current liabilities

	As at 31 March 2022 £	As at 31 March 2022 ₹ Unaudited	As at 31 March 2021 £	As at 31 March 2021 ₹ Unaudited
<b>Current</b>				
Employee and other liabilities	836,581	83,202,163	1,417,140	142,780,418
Statutory dues payable	173,066	17,212,279	1,440,715	145,155,638
<b>Total</b>	<b>1,009,647</b>	<b>100,414,442</b>	<b>2,857,855</b>	<b>287,936,056</b>

## 10. Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2022 is as follows:

	Trade and Other receivables		Financial liabilities measured at amortized cost		Total carrying amount		Fair value	
	£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited
<b>Assets:</b>								
Trade receivables	5,171,013	514,283,098	-	-	5,171,013	514,283,098	5,171,013	514,283,098
Contract Assets-Unbilled revenue	2,347,127	233,433,516	-	-	2,347,127	233,433,516	2,347,127	233,433,516
Cash and cash equivalents	4,391,602	436,766,777	-	-	4,391,602	436,766,777	4,391,602	436,766,777
Contract Asset	982,691	97,733,543	-	-	982,691	97,733,543	982,691	97,733,543
Other Assets	105,842	10,526,517	-	-	105,842	10,526,517	105,842	10,526,517
<b>Total assets</b>	<b>12,998,275</b>	<b>1,292,743,451</b>	<b>-</b>	<b>-</b>	<b>12,998,275</b>	<b>1,292,743,451</b>	<b>12,998,275</b>	<b>1,292,743,451</b>
<b>Liabilities:</b>								
Trade payables and accrued expenses	-	-	3,985,600	396,388,047	3,985,600	396,388,047	3,985,600	396,388,047
Contract Liability	-	-	572,886	56,976,348	572,886	56,976,348	572,886	56,976,348
Unearned revenue	-	-	78,005	7,757,960	78,005	7,757,960	78,005	7,757,960
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>4,636,491</b>	<b>461,122,355</b>	<b>4,636,491</b>	<b>461,122,355</b>	<b>4,636,491</b>	<b>461,122,355</b>

Revenue of 2021-22 includes an amount of £138,143(2021: £402,471) recognised as 'Unearned Revenue' in financial year2020-21.

The carrying value and fair value of financial instruments by categories as at March 31, 2021 are as follows:

	Trade and Other receivables		Financial liabilities measured at amortized cost		Total carrying amount		Fair value	
	£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited
<b>Assets:</b>								
Trade receivables	6,124,252	617,033,700	-	-	6,124,252	617,033,700	6,124,252	617,033,700
Contract Assets-Unbilled revenue	3,928,525	395,808,715	-	-	3,928,525	395,808,715	3,928,525	395,808,715
Cash and cash equivalents	2,548,754	256,793,337	-	-	2,548,754	256,793,337	2,548,754	256,793,337
Other Assets	106,315	10,711,413	-	-	106,315	10,711,413	106,315	10,711,413
<b>Total assets</b>	<b>12,707,846</b>	<b>1,280,347,165</b>	<b>-</b>	<b>-</b>	<b>12,707,846</b>	<b>1,280,347,165</b>	<b>12,707,846</b>	<b>1,280,347,165</b>
<b>Liabilities:</b>								
Trade payables and accrued expenses	-	-	3,324,244	334,925,949	3,324,244	334,925,949	3,324,244	334,925,949
Unearned revenue	-	-	138,143	13,918,253	138,143	13,918,253	138,143	13,918,253
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>3,462,387</b>	<b>348,844,202</b>	<b>3,462,387</b>	<b>348,844,202</b>	<b>3,462,387</b>	<b>348,844,202</b>

## Notes to the financial statements (Contd.)

## Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The objective of financial risk management is to protect the value of the Company's financial assets against possible erosion due to adverse materialisation of risks related to credit, liquidity, interest rate and foreign currency exposures.

## Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company's principal financial assets are cash and trade debtors. The Company has robust processes to assess customer credit worthiness and consequently there are no significant risks on this count. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of receivables.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	Year ended March 31,			
	2022	2022	2021	2021
	£	₹	£	₹
	Unaudited		Unaudited	
Revenue from top customer	16,443,174	1,635,355,900	25,255,808	2,544,585,811
Revenue from top 5 customers	27,985,495	2,783,297,409	36,977,754	3,725,601,168

There is no other class of financial assets that is past due but not impaired except for trade receivables. The company's credit period generally ranges from 30-120days (2020-21: 30-150 days). The age wise break up of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at	As at	As at	As at
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
	Unaudited		Unaudited	
Past due 0-30 days	324,536	32,276,728	1,300,474	131,026,037
Past due 30-60 days	642,656	63,915,352	113,368	11,422,094
Past due 60-90 days	26,289	2,614,572	43,875	4,420,520
Past due over 90 days	(33,897)	(3,371,226)	(102,753)	(10,352,622)
<b>Total past due and not impaired</b>	<b>959,584</b>	<b>95,435,426</b>	<b>1,354,964</b>	<b>136,516,029</b>

The allowance for impairment in respect of trade receivables for the year ended March 31, 2022 and March 31, 2021 was £159,359 and £159,359, respectively. The movement in the allowance for impairment in respect of trade receivables is as follows:

	For the year ended / As at			
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
	Unaudited		Unaudited	
Balance at the beginning of the year	159,359	15,849,049	159,359	16,055,818
Additions during the year	-	-	-	-
Received during the year	-	-	-	-
Written off during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>159,359</b>	<b>15,849,049</b>	<b>159,359</b>	<b>16,055,818</b>

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

## Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The cash position of the company is given below:

	As at	As at	As at	As at
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
	Unaudited		Unaudited	
Cash and cash equivalents	4,391,602	436,766,777	2,548,754	256,793,337
<b>Total</b>	<b>4,391,602</b>	<b>436,766,777</b>	<b>2,548,754</b>	<b>256,793,337</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021:

	As At 31st March 2022					
	Less than 1 year		1-2 years		2 years and above	
	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited	
Trade payables and accrued expenses	3,985,600	396,388,047	-	-	-	-
Other current liabilities	1,009,647	100,414,442	-	-	-	-
	<u>4,995,247</u>	<u>496,802,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	As At 31st March 2021					
	Less than 1 year		1-2 years		2 years and above	
	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited	
Trade payables and accrued expenses	3,324,244	334,925,948	-	-	-	-
Other current liabilities	2,857,855	287,936,056	-	-	-	-
	<u>6,182,100</u>	<u>622,862,004</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## Notes to the financial statements (Contd.)

## Market Risk- Foreign Currency risk

The Company is exposed to translation and transaction foreign exchange risks. While the Company makes payments, mostly in GBP, to its major suppliers, 20% (2021: 19%) of its sales in the year under review were in US dollars and 16% (2021: 8%) in Euro. The Company has bank accounts in multiple currencies and during the year under review it did not hold any hedging instruments. Foreign exchange management is, however, kept under regular review.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2022 and March 31, 2021.

## As at 31st March 2022

	EUR		USD		Other Currencies*		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
<b>Asset</b>								
Trade Receivables	1,428,076	142,029,313	2,328,938	231,624,542	153,291	15,245,513	3,910,305	388,899,368
Contract Assets-Unbilled Revenue	287,437	28,587,033	649,948	64,640,567	265,845	26,439,602	1,203,230	119,667,202
Contract Asset	-	-	982,691	97,733,562	-	-	982,691	97,733,562
Cash and cash equivalents	-	-	-	-	340,171	33,831,714	340,171	33,831,714
Other assets	-	-	-	-	(6,951)	(691,283)	(6,951)	(691,283)
<b>Liabilities</b>								
Trade payables and accrued expenses	1,122,234	111,611,788	1,761,564	175,196,356	55,907	5,560,194	2,939,705	292,368,338
Contract Liability	-	-	572,886	56,976,328	-	-	572,886	56,976,328
Unearned Sales	-	-	1,794	178,447	-	-	1,794	178,447
Other liabilities	-	-	-	-	10,084	1,002,917	10,084	1,002,917
<b>Net assets/liabilities</b>	<b>593,279</b>	<b>59,004,558</b>	<b>1,625,333</b>	<b>161,647,540</b>	<b>686,365</b>	<b>68,262,435</b>	<b>2,904,977</b>	<b>288,914,533</b>

## As at 31st March 2021

	EUR		USD		Other Currencies*		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
<b>Asset</b>								
Trade Receivables	1,527,223	153,871,544	2,556,296	257,553,239	143,184	14,426,144	4,226,703	425,850,927
Contract Assets-Unbilled Revenue	375,816	37,864,362	707,530	71,285,451	94,710	9,542,262	1,178,056	118,692,075
Cash and cash equivalents	150,304	15,143,538	420,712	42,387,798	192,814	19,426,480	763,830	76,957,816
Other assets	-	-	-	-	(13,678)	(1,378,095)	(13,678)	(1,378,095)
<b>Liabilities</b>								
Trade payables and accrued expenses	251,571	25,346,394	284,865	28,700,880	22,177	2,234,363	558,613	56,281,637
Unearned Sales	-	-	7,865	792,445	-	-	7,865	792,445
Other liabilities	-	-	-	-	6,745	679,583	6,745	679,583
<b>Net assets/liabilities</b>	<b>1,801,772</b>	<b>181,533,050</b>	<b>3,391,808</b>	<b>341,733,163</b>	<b>388,108</b>	<b>39,102,845</b>	<b>5,581,688</b>	<b>562,369,058</b>

\* Others include currencies such as Singapore- \$ (SGD), Czech Republic- Koruna (CZK), Switzerland- Franc (CHF), Turkey-Lira (TRY), Hungary- Forint (HUF)

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currencies of the Company.

For the year ended March 31, 2022 and 2021 respectively, every 1% appreciation/depreciation of the respective foreign currencies compared to functional currency of the Company would increase/ decrease operating margins by £29,050 and £55,817, respectively.

## 11. Income tax expense

A change to increase the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was announced in the UK Budget in March 2021 and enacted on 24 May 2021. This may have an impact on the Company's tax charge in future years. Income tax expense in the statement of income consists of:

	Year ended March 31,			
	2022	2022	2021	2021
	£	₹	£	₹
	Unaudited		Unaudited	
<b>Current taxes</b>				
UK Corporation tax on profits of the year	195,817	19,474,940	217,620	21,925,762
Adjustment in respect of previous years	(106,008)	(10,543,006)	(2,225)	(224,174)
<b>Total</b>	<b>89,809</b>	<b>8,931,934</b>	<b>215,395</b>	<b>21,701,588</b>
<b>Deferred taxes</b>				
Origination and reversal of timing differences	17,964	1,786,649	(4,129)	(416,007)
<b>Total</b>	<b>17,964</b>	<b>1,786,649</b>	<b>(4,129)</b>	<b>(416,007)</b>
<b>Grand Total</b>	<b>107,773</b>	<b>10,718,583</b>	<b>211,266</b>	<b>21,285,581</b>

**Notes to the financial statements (Contd.)**

The reconciliation between the provision of corporation tax of the Company and amounts computed by applying the standard rate of UK corporation tax to profit before taxes is as follows:

	Year ended March 31,			
	2022	2022	2021	2021
	£	₹	£	₹
		Unaudited		Unaudited
Profit before income tax	895,091	89,021,344	1,112,988	112,136,284
Profit multiplied by rate of tax	170,067	16,914,052	211,468	21,305,907
Expenses not deductible for tax purposes	24,983	2,484,618	3,481	350,751
Movement in capital allowances	767	76,270	7,619	767,618
Tax credit on employee share based payments	-	-	(4,948)	(498,514)
Adjustment in respect of previous years	(106,008)	(10,543,006)	(2,225)	(224,174)
Deferred tax	17,964	1,786,649	(4,129)	(416,007)
<b>Total tax expense</b>	<b>107,773</b>	<b>10,718,583</b>	<b>211,266</b>	<b>21,285,581</b>

The standard rates of UK corporation tax, for the year ended March 31, 2022 and March 31, 2021 are 19% and 19% respectively.

**Changes in tax rates and factors affecting the future tax charge**

The components of deferred tax liability are as follows:

	As at	As at	As at	As at
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
Property, Plant and Equipment	(50,168)	(4,989,480)	(37,002)	(3,728,011)
Provision	2,742	272,727	7,541	759,742
<b>Net deferred tax liability</b>	<b>(47,426)</b>	<b>(4,716,753)</b>	<b>(29,461)</b>	<b>(2,968,269)</b>

The deferred tax included in the Balance Sheet is as follows:

	As at	As at	As at	As at
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
Deferred tax liability	(47,425)	(4,716,693)	(29,461)	(2,968,269)
Balance brought forward	(29,461)	(2,930,044)	(33,590)	(3,384,276)
Profit and loss account movement arising during the year	(17,964)	(1,786,649)	4,129	416,007
<b>Total deferred tax liability</b>	<b>(47,425)</b>	<b>(4,716,693)</b>	<b>(29,461)</b>	<b>(2,968,269)</b>

For simplicity, the brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

**12. Equity***a) Share capital*

The company has only one class of equity shares. The authorized share capital of the Company is 1,629,700 (2021: 1,629,700) equity shares of £1 each. Par value of the equity shares is recorded as share capital and each equity share carries the same voting rights.

The Issued, subscribed and paid-up capital of the Company is 685,815 (2021: 685,815) equity shares of £1 each amounting to £685,815 (2021: £685,815).

All equity shares are held by ITC Infotech India Limited, the Holding Company. The company has only one class of shares referred to as equity shares having a par value of £1, rank pari passu in all respects including entitlement to dividend. No new equity shares have been issued during the year.

The Company declares and pays dividends in GBP/Euro/USD.

*b) Retained earnings*

Retained earnings comprises of the Company's prior years' undistributed earnings after taxes.

**Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

	As at	As at	As at	As at
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
Total equity attributable to the equity share holders of the company	7,362,064	732,194,012	6,574,746	662,422,015
As percentage of total capital	100%	100%	100%	100%
<b>Total capital</b>	<b>7,362,064</b>	<b>732,194,012</b>	<b>6,574,746</b>	<b>662,422,015</b>

The Company is equity financed which is evident from the capital structure table.

## Notes to the financial statements (Contd.)

## 13. Revenue

The Company derives revenue primarily from delivery of IT services. The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. An analysis of turnover is given below:

Country	Year ended March 31,			
	2022 £	2022 ₹	2021 £	2021 ₹
	Unaudited		Unaudited	
United Kingdom	33,124,840	3,294,430,962	40,543,633	4,084,872,384
Europe	5,740,680	570,939,329	7,201,543	725,573,461
Singapore	574,365	57,123,461	369,413	37,219,275
Others	580,468	57,730,479	690,112	69,530,509
<b>Total</b>	<b>40,020,353</b>	<b>3,980,224,231</b>	<b>48,804,701</b>	<b>4,917,195,629</b>

## 14. Expenses by nature

	Year ended March 31,			
	2022 £	2022 ₹	2021 £	2021 ₹
	Unaudited		Unaudited	
Employee benefits	14,120,595	1,404,363,774	18,353,632	1,849,174,324
Sub-contractor charges/Outsourced charges	23,420,910	2,329,326,568	26,968,330	2,717,126,636
Travel and conveyance	487,230	48,457,470	565,602	56,985,859
Sales & Marketing expenses	47,386	4,712,739	23,093	2,326,713
Staff welfare	122,749	12,207,963	164,598	16,583,675
Legal, Professional and Consultancy Expenses	258,427	25,701,827	248,784	25,065,624
Communication expenses	37,852	3,764,563	85,068	8,570,845
Lease rentals/charges	76,329	7,591,360	69,599	7,012,279
Recruitment	177,877	17,690,817	52,956	5,335,449
Audit Fees	54,155	5,385,949	73,202	7,375,320
Depreciation charges	142,240	14,146,450	132,215	13,320,957
Others	298,032	29,640,827	310,912	31,325,169
<b>Total cost of sales, selling, general and administrative expenses</b>	<b>39,243,782</b>	<b>3,902,990,307</b>	<b>47,047,991</b>	<b>4,740,202,850</b>

The total cost of sales, selling, general and administrative expenses in the table above includes £35,597,912 (2021:£42,681,736) towards cost of sales and £3,645,870 (2021: £4,366,256) towards selling, general and administrative expenses. No non-audit fee was paid to statutory auditor of the Company during the year. Depreciation charges above includes depreciation on Property, Plant and Equipment (refer Note 4) and depreciation on ROU assets (refer Note 17).

**Cost of Sales**

Cost of Sales primarily include employee compensation of personnel engaged in providing services, travel expenses, employee allowances, payroll related taxes, fees to external consultants engaged in providing services, communication costs and other project related expenses.

**Selling, general and administrative expenses**

Selling costs primarily include employee compensation for sales and marketing personnel, travel costs, advertising, business promotion expenses, allowances for delinquent receivables and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortization of non-production equipment and software, facility expenses for administrative offices, communication costs, fees to external consultants and other general expenses. All audit fees are for statutory audit services.

## 15. Employee benefits

The average monthly number of staff employed by the Company during the financial year amounted to :

By Activity	2022		2021	
	No	No	No	No
Delivery	171		253	
Marketing	11		12	
Administration	9		9	
	<b>191</b>		<b>274</b>	

Employee benefits include:

	Year ended March 31,			
	2022 £	2022 ₹	2021 £	2021 ₹
	Unaudited		Unaudited	
Wages and salaries	12,522,362	1,245,411,550	16,243,747	1,636,598,080
Social security costs	1,598,233	158,952,224	2,098,680	211,447,312
ESOS Cost	-	-	11,205	1,128,932
<b>Total</b>	<b>14,120,595</b>	<b>1,404,363,774</b>	<b>18,353,632</b>	<b>1,849,174,324</b>

An amount of £1,598,233 (2021:£2,098,681) has been recognised as an expense for the defined contribution plan.

The employee benefit cost is recognised in the following line items in the statement of income:

	Year ended March 31,			
	2022 £	2022 ₹	2021 £	2021 ₹
	Unaudited		Unaudited	
Cost of sales	11,410,408	1,134,822,168	14,730,530	1,484,137,751
Selling, general and administrative expenses	2,710,187	269,541,606	3,623,102	365,036,573
<b>Total</b>	<b>14,120,595</b>	<b>1,404,363,774</b>	<b>18,353,632</b>	<b>1,849,174,324</b>

## Notes to the financial statements (Contd.)

## 16. Finance and other income

	Year ended March 31,			
	2022	2022	2021	2021
	£	₹	£	₹
		Unaudited		Unaudited
Interest Income	3,517	349,807	185	18,664
Others	-	-	754	75,967
<b>Total</b>	<b>3,517</b>	<b>349,807</b>	<b>939</b>	<b>94,631</b>

## 17. Leases

In relation to leases under IFRS 16, the group has recognised depreciation and interest costs as per the table below.

## Right of Use Asset

	As at		As at	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
Right of Use Asset - Buildings	373,328	37,129,336	373,328	37,613,729
Less: Accumulated Depreciation	(235,786)	(23,450,127)	(157,191)	(15,837,373)
<b>Right of Use Asset Net</b>	<b>137,542</b>	<b>13,679,209</b>	<b>216,137</b>	<b>21,776,356</b>

	As at		As at	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
Lease Liability				
Opening Lease Liability	234,084	23,280,873	313,587	31,594,716
Add: Interest Cost on the Leases	3,904	388,268	5,553	559,587
Less: Lease Payments	(87,253)	(8,677,747)	(85,056)	(8,569,604)
<b>Closing Lease Liability</b>	<b>150,735</b>	<b>14,991,394</b>	<b>234,084</b>	<b>23,584,699</b>

The non-current portion of lease liability of £64,899 shall be paid in FY 2023-24.

## 18. Contract Asset and Contract Liability

	As at		As at	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
<b>Contract Asset</b>				
Opening Contract Asset	1,122,923	111,680,278	-	-
Less: Contract Charges	(12,389)	(1,232,131)	-	-
Add: Forex Reinstatement	19,069	1,896,507	-	-
<b>Closing Contract Asset</b>	<b>1,129,603</b>	<b>112,344,654</b>	<b>-</b>	<b>-</b>
- Current	146,912	14,611,111	-	-
- Non Current	982,691	97,733,543	-	-
	<b>1,129,603</b>	<b>112,344,654</b>	<b>-</b>	<b>-</b>

	As at		As at	
	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£	₹	£	₹
		Unaudited		Unaudited
<b>Contract Liability</b>				
Opening Contract Liability	1,122,923	111,680,278	-	-
Less: Payments	(283,768)	(28,222,146)	-	-
Add: Forex Reinstatement	17,499	1,740,362	-	-
<b>Closing Contract Liability</b>	<b>856,654</b>	<b>85,198,494</b>	<b>-</b>	<b>-</b>
- Current	283,768	28,222,146	-	-
- Non Current	572,886	56,976,348	-	-
	<b>856,654</b>	<b>85,198,494</b>	<b>-</b>	<b>-</b>

## 19. Related party relationships and transactions

## Name of related party

- Ultimate Parent Company:**  
ITC Limited, Virginia House, 37 J. L. Nehru Road, Kolkata – 700071, India
- Immediate Parent Company:**  
ITC Infotech India Limited, Virginia House, 37 J. L. Nehru Road, Kolkata – 700071, India
- Other Related Parties With Whom The Company Had Transactions.**  
**Subsidiaries of Immediate Parent Company:**  
ITC Infotech (USA), Inc.  
Indivate Inc.

Transactions with the above related parties during the year were:

	Holding Company				Fellow Subsidiaries			
	For the year ended / As at 31 March 2022	For the year ended / As at 31 March 2022	For the year ended / As at 31 March 2021	For the year ended / As at 31 March 2021	For the year ended / As at 31 March 2022	For the year ended / As at 31 March 2022	For the year ended / As at 31 March 2021	For the year ended / As at 31 March 2021
	£	₹	£	₹	£	₹	£	₹
		Unaudited		Unaudited		Unaudited		Unaudited
Sale of goods/Services	-	-	-	-	53,926	5,363,253	51,392	5,177,853
Expenses Recovered	42,833	4,259,971	29,586	2,980,913	-	-	-	-
Purchase of goods/Services	21,440,981	2,132,412,797	24,841,516	2,502,844,864	-	-	-	-
Balance as on 31st March								
Trade receivables	12,441	1,237,274	222,038	22,370,884	-	-	-	-
Trade payables	3,356,446	333,815,368	2,477,353	249,599,558	-	-	-	-

**Notes to the financial statements (Contd.)****Key Managerial Personnel:****Non-Executive Directors**

S. Puri	Chairman
S. Sivakumar	Vice Chairman
R. Tandon	Director
B. B. Chatterjee	Director
S. Singh	Director

**Others**

A. Roy	President (President Designate from 21st Dec 2020 - 31st March 2021)
H.S. Garewal	President (1st Apr 2020 - 23rd March 2021)

Transactions with key management personnel are as given below:

Key management personnel comprise directors and president of the Company. Particulars of compensation of the key management personnel during the year ended March 31, 2022, and March 31, 2021 have been detailed below:

	2022	Year ended March 31,		2021
	£	2022	2021	2021
		₹	£	₹
		Unaudited		Unaudited
<b>President:</b>				
Short term benefits	591,384	58,816,049	493,947	25,732,886

None of the directors received any emoluments for their services to the company, nor were any amounts recharged by or payable to any other organization or company for the directors' services to the company.

**20. Ultimate parent company and immediate parent company**

The immediate parent undertaking is ITC Infotech India Limited, with its registered office at 37 J. L. Nehru Road, Kolkata - 700071, India and is a wholly owned subsidiary of ITC Limited. This is the smallest group of undertakings for which consolidated financial statements are being drawn up including this company.

The ultimate parent undertaking and controlling related party is ITC Limited, which is incorporated in India. This is the largest group of undertakings for which consolidated financial statements are being drawn up including this company. Copies of ITC Limited consolidated financial statements can be obtained from the Company Secretary at 37 J. L. Nehru Road, Kolkata - 700071, India.