

Date: August 8, 2022

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001 BSE Scrip Code: 543451	To, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 NSE Scrip Symbol: AGSTRA
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Ref: Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Annual Report for the financial year 2021-22 and Notice convening the Nineteenth Annual General Meeting

Dear Sir/Madam,

This is further to our letter dated August 5, 2022, wherein we had informed that the Nineteenth Annual General Meeting of the Company would be held on Tuesday, August 30, 2022, at 11.00 a.m. (IST), through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached, the Annual Report of the Company for the financial year 2021-22 alongwith the Notice convening the 19th (Nineteenth) Annual General Meeting, which is being sent through email to the Members whose e-mail addresses are registered with the Company/ Depositories.

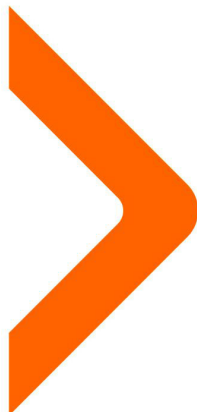
The Annual Report of the Company for the financial year 2021-22 along with the Notice of the Nineteenth Annual General Meeting is also available on the website of the Company at: www.agsindia.com

This intimation is being made available on the website of the Company at: www.agsindia.com.

Kindly take the above on record.

Thanking You,
Yours Sincerely,
For **AGS Transact Technologies Limited**

Sneha Kadam
Company Secretary
(Mem No: ACS 31215)
Place: Mumbai



AGS Transact Technologies Ltd.

www.agsindia.com

REGISTERED OFFICE

601 - 602, B-Wing, Trade World,
Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai - 400 013
Phone: +91-22-6781 2000
Fax: +91-22-2493 5384

CIN-L72200MH2002PLC138213

CORPORATE OFFICE

1401-A & 1402,
One International Centre,
Tower-3, 14th Floor, S.B. Marg,
Prabhadevi (W), Mumbai - 400 013
Phone: +91-22-7181 8181



**EXPLORING
OPPORTUNITIES**



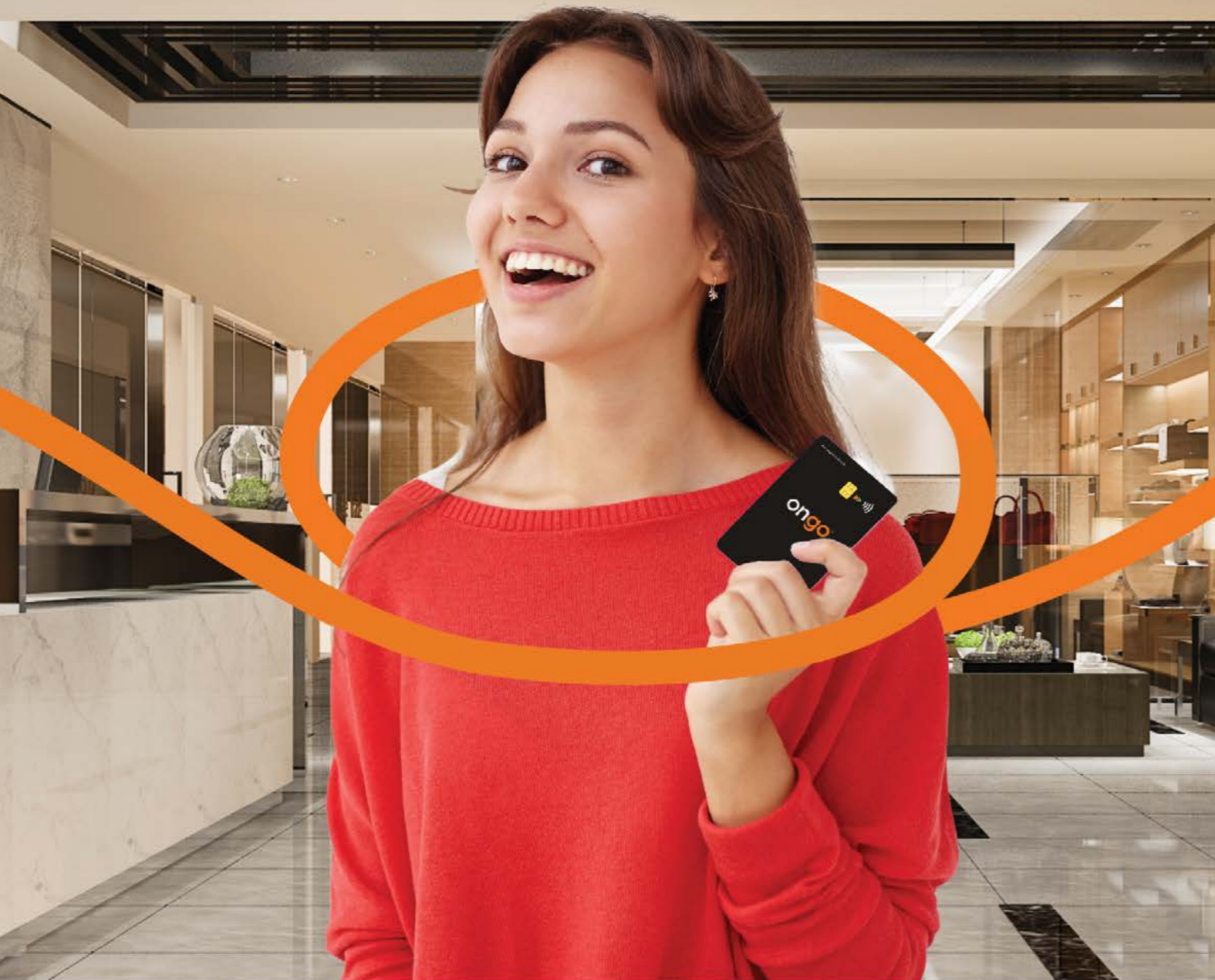
**EXPANDING
SCALE**



**ENABLING
GROWTH**

Presenting the new

onggo™



For everyone, everywhere

<https://onggo.co.in/>

Corporate Information

BOARD OF DIRECTORS

Mr. Ravi B. Goyal
Chairman and Managing Director

Mr. Sudip Bandyopadhyay
Independent Director

Mr. Subrata Kumar Mitra
Independent Director

Mr. Vijay Chugh
Independent Director

Mr. Rahul N. Bhagat
Independent Director

Mrs. Jhuma Guha
Additional Director
Independent, Non-Executive Director

Mrs. Anupama R. Goyal
Non-Executive Director

Mr. Stanley Johnson P.
Executive Director

Mr. Vinayak R. Goyal
Executive Director

CHIEF FINANCIAL OFFICER

Mr. Saurabh Lal

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Sneha Kadam

REGISTERED OFFICE

601-602, Trade World, B-Wing,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400013, Maharashtra.
Tel: +91-22-6781-2000

CORPORATE OFFICE

14th Floor, Tower 3,
One International Center,
Senapati Bapat Marg, Prabhadevi (West),
Mumbai - 400013, Maharashtra
Tel: +91-22-7181-8181

Website: www.agsindia.com

CIN: L72200MH2002PLC138213

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli West, Mumbai - 400083
Maharashtra, India
Tel: +91-22-4918-6200

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai - 400063, Maharashtra, India
Tel: +91-22-6257-1000

SECRETARIAL AUDITORS

Bhandari & Associates

Company Secretaries
901, Kamla Executive Park,
Off Andheri-Kurla Road, J.B. Nagar,
Andheri East, Mumbai - 400059
Tel: +91-22-4221-5300

BANKS/FINANCIAL INSTITUTIONS

State Bank of India
HDFC Bank Limited
IDFC First Bank Limited
Investec Bank Plc
Bajaj Finance Limited
Dhanlaxmi Bank Limited
SBM Bank (India) Limited
Federal Bank Limited
Citibank N.A.
Standard Chartered Bank
ICICI Bank Limited
Axis Bank Limited
SBI Global Factors Limited
Kotak Mahindra Bank Limited
Tata Motors Finance Limited
Yes Bank Limited
State Bank of India, Sri Lanka
Hatton National Bank, Sri Lanka

Table of Contents

CORPORATE OVERVIEW

Overview.....	03
The Year at a Glance.....	04
Corporate Snapshot.....	05
Key Performance Indicators (KPIs).....	07
Our Strengths.....	10
Our Infrastructure Facilities.....	11
Message from the Chairman and Managing Director.....	12
Board of Directors.....	14
Leadership Team.....	17
Future Strategy.....	19
Business Profile.....	21
Health and Safety.....	26

STATUTORY REPORTS

Directors' Report.....	27
Corporate Governance Report.....	41
Management Discussion and Analysis.....	70

FINANCIAL STATEMENTS

Standalone Financial Statements.....	77
Consolidated Financial Statements.....	159

AGM Notice.....	243
Abbreviations.....	269

According to the International Monetary Fund (IMF), India is the fastest-growing major economy globally. The government's encouraging schemes and sustained infrastructure investments are expected to have a domino effect on jobs and income – thus accelerating economic growth. As India marches ahead on a high growth trajectory, the payments sector will stand to benefit.

India is already at the forefront when it comes to innovation in digital payments across the globe. The number of acceptance points for digital payments has also increased by leaps and bounds across the country. The continued launch of innovative payment solutions, growing preference for contactless and faster payment modes, increasing smartphone penetration, and a strong push from the government and regulatory bodies towards the adoption of digital channels provide exciting prospects for the digital payments market in India.

As an established integrated omni-channel payment solutions provider, we, at AGS Transact Technologies Limited (AGSTTL), are actively focussed on capturing these opportunities. Our customer-driven portfolio, proven capabilities in developing customised and innovative solutions, long-standing relationships with customers, and strategic partnerships with

technology providers enables us to transform these opportunities into new revenue streams while expanding business scale. Moreover, our diversified product portfolio, customer base and revenue streams also offers compelling cross-selling opportunities for enabling growth.

We are:



EXPLORING OPPORTUNITIES.



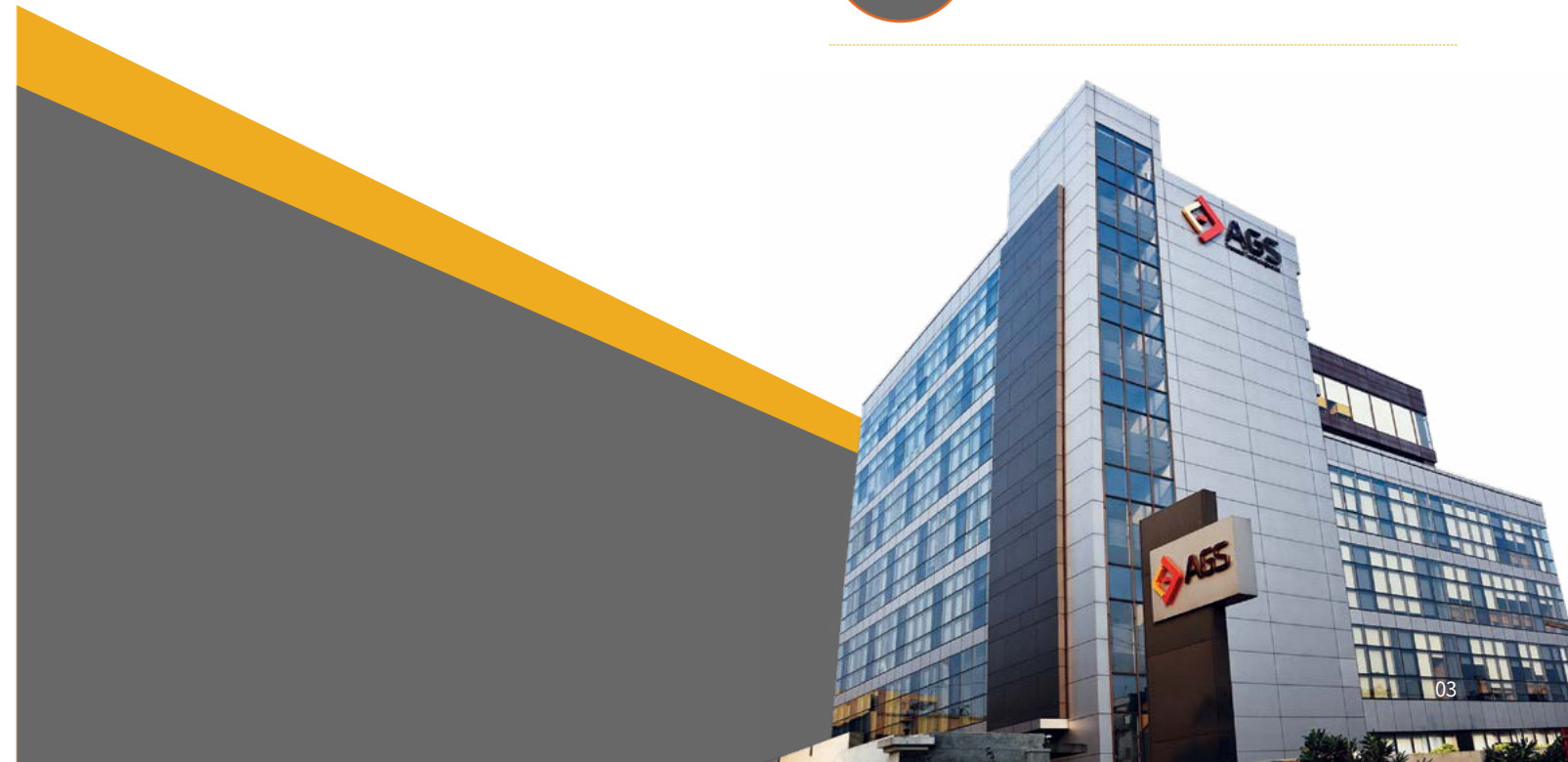
EXPANDING SCALE.



ENABLING GROWTH.



To get this report online and for any other information, log on to: www.agsindia.com



The Year at a Glance

Listed

on the Indian Stock Exchanges

~12,000

Employees

236,588

Merchant PoS² Installed

73,217

ATMs³ & CRMs⁴ under Managed/Service⁵

46,485

PoS Terminals at OMCs⁶

180 million

PoS Transactions

1,232 million

Switching Transactions for FY 22

~45,000

ATMs under Cash Management

₹ 291,711 million

Total Gross Transaction Value (GTV) on PoS

₹ 224,874 million

Total Gross Transaction Value (GTV) on PoS (OMC)

₹ 17,973 million

Total Income

₹ 4,790 million

Adjusted EBITDA⁷

Note: As of 31st March 2022

2. PoS stands for Point of Sale

3. ATM stands for Automated Teller Machine

4. CRM stands for Cash Recycler Machine

5. Includes installed, maintained or managed ATM

6. OMC stands for Oil Marketing Companies

7. After adjusting non-recurring and non-cash expenses, including impairment loss on trade receivables,

ESOP cost and forex loss for our Sri Lankan subsidiary due to the devaluation of the Sri Lankan currency.

Awards & Accolades



Corporate Snapshot

Established in 2002, AGS Transact Technologies Limited is one of the largest integrated omni-channel payment solutions providers in India. We provide customised products and services comprising ATM and CRM outsourcing, cash management and digital payment solutions including merchant solutions, transaction processing services and mobile wallets. Our solutions serve banks and corporate clients across diverse industries including retail, petroleum, e-commerce and fintech sectors. In addition to having a strong foothold in India, we are steadily growing our presence in Sri Lanka and Southeast Asian countries such as the Philippines, Indonesia, and Cambodia.



Our Leadership Position

One of the largest deployers* of PoS terminals at petroleum outlets in India.

The second-largest company* in India in terms of revenue from ATM managed services.

The second-largest company* in India in terms of revenue from cash management and number of ATMs replenished.



Our Business Segments

Payment Solutions



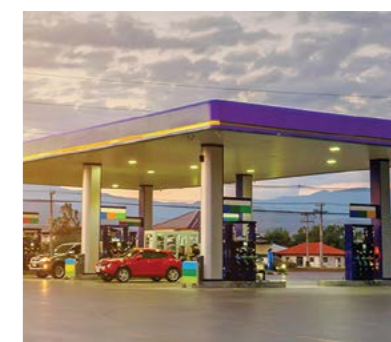
ATM and CRM outsourcing and managed services, Cash management services, Merchant & Digital payment solutions including Value-added services through Ongo, Toll and Transit solutions, Fastlane, Transaction switching services.

Banking Automation Solutions



Sale of ATMs and CRMs, currency technology products and self-service terminals, and related AMC services and upgrades.

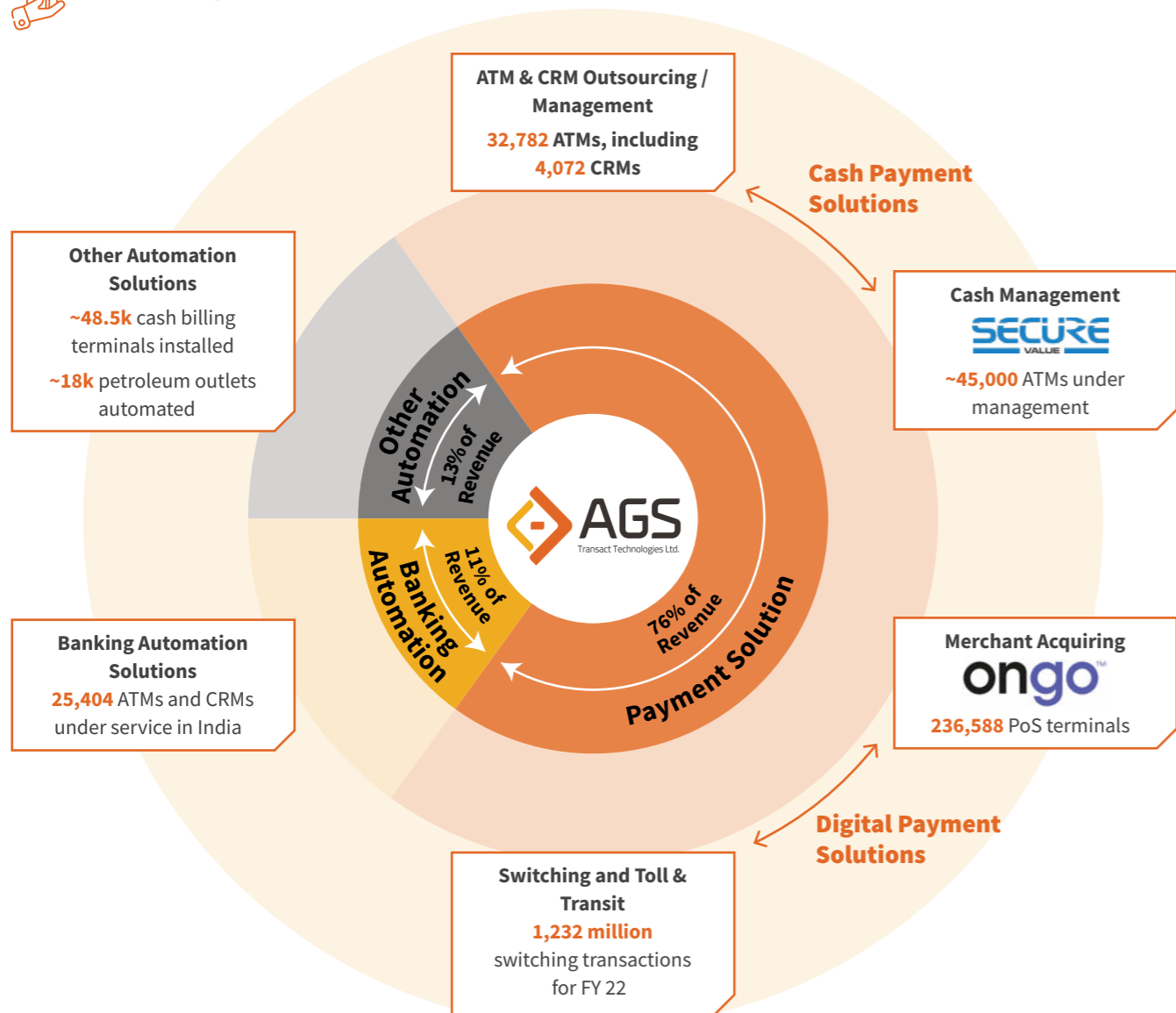
Other Automation Solutions



Sale of machines and related AMC services to customers in the retail, petroleum and colour sectors.

*Source: Ken Research

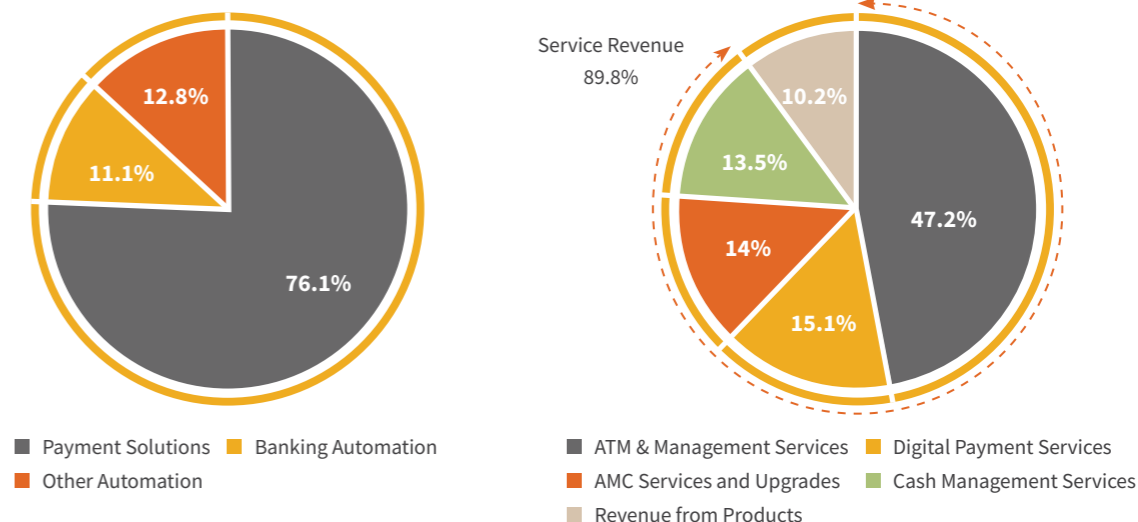
Business Segment Revenue Mix



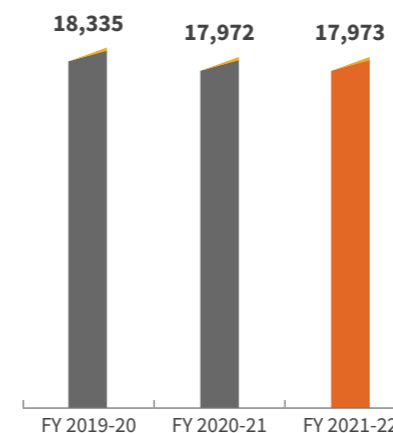
S.No.	Revenue Mix	% of Sales FY22
1.	Payment Solutions	76%
	i. Cash Payment Solutions	61%
	ii. Digital Payment Solutions	15%
2.	Banking Automation Solutions	11%
3.	Other Automation Solutions	13%
	Total	100%

Key Performance Indicators (KPIs)

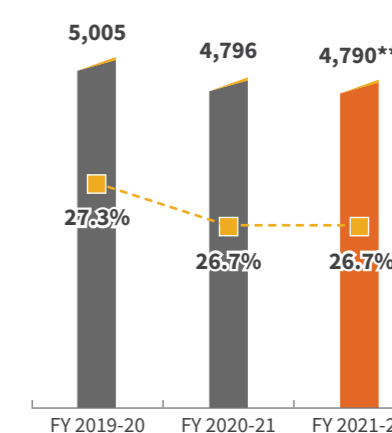
Breakdown of Revenue from Operations*



Total Income



Adjusted EBITDA & EBITDA Margin

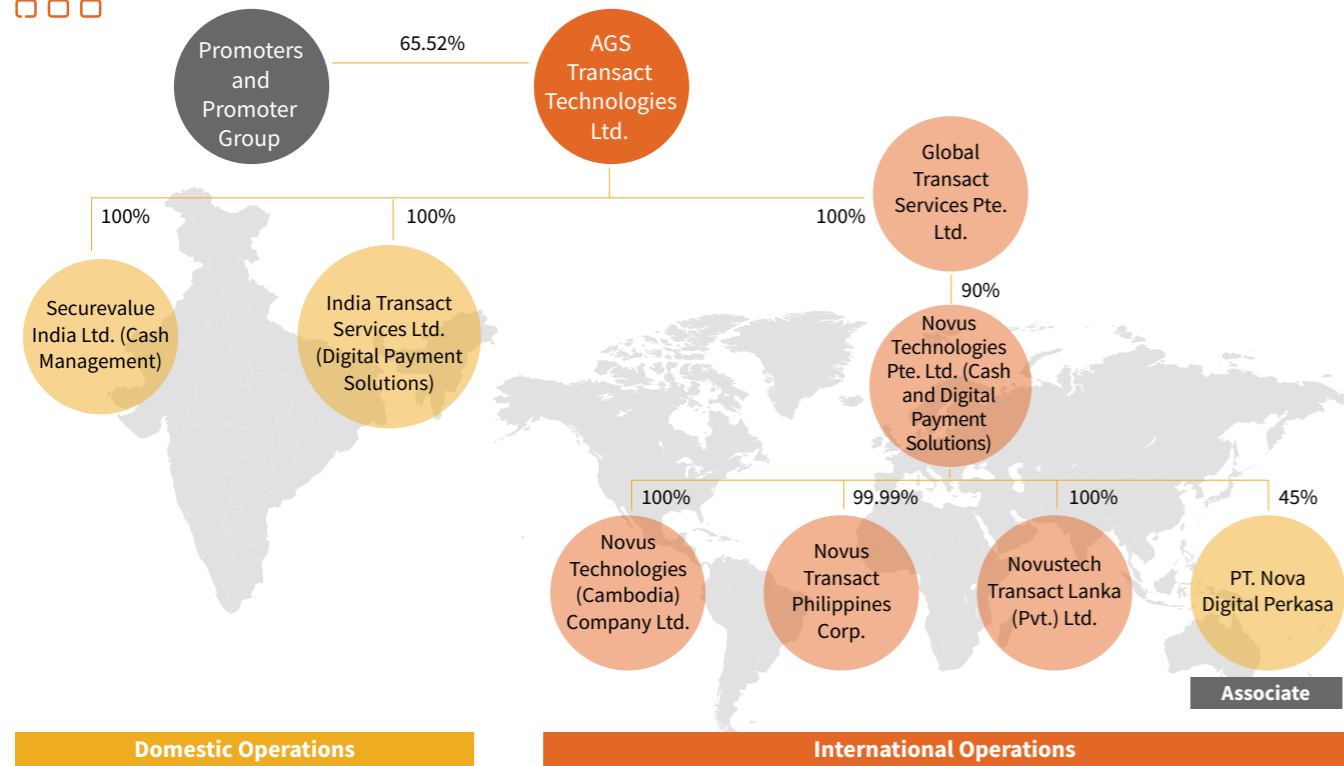


Adjusted EBITDA Bridge

	FY 2021-22	FY 2020-21	FY 2019-20
Reported EBITDA	4,363	4,768	4,955
ESOP	113	23	50
Impairment loss on trade receivables	247		
Expenses incurred for IPO	13		
Forex Loss due to devaluation of currency of Sri Lanka	54	5	
Adjusted EBITDA	4,790	4,796	5,005

*Amount in ₹ million; Certain figures have been rounded off to the nearest million (mn) with zero or one decimal
 **After adjusting non-recurring and non-cash expenses, including impairment loss on trade receivables, ESOP cost and forex loss for our Sri Lankan subsidiary due to the devaluation of the Sri Lankan currency.

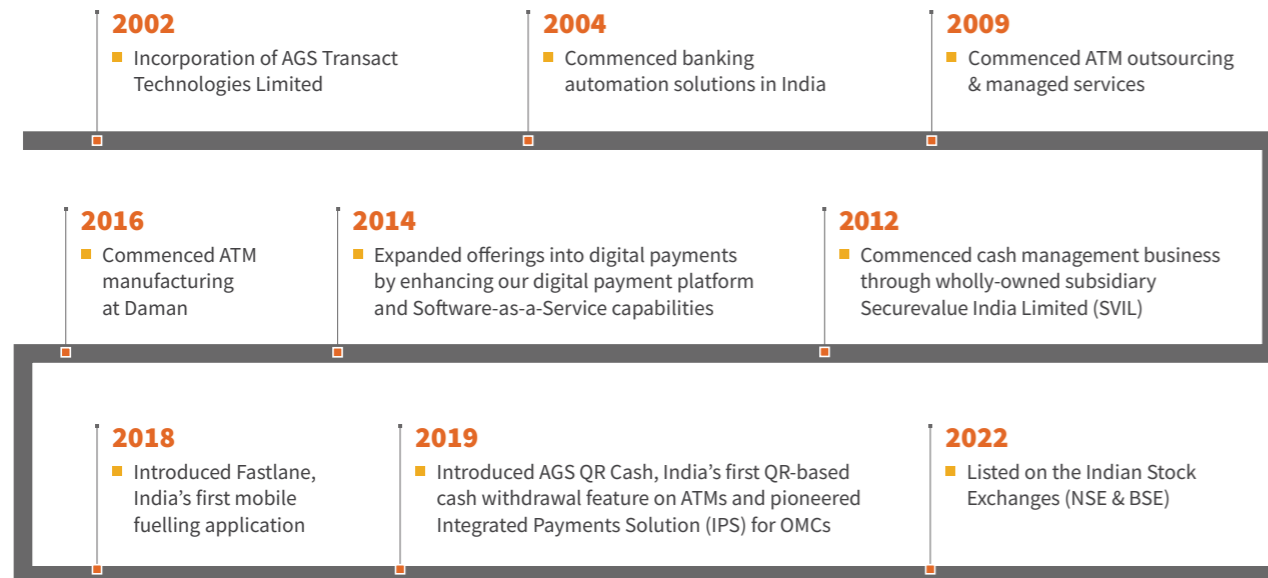
Corporate Structure



Domestic Operations
AGS Community Foundation – Subsidiary of AGSTTL

International Operations

Key Milestones



India Presence

Serving **465,000** machines or customer touch points

Covering **2,200** cities and towns

34 branch offices

425 vault and spoke locations



Map not to scale



Our Strengths



Integrated omni-channel payment solutions provider

We provide a comprehensive suite of integrated omni-channel payment solutions that help increase the speed, security and accuracy of cash as well as digital payment transactions. Our ability to provide services across the cash and digital value chain has made us the preferred partner of our customers. Further, our end-to-end capabilities and our wide operational network enable us to unlock operating efficiencies and synergy benefits.



Customised offerings

Our experience and expertise, coupled with our knowledge of the industries in which our customers operate, enable us to provide customised solutions. We also engage closely with customers to understand their evolving needs and develop relevant offerings. This is evidenced in our comprehensive suite of effective merchant solutions including closed-loop mobile wallets, applications and agency banking software, among others. Our ability to innovate and offer customised payment solutions has strengthened our relationships with customers and enables us to target a greater share of their payment-services-related requirements.



Experienced team at the helm

Our business vision is steered by a distinguished Board comprising industry stalwarts having a rich and extensive experience. The Board is committed to implementing industry best practices of corporate governance and achieving a high level of transparency, with a focus on investors' best interests and the maximisation of shareholder value. We also have a strong, experienced management/leadership team which has enabled us to establish long-standing relationships with our customers. This enables us to identify new opportunities and successfully execute our business strategies. Our distinct entrepreneurial structure, with each business division managed as an independent profit centre and led by a separate business head, has helped us to build an institution that stands for growth, respect and ownership.



In-house infrastructure and technology capabilities

Our robust in-house infrastructure and technological capabilities enable us to serve our customers efficiently and benefit from economies of scale. We are currently serving around 465,000 customer touch points covering around 2,200 cities and towns through our 34 branch offices, 425 vaults and spoke locations pan India. Our service infrastructure is a major business enabler and helps us drive productivity with one service team supporting multiple business units.

Our technological competence encompasses our back-end switching platform and our dedicated technology development team. Our back-end switching platform allows us to offer a comprehensive ATM outsourcing solution, process transactions on behalf of banks and institutions, drive our PoS network and issue prepaid instruments. Our in-house technological proficiency enables us to innovate and develop customised payment solutions.

Developing customised solutions with our expertise

Combining our extensive experience and knowledge of fuel retail automation with our deep understanding of the payment solutions business, we pioneered Integrated Payment Solution (IPS) for OMCs. This enabled us to provide a seamless experience to the petroleum retailer as well as to its customers by extending our offerings beyond payments.

Our Infrastructure Facilities



Tech-Support at AGS House

Our office premises, 'AGS House', in Mahape, Navi Mumbai, Maharashtra, covers a total built-up area of approximately 8,000 square metres. These premises house our technical support and operational teams, monitoring centres, software lab, and the related infrastructure.



AGS Innovation Centre

We have a 3,409 square feet state-of-the-art innovation centre at Mumbai, Maharashtra. The facility demonstrates our end-to-end capabilities of designing, installing and integrating the hardware and software solutions that we provide. It also houses prototypes and ready-for-market solutions.



Manufacturing and Assembly at Daman

We have a ~7,000 square metres facility at Daman, where we assemble, stage and conduct the testing of ATMs and other products. Our Daman facility has the capacity to manufacture up to 1,000 ATMs every month. It also acts as a warehousing facility for our ATMs.



Software Lab

We have a software lab in AGS House, Navi Mumbai for updates/upgrades and demos.



Control/Monitoring Centre

We have a 24x7 Call Centre in Airoli, Navi Mumbai for providing support to our customers. The facility is spread across an area of 26,938 square feet.



Testing and Repair Centre

We have an in-house testing and repair centre in Navi Mumbai, Maharashtra to support all our business sectors. The centre also houses our technology support which is operational round-the-clock to assist our customers.

Message from the Chairman and Managing Director



Dear Shareholders,

I am pleased to present to you our Annual Report, the first as a listed entity. At the outset, I warmly welcome the new shareholders to AGS Transact Technologies and express my thanks to the investor community for reposing their confidence in our business. This trust motivates us to work even harder and capitalise on the significant growth opportunities.

Economic review

Bouncing back from a contraction of 6.6% during FY 2020-21, India is estimated to have grown 8.7% during FY 2021-22. Supportive fiscal and monetary policies, continued infrastructure investment, and normalisation of economic activity with the success of the nationwide COVID-19 vaccination program aided the revival.

The pandemic impact, however, continued to be felt during the year. In the first quarter, when India witnessed the severe second wave of the pandemic, and in the fourth quarter, when COVID-19 infections again resurfaced with the Omicron variant, the GDP growth was affected. The remaining two quarters reported a strong economic performance supported by the easing of restrictions and buoyant festive demand.

Industry review

The Indian payment market has evolved to widespread adoption of multiple payment

products and systems like Prepaid Payment Instruments (PPIs), real-time payment system Unified Payments Interface (UPI), Quick Response (QR) code, Immediate Payment Service (IMPS), and Aadhaar-enabled Payment Service (AePS). At the same time, cash-based transactions continue to be the preferred mode of payment, despite the growth trajectory of digital payments.

During FY 2021-22, the Indian Payments Systems' growth mirrored the economic upturn, growing by 63.6%¹ in volume terms and 23.1% in value terms. The digital payments industry grew by 33% during the year, with the total number of digital transactions being 7,422² crore, up from 5,554 crore in FY 2020-21. India continues to lead the global markets in terms of digital payments since 2019. Around 2,550 crore real-time payment transactions were recorded by India during the year under review, followed by China (1,570 crore) and South Korea (600³ crore). Further, the number of Automated Teller Machines (ATMs) also increased to 2.48 lakh in 2021-22 from 2.39 lakh in the previous year⁴.

Financial performance

Our Company recorded a steady performance for FY 2021-22 with total revenue of ₹ 17,973 million, levels similar to the previous year. Our total income in the first nine months grew by 12%; however, the Omicron-led disruptions dampened the ATM outsourcing revenues in the fourth quarter, pulling down our full-year growth.

Adjusted EBITDA stood at ₹ 4,790 million for FY 2021-22 as against ₹ 4,796 million for FY 2020-21.

Our EBITDA performance was impacted by certain non-recurring and non-cash expenses, including impairment loss on trade receivables, ESOP cost and forex loss for our Sri Lankan subsidiary due to the devaluation of the Sri Lankan currency.

AGS Transact Technologies redeemed outstanding non-convertible debentures (NCDs) worth ₹ 5,500 million, which was part of the Objects of the Offer. The one-off finance cost related to the NCDs, along with the other non-recurring expenses incurred during the year, impacted our profitability. After repayment of our NCDs, we expect to record significantly lower interest expenses from Q1 FY 2022-23 onwards.

Operational highlights

It has been a seminal year for the Company with exciting new operational milestones. In addition to our successful listing on the Indian Stock Exchanges, we strengthened our digital platforms, namely Ongo and Fastlane. Ongo is our digital payment platform which provides an omni-channel payment platform to corporates, merchants and consumers, offering payment-as-a-convenience. We have pioneered an Integrated Payment Solution (IPS) for OMCs which provides us an opportunity to monetise Ongo PoS machines across OMC retail outlets. Recently, we introduced Ongo open-loop prepaid card, which can be used by end-consumers to pay for transactions such as online and offline shopping and fuelling. Similarly, Fastlane is a solution which uses advanced RFID technology for making fuelling payments. Both these platforms have further bolstered our digital payment services segment which now contributes to 15% of our revenue.

We further expanded our ATM/CRM network, PoS Solution and conceived and delivered numerous automation solutions. Through our robust infrastructure, we are now serving around 465,000 customer touch points across 2,200 cities and towns in India.

Our ATM/CRM Outsourcing Business wherein we deploy ATMs on behalf of banks on a transaction or a fixed fee basis, is fast becoming a preferred option for banks as they can outsource such an essential function to a professional third-party, scale up faster and more efficiently serve their customers. This business has contributed approximately 47% of our FY 22 top line and will continue to grow.

Way forward

India has low ATM penetration with only 15 ATMs per 100,000 adults as of 2020. Further, the cash in circulation has been consistently increasing. The pre-demonetisation figure which used to be around ₹ 18 lakh crore, now stands at over ₹ 31 lakh crore, which is approximately 14% of GDP. We expect the volume of cash payment transactions and consequently the demand for ATMs and CRMs (Cash Recycling Machines) to continue to grow. CRMs are gaining popularity in India as they can detect fake notes, and validate, sort & store cash quickly, reducing banks' overall operational costs. CRMs help banks in rationalising overall branch services by automating the cash deposit process. The transition of Bank transactions from physical to electronic via an e-lobby which reduces the size of the physical branch and the number of manned tellers will move about 95% of such transactions on to an electronic channel. There is a huge opportunity for us to participate in this journey of banks, wherein we could manage full-fledged e-lobbies for our customers.

An important component of ATM/CRM outsourcing is cash management. In order to mitigate the risks involved in open cash replenishment or top-up, the RBI has mandated the implementation of cassette swapping system across ATMs/CRMs in India. Securevalue India Limited (SVIL), our wholly-owned subsidiary, is one of the few providers to have implemented the cassette swapping system across multiple ATM locations in India. We look forward to leverage this opportunity which will provide additional revenue stream under our cash replenishment business, further improving our margins.

Aligned with the government's thrust on creating a digital economy, the Reserve Bank of India (RBI) announced the setting up of 75 Digital Banking Units in 75 districts of the country by Scheduled Commercial Banks. As per RBI guidelines, banks are free to adopt an in-sourced or out-sourced model for operations of DBUs. With our strong experience and expertise in the ATM outsourcing segment, we are looking forward to capturing this opportunity.

Additionally, the RBI plans to introduce interoperable card-less cash withdrawal (ICCW) facility using UPI across all bank ATMs in India. This will encourage overall transactions on ATMs by providing a faster and more secure form of cash withdrawal.

Having pioneered this solution in 2019 with the introduction of QR-based cardless cash withdrawal on a leading public sector bank's ATM, we are well-equipped to cater to the emerging requirements of our long-standing bank customers.

The RBI will also be introducing the digital rupee in FY 2022-23 by using blockchain and other technologies. This will make India among the select global economies to have its own sovereign digital currency and will further strengthen the Indian payments market.

Our near-term objectives are to grow and scale up our digital business and pivot from payment-as-a-service to payment-as-a-convenience through the Ongo ecosystem. We will continue to focus on adding more merchants to our Ongo ecosystem by offering customised digital solutions such as VAS via Ongo PoS terminals which includes Cash@PoS, loyalty programs and so on.

Overall, with pandemic fears receding, the anticipated ramp-up in CRM deployments by banks, and further evolution in the digital payment space, we are well-positioned to benefit from our diversified portfolio, varied customer base and multiple revenue streams. Our diversified business model also provides us with significant cross-selling opportunities. Moreover, over the years, strategically we have grown the share of our service revenue from 83% in FY 2018-19 to 90% in FY 2021-22. These service revenues are long-term in nature and are backed by multi-year contracts, thus driving revenue predictability.

Concluding Note

In closing, I would like to thank our employees for their unflinching commitment in a challenging year. I also take this opportunity to express my gratitude to our customers and business partners for their steadfast support and to our esteemed Board Members for their constant guidance and insights.

Once again, I would like to thank our shareholders and all other stakeholders for their trust in our business. Exciting opportunities beckon our Company, and with all your support, we are determined to capture these opportunities to create better value for all.

Warm regards,

Ravi B. Goyal
Chairman & Managing Director

Source: 1. RBI Annual Report; 2. MeitY; 3. ACI Worldwide; 4. RBI Annual Report

Board of Directors



Mr. Ravi B. Goyal
Chairman and Managing Director

Mr. Ravi B. Goyal holds a Bachelor of Engineering degree from the Mumbai University. He is responsible for the management of the overall operations of the Company and its subsidiaries. He has around 26 years of experience in the field of technology. He has been awarded the 'Innovative Leader Award' (2017) at the MODI (Making of Developed India) Awards, the 'Best Payments Entrepreneur of the Year (2018)' at the Payments and Cards Summit organised by Kamikaze and the 'Promising Entrepreneur of India (2019)' Award from the Economic Times (ET Edge). He was also presented the 'Pride of India Award (2018)' for outstanding individual achievements and distinguished services to the nation by the Citizen Integration Peace Institute. He is currently also on the boards of the Company's subsidiaries, India Transact Services Limited (ITSL), Securevalue India Limited (SVIL) and Global Transact Services Pte. Ltd. (GTSL).



Mr. Sudip Bandyopadhyay
Independent, Non-Executive Director

Mr. Sudip Bandyopadhyay is a gold medalist from University of Calcutta and is also a qualified Chartered Accountant and a Cost Accountant with over 32 years of rich and diverse experience in various areas of finance and financial services. His area of expertise includes lending, capital markets, commodity and currency markets, wealth management, asset management, insurance, investment banking, remittance, forex and distribution of financial products. Mr. Bandyopadhyay is currently the Group Chairman of Inditrade (JRG) Group of Companies. Sudip acquired control of Inditrade Group from Barings India Private Equity Fund in 2015. Inditrade has significant presence in Agri Commodity Financing, MSME Lending and Micro Finance business. He sits on the Boards of a number of listed and unlisted domestic companies.

During his 16 years stint with ITC as Head of Treasury and Strategic Investments, he managed investments in excess of \$1.5 billion. He managed all the treasury operations including capital, currency and money markets for ITC. Post ITC, he was the Managing Director of Reliance Securities (Reliance Money) and also on the Board of several Reliance ADA Group companies. He was instrumental in leading Reliance Anil Dhirubhai Ambani Group's foray, amongst others, into Equity and Commodity Broking, Financial Products Distribution, Commodity Exchanges, Gold Coin Retailing, Money Changing and Money Transfer. Under his leadership, Reliance Money had aggressively expanded its footprint in India and across the globe. He was also responsible for the acquisition of AMP Sanmar through which Reliance launched its Life Insurance business. Mr. Sudip Bandyopadhyay has significant presence in business media through his regular interaction on leading business channels, business newspapers and magazines.



Mr. Subrata Kumar Mitra
Independent, Non-Executive Director

Mr. Subrata Kumar Mitra holds a Master of Science degree from the University of Calcutta and a degree of Master in Management Science from the Texas Christian University, USA. Mr. Mitra is a well-known veteran with hands-on experience in a wide range of financial services businesses in India. In his early years, Mr. Mitra worked with reputed organisations such as American Express Bank as Head of Corporate Banking and Investment Banking in India, Standard Chartered Bank-Merchant Banking Division, GIC Mutual Fund - where he brought one of the earliest foreign investors in the industry. Thereafter, from 1994 to 2007, he served as the Group Director, Financial Services in the Aditya Birla Group and set up the highly successful financial services business. He has dealt with several global entities for entry into India and as joint venture partners.

He has served on the Board of Directors and Committees of several reputed companies in different industries as an Independent Director and Advisor. He is also an advisor to a large international bank for over 12 years. He is associated with several international and domestic NGOs, Committees and Chambers in India and is a contributor of articles in various publications. He has been the India Correspondent for Asia Asset Management, Hong Kong for more than 10 years.



Mr. Vijay Chugh
Independent, Non-Executive Director

Mr. Vijay Chugh holds a Bachelor of Arts degree (Honours course) from the Delhi University and a Master of Arts degree from the University of Rajasthan. Mr. Chugh also holds a Post Graduate Diploma in Business Administration from the KC College of Management Studies, Mumbai. He is a Certificated Associate of the Indian Institute of Bankers and has been awarded an Advanced Certificate for Executives in Management, Innovation and Technology from the Sloan School of Management, Massachusetts Institute of Technology, U.S.A. He has over 32 years of experience at the Reserve Bank of India in the fields of supervision and regulation of commercial banks, rural credit and development, payment and settlement systems and core banking solutions. He superannuated in the rank of Principal Chief General Manager, Department of Payment and Settlement Systems of the RBI. He has previously been a nominee of the RBI on the boards of directors of the State Bank of Patiala and the United Bank of India. He is also an independent director on the boards of ITSL and SVIL. Post retirement, Mr. Chugh has been Advisor/Consultant to the World Bank Group and several Indian and International firms operating in the payments space in India.



Mr. Rahul Narain Bhagat
Independent, Non-Executive Director

Mr. Rahul Narain Bhagat holds a Master of Arts degree in International Affairs from the College of William and Mary, Williamsburg, U.S.A and a Bachelor of Arts (Honours) degree in History from St. Stephen's College, Delhi University, India. Recognised by The Asian Banker on their "List of Leading Practitioners", Mr Rahul N Bhagat is a versatile Consumer Banking professional with over three decades of experience. Mr Bhagat worked at ANZ Grindlays Bank and Bank of America before joining HDFC Bank where, as Country Head - Retail Liabilities, Marketing & Direct Banking Channels, he managed a diverse portfolio that was instrumental in building the bank as the leading consumer and digital banking franchise. He thereafter partnered Vodafone India Ltd in successfully applying for a Payments Bank licence in 2015 and was appointed CEO (designate) of the proposed bank.

During his extensive banking career, Mr Bhagat's contribution and leadership has been recognised through invitation to numerous Boards and Committees, including: The Indian Bank Association's Standing Committee on Retail Banking; Executive Committee - National Securities Depository Limited; Customer Global Advisory Board, NCR Corp (USA); Global Advisory Board, Diebold Inc (USA). Mr Bhagat is actively involved in the fields of Education and Heritage Conservation. He is on the Board of Governors of The Doon School and a Founder Director of the World Monuments Fund India Association. He also serves as an Independent Director on multiple commercial boards and uses his experience to invest in and mentor early stage Fintech and Retail focused businesses. He is also an independent director on the boards of ITSL and SVIL.



Mrs. Jhuma Guha
Additional Director
Independent, Non-Executive Director

Mrs. Jhuma Guha is a qualified Chartered Accountant and a qualified Company Secretary having a rich experience of over three decades in the field of financial services. She has worked with various reputed companies like ITC Limited, Reliance Securities Limited, Destimoney Securities Private Limited etc., and currently the Vice-chairperson of Inditrade Capital Limited group and she brings along with her varied experience and expertise in the fields of Corporate and Legal Affairs, Compliance, Financial Management, Mergers and Acquisitions, Strategic Management and Planning. She is also an independent director on the Board of SVIL.



Mrs. Anupama R. Goyal
Non-Independent,
Non-Executive Director

Mrs. Anupama R Goyal has completed her education from the Maharani Gayatri Devi Public School, Jaipur. She has been associated with the Company since 2012. She is also a director on the board of ITSL and SVIL.



Mr. Stanley Johnson P.
Executive Director

Mr. Stanley Johnson P. holds a Bachelor of Science degree from Mumbai University and a Masters in Computer Applications degree from The International University, U.S.A. Mr. Johnson has been instrumental in strengthening and expanding our banking outsourcing operations across India. He has over 26 years of experience in the field of payment industry. He is a recipient of the 'Chairman's Award' from the eFunds Corporation in 2006. He is also a director on the board of Company's overseas step-down subsidiary, Novus Technologies (Cambodia) Company Limited. Further, he is a director of Confederation of ATM Industry, a registered non-profit trade association.



Mr. Vinayak R. Goyal
Executive Director

Mr. Vinayak R. Goyal holds a Bachelor of Science degree in Computer Engineering from Purdue University, USA, and has previously worked with Avendus Capital Private Limited as an analyst. He works closely with the management to drive strategic and business initiatives at our Company. He is also a non-executive director on the board of ITSL.

Leadership Team



Mr. Saurabh Lal
CFO of AGS Transact Technologies
and our subsidiary, SVIL

Mr. Saurabh Lal is the Chief Financial Officer of AGS Transact Technologies and its wholly-owned subsidiary, Securevalue India Ltd. He has been associated with the Company since April 19, 2012. Mr. Lal holds a Bachelor of Commerce degree from the University of Delhi and is a Chartered Accountant certified by the ICAI. He has over 15 years of experience in the financial service industry.



Mr. Ricardos El Khoury
CEO & Director of Novus SGP
(subsidiary)

Mr. Ricardos El Khoury is the Chief Executive Officer and a director of AGS Transact Technologies' Subsidiary, Novus SGP. He has been associated with Novus SGP since February 19, 2013. Mr. El Khoury is also a director on the boards of the Subsidiaries, Novus Cambodia, Novus Lanka and Novus Philippines. He holds a Bachelor of Science (Computer Science) degree from Notre Dame University - Louaize. He has approximately 28 years of experience in the Information Technology sector.



Mr. Satish Zope
Head - Petroleum,
AGS Transact Technologies

Mr. Satish Zope is the Head - Petroleum of AGS Transact Technologies. He has been associated with the Company since August 1, 2010. Mr. Zope holds a Master of Commerce degree from the University of Poona. He has over 25 years of experience in the field of sales and business development.



Mr. Shailesh S Shetty
Managing Director of
Subsidiary, SVIL

Mr. Shailesh S Shetty is the Managing Director of Securevalue India Ltd, a wholly-owned subsidiary of AGS Transact Technologies. He was appointed to the board of directors of SVIL with effect from April 1, 2019. He holds a Diploma in Industrial Electronics Service from the Indian Technical Education Society, Mumbai and a Bachelor of Commerce degree from the Madurai Kamaraj University. Mr. Shetty has over 25 years of experience in the fields of supply chain and after-sales service.



Mr. Ashish Mehta
Head - IT and Infrastructure,
AGS Transact Technologies

Mr. Ashish Mehta is the Head – IT and Infrastructure of AGS Transact Technologies. He has been associated with the company since January 5, 2016. Mr. Mehta has a diploma in computer technology from Bombay Institute of Technology, Mumbai and is also certified in Strategic IT Management from the Indian Institute of Management - Ahmedabad. He has over 21 years of management and technical experience in banking and payment industry.



Mr. Nikesh Samaiya
Executive Vice President - Technology,
AGS Transact Technologies

Mr. Nikesh Samaiya is the Executive Vice President – Technology of AGS Transact Technologies. He has been associated with our Company since April 1, 2013. He holds a Bachelor of Engineering degree from the Rajiv Gandhi Proudhyogiki Vishvavidyalay (University of Technology of Madhya Pradesh) and a post graduate diploma in business management (manufacturing and operations) from the Bharatiya Vidya Bhavan's S.P. Jain Institute of Management & Research, Mumbai. He has over 18 years of experience in the field of IT and software development.



Mr. Sudheer Parappurath
Head – Risk & Operations of
Subsidiary, ITSL

Mr. Sudheer Parappurath is the Head – Risk and Operations of India Transact Services Ltd., a wholly-owned subsidiary of AGS Transact Technologies. He has been associated with ITSL since January 25, 2016. He holds a Bachelor of Science degree from the University of Calicut and a Bachelor of Laws degree from the University of Mysore. He also holds a Post-Graduate diploma in Industrial Relations & Personnel Management from Bharatiya Vidya Bhavan. He has over 26 years of experience in payment industry.



Mr. P K Rajnarayan
Head - Retail Sales Business,
AGS Transact Technologies

Mr. P K Rajnarayan is the Head – Retail Business of AGS Transact Technologies. He has been associated with the Company since October 22, 2003. He holds a Diploma in Electronics and Communication Engineering from the Board of Technical Education, Maharashtra and a Diploma in Computer Programming and Applications from Silverline Computer Education. He has more than 27 years of experience in sales.

Future Strategy

We aim to be the market leaders in payment solutions and FinTech segments by delivering secure, innovative products that engage a customer across the product value chain in a cost-effective manner. We are pursuing well-defined strategies in alignment with this goal.



Grow Digital Payment Solutions Business

We are leveraging our existing presence in the consumer-oriented sectors to service the growing demand for digital payment solutions. Ongo is our omni-channel payment platform. To attract more merchants on our Ongo network, we offer a portfolio which includes all-in-one PoS and value-added services (VAS) such as

prepaid or loyalty programs, Cash@PoS, billing software and a merchant analytics application. Additionally, we intend to use our transaction platform to provide switching services to other PoS and ATM deployers as well as banks.

We introduced Fastlane, the first RFID payment solution for fuel in India. Under this contactless, cashless and paperless solution, vehicles are fitted with an RFID

tag/sticker on the windshield which is read by the PoS device. This solution ensures that vehicles are filled with the right grade and quantity of fuel, resulting in tracking of fuel consumption & expenses and reduces the risk of pilferage.





Pivot from Payments-as-a-Service to Payments-as-a-Convenience through our Ongo Ecosystem

Through Ongo, we provide an omni-channel payment platform to corporates, merchants and consumers, offering payment-as-a-convenience. To attract more merchants, the Ongo ecosystem enables improved operational efficiencies and customer confidence. As part of our focus to pivot to 'payments-as-a-convenience', our targeted initiatives include VAS at PoS such as cash withdrawals, vehicle insurance, coupons, bill payments and loyalty programs. Our Ongo Prepaid platform, enables the end-consumers to use a single Ongo account to avail and manage various services offered via our Ongo ecosystem.



Enhance Integrated Technology Payments Platform

We will leverage our product and services portfolio to provide additional customised payment solutions as well as develop an integrated payments platform for our customers. Integrating various technology solutions provides us with a competitive edge and also helps us to retain our customers.

For instance, our payment integration solution enabled one of the leading Pathology companies in India to integrate their invoices of samples collected at various pathology labs located in a particular area with the payments collected by their agents. This helped them map payments and invoicing processes efficiently.



Focus on ATM/CRM Outsourcing & Managed Services and Cash Management

The ATM industry is continuously evolving and expanding, with ATMs/CRMs being part of e-lobbies which will allow banks to deliver automated banking products and services without manual intervention. For capitalising on this growing demand, we seek to increase the share of outsourced or managed ATMs/CRMs in our portfolio, improve operational efficiency to reduce operating costs and leverage market insights to identify feasible ATM/CRM sites.

Further, our wholly-owned subsidiary, Securevalue India (SVIL) provides us better control over an important component of our ATM outsourcing and managed services business. According to Ken Research, we are the only cash management company to offer related infrastructure and services in compliance with the latest MHA guidelines on a pan India basis. This includes implementation of cassette swapping on ATMs/CRMs, we seek to grow our business by leveraging factors such as the growing trend of banks outsourcing their ATM operations and retailers outsourcing cash pick-ups, cash sorting and cash deposit services.

Business Profile – Digital Payment Solutions

The digital payments industry is witnessing strong momentum. We remain focussed on exploring this opportunity by monetising our large PoS network and attracting more merchants to join our digital payments platform. We offer two innovative digital platforms – Ongo and Fastlane.

We provide cutting-edge and innovative omni-channel merchant digital payment solutions through our brand Ongo. Our digital payments solutions comprise a payments platform, customised solutions and related services catering to end-users, merchants, banks, bank agents as well as other ecosystem partners.

On acquiring side, we provide a payment platform that accepts payments through a broad spectrum of options

including magnetic stripe, chip and pin, contactless, Bharat QR and Unified Payment Interface (“UPI”) which we believe makes us a partner of choice for merchants.

We provide device-based solutions such as “Smart PoS” GPRS terminals, Digital M-PoS terminals and Public Switched Telephone Network (“PSTN”). Our device-less portfolio comprises solutions such as static Bharat QR, etc.

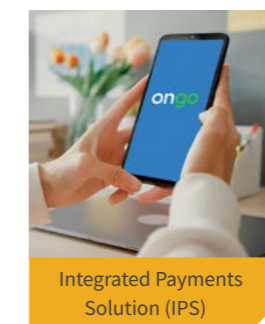
We also offer customised closed-loop mobile wallet solutions that can be integrated with existing payment solutions. In addition to offering customised payment solution to merchants, we also process transactions using our switching platform, along with payment and settlement services, which enables faster processing and easy reconciliation to our merchants.

Comprehensive Suite of Merchant Solutions

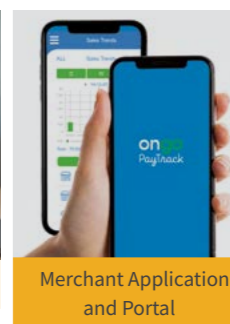


Payment Acceptance (Device-based and device-less)

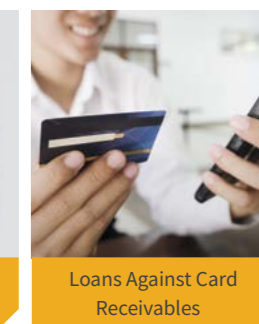
Value-Added Services



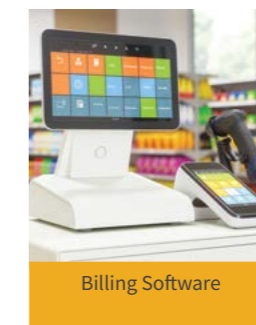
Integrated Payments Solution (IPS)



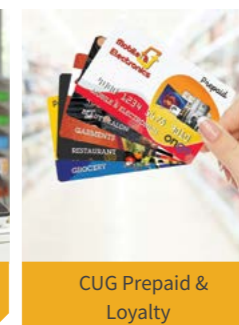
Merchant Application and Portal



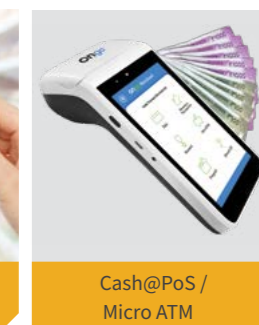
Loans Against Card Receivables



Billing Software



CUG Prepaid & Loyalty



Cash@PoS / Micro ATM

Our all-in-one Ongo PoS solution allows merchants to accept various modes of payment including card-based (debit and credit cards), RFID, Bharat QR and UPI online acceptance.

We have installed 236,588 merchant PoS terminals and are one of the largest deployers of PoS terminals at petroleum outlets in India. We also have 86 co-operative banks partnerships catering to PoS.

Further, with a focus on the OMC sector, we pioneered an Integrated Payment

Solution (IPS) for OMCs. This solution provides us an opportunity to monetise Ongo PoS machines across OMC retail outlets. We have developed an integrated payments proposition for petroleum retail outlets in which the PoS machine is connected with the existing fuel automation, to provide control over transactions on the PoS machine.

We will continue to monetise our PoS network to cross-sell our VAS to merchants, such as loans against card receivables, Cash@PoS/Micro ATM, bill payments and domestic money transfer

facilities. By offering more VAS products, we believe that we will be able to attract more merchants to join our network.

On the issuance side, we have a PPI authorisation issued to our wholly-owned subsidiary, India Transact Services Limited (ITSL) by the RBI. Our open-loop Ongo prepaid card can be used by consumers to pay for online and offline shopping and fuelling. We continue to focus on expanding the Ongo ecosystem and providing a larger suite of VAS that rely on mobile payments and other digital-based services and applications.



Fastlane

Fastlane is the first RFID payment solution for fuel in India. Under this contactless, cashless and paperless solution, vehicles are fitted with an RFID tag/sticker on the windshield which is read by the PoS device. This solution ensures that vehicles are filled with the right quantity of fuel, resulting in tracking of fuel consumption & expenses and reduces the risk of pilferage. The mobile application allows the user to pre-set the fuelling amount and the system ensures meter reading is auto-set to zero. The payment is carried out through a prepaid wallet on the mobile application. Our Fastlane solution also includes a loyalty and rewards program. Currently, the solution is live across 120+ HPCL fuel retail outlets in Mumbai, Thane and Pune.



Business Profile – Cash Payment Solutions

Banks are increasingly outsourcing ATM management services. As one of the leading and trusted providers of end-to-end ATM solutions, we are strongly positioned to capture these unfolding opportunities, expand scale and enable higher growth.

ATM and CRM Outsourcing/ Managed Services

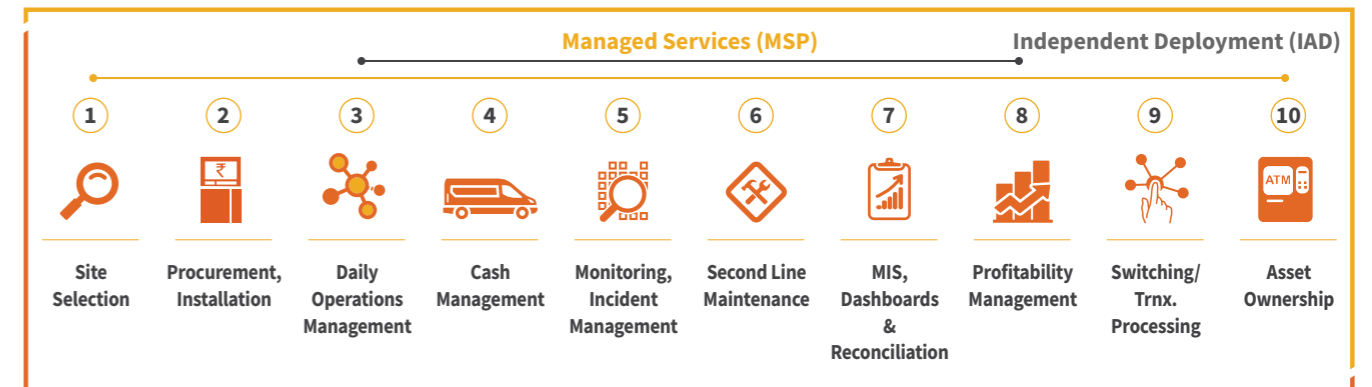
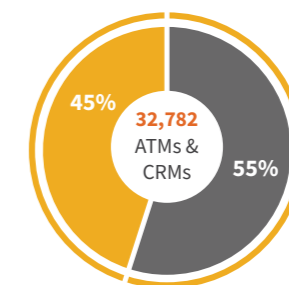
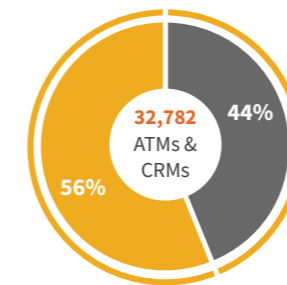
In our ATM and CRM outsourcing and managed services businesses, we are responsible for the end-to-end management of ATMs and CRMs, starting from site identification and development, followed by machine deployment,

maintenance and management on behalf of our customers. While we own the ATMs and CRMs in our outsourcing services business, ownership of ATMs and CRMs remains with the customers under our managed services business.

As per Ken Research, we are the only company in India to provide the full range

of services in the ATM managed services market. This is underpinned by our in-house technology and expertise across the entire product life cycle of ATMs, CRMs and related services. Our integrated operations are further facilitated by our in-house cash management capabilities and transaction switching services.

Breakdown of ATMs & CRMs as on March 2022





Cash Management Services

Our wholly-owned subsidiary Securevalue India Limited (SVIL) specialises in cash management services. These services are provided for ATMs managed by us and other operators. SVIL is the second largest cash management company in India, in terms of revenue from cash management and the number of ATMs replenished⁷. We have also implemented cassette swaps for our outsourcing services business.



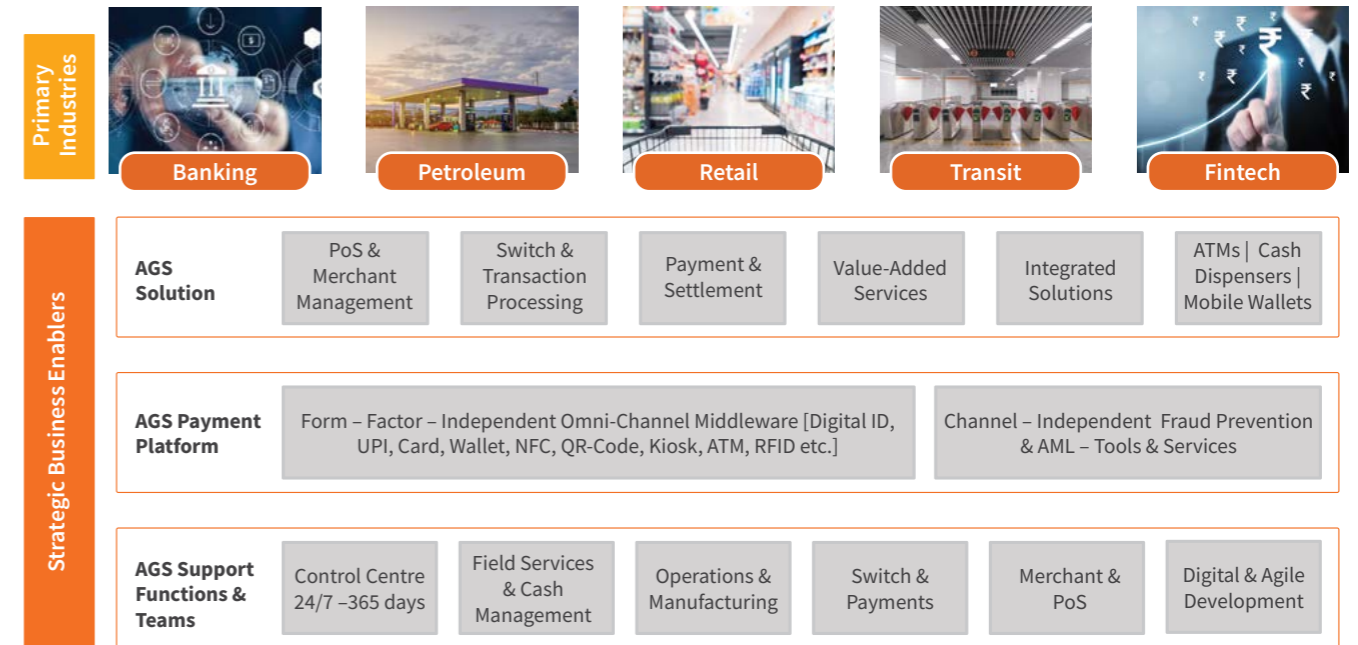
Cash Management Services: Size and Scope

~45,000 ATMs cash replenished	~3,300 Cash pick-up and doorstep banking points	₹22 billion Daily average amount replenished	~1,800+ Cities and towns in India	425 Vaults and spoke locations	2,490+ Cash Vans
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⁷Source: Ken ATM Report

Comprehensive Platform

We serve multiple industries through our omni-channel payment solutions. We offer end-to-end cash and digital payment solutions supported by in-house service teams and technology platforms. Our comprehensive suite of offerings has enabled us to emerge as the preferred partner for cash and digital solutions in India.



Health and Safety

As the country witnessed second wave of COVID-19 pandemic, we, at AGS Transact Technologies Limited (AGSTTL) took various initiatives to ensure seamless business operations across Banking, Retail, Petroleum and MSME sectors in collaboration with our partner clients.

With widespread vaccinations, as the COVID-19 cases declined and relaxations were announced with regards to movement of people, we continued to facilitate and safeguard the interest & overall well-being of both employees and end-customers. We took precautionary initiatives such as sanitization of cash vans, currency chests, ATMs, and followed a set of stringent guidelines in office or at place of work to ensure social distancing. Additionally, the field-staff was provided with toolkits containing face-masks, gloves, and sanitisers. The field engineers were imparted training on various soft skills as well as business requirements through our internal Learning & Development portal, Digital Smart Learning System (DSLS).

AGSTTL's dedicated team called 'COVIAssist' provided emergency assistance to all the employees and their families affected by COVID-19. The company partnered with Star Alliance and Dhani app to provide app-based emergency support like doctor-on-call etc. Further, through COVIAssist, we launched #StopTheSpread campaign with the aim to achieve 100% vaccination for our employees. Under this initiative, vaccination camps were organised, immunising over 8,000 employees (on roll/off roll/third party), support staff and their immediate family members. The employees who were home quarantined were assisted with tips for speedy recovery and were also reimbursed for their medical expenses.

As we gained normalcy in the second half of the year, the office capacity was increased in a phase-wise manner,

in accordance with the government guidelines while continuing to practice COVID-19 protocols such as temperature checks and frequent sanitisation of office spaces. Further, colleagues are encouraged to hold virtual meetings as much as possible.

While most of the staff has been immunised with two doses of the COVID-19 vaccine, the Group is now encouraging for precautionary or booster dose through various internal communication platforms. Prioritising the safety and good health, AGSTTL will continue educating its pan India staff on the importance of best hygiene practices, vaccination, and COVID-19 appropriate behaviour through regular communication.



Directors' Report

To
The Members of
AGS Transact Technologies Limited

Your Directors are pleased to present the 19th Annual Report alongwith the Audited Financial Statements of your Company for the financial year ended on March 31, 2022.

FINANCIAL RESULTS

(₹ in million, except per equity share data)

Particulars	FY 2021 - 22		FY 2020 - 21	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	13,170.19	17,718.72	13,731.09	17,589.44
Total Income	13,320.36	17,972.65	14,070.95	17,971.52
Total expenses before interest, depreciation and amortisation and tax	9,954.34	13,609.66	9,948.36	13,203.92
Earnings before interest, tax, depreciation and amortization (EBITDA)	3,366.02	4,362.99	4,122.59	4,767.60
Less: Finance Costs	2,309.86	2,502.09	1,139.56	1,330.62
Less: Depreciation and amortization expense	1,870.69	2,518.73	1,971.95	2,596.48
(Loss) / profit for the year before share of profit/(loss) of associate	--	(657.83)	--	840.50
Share of net profit/(loss) of associate	--	(7.94)	--	(16.23)
(Loss)/ profit before tax	(814.53)	(665.77)	1,011.08	824.27
Less: Tax Expenses				
Current Tax	41.80	154.25	206.50	252.19
Adjustment of tax relating to previous years	--	--	43.19	43.19
Deferred tax expense / (credit)	29.91	4.66	60.52	(19.03)
(Loss) / profit for the year	(886.24)	(824.68)	700.87	547.92
Basic Earnings per Equity share (in ₹)	(7.45)	(6.93)	5.91	4.62
Diluted Earnings per Equity share (in ₹)	(7.45)	(6.93)	5.82	4.55

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

During the year under review, the revenue from operations on a standalone basis was ₹ 13,170.19 million as compared to ₹ 13,731.09 million in the previous year. The revenue from operations on a consolidated basis increased to ₹ 17,718.72 million as compared to ₹ 17,589.44 million in the previous year. On a standalone basis, the loss for the year was ₹ 886.24 million whereas on a consolidated basis it was ₹ 824.68 million. FY 2021-22 ended with a steady operational and financial performance. The loss was primarily due to high finance cost, non-recurring expenses like provisions, impairment and ESOP cost, the challenging environment posed by the pandemic, geopolitical tensions, supply chain challenges, increase in raw material prices and inflationary trends. Your Company has had a significant year in terms of the stock exchange listing, strengthening of the digital platform Ongo, expansion of ATM Networks, conceiving and

delivering numerous automation solutions. Our persistent focus on enhancing our domestic brand, expanding our current product & service offerings, catering to more locations locally and globally, and creating a sustainable value chain has helped us thrive better.

The year was significant as your Company commenced its journey as a listed entity. Your Company's Initial Public Offering (IPO) received an overwhelming response. The scrip got listed on January 31, 2022 on both BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The Company had issued listed NCDs during the year ended March 31, 2021 and the proceeds thereof were utilized towards purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited. On January 31, 2022, the Company has completed its Initial Public offer ("IPO"), comprising of an offer for sale of 38,857,141 equity shares of face value of ₹ 10 each at an issue price of ₹ 175 per share by the Selling

Shareholders. As per the objects of the issue defined in Red Herring Prospectus (RHP) and the terms of the Share Purchase Agreement, the offer proceeds received by Mr. Ravi B. Goyal, promoter selling shareholder, for the sale of his portion of the offered shares has been utilized for the purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited held by the Company for a consideration of ₹ 6,500 million on January 28, 2022, upon receipt of the listing and trading approvals from the Stock exchange. Such amounts received by the Company have been utilized to redeem the listed NCDs on January 29, 2022. Also, consequent to the redemption of the NCDs, these have been de-listed from the NSE. There has been no deviation in the utilization of the IPO proceeds of the Company.

An analysis of the financials and business performance of the Company during the year under review is included in the Management Discussion and Analysis which forms separate section of the Annual Report.

RESPONSE TO COVID-19

Navigating the waves of the COVID-19 pandemic

As the country witnessed second wave of COVID-19 pandemic, the Company continued its initiatives to ensure seamless business operations across Banking, Retail, Petroleum and MSME sectors in collaboration with our partner clients. Being a part of essential service providers, the Company's field staff i.e., engineers, technicians, cash custodians/ATM officers, and drivers/gunmen etc., dedicatedly carried out key ground activities such as cash replenishment, servicing & maintenance of ATMs, and at fuel stations, in addition to critical backend operations such as the transaction switching & reconciliation. During the first wave, the Company had devised a Business Continuity Plan (BCP) to ensure that no business operations are hampered. The Company had also enabled its partner Banks to introduce mobile ATMs with the aim to provide easy accessibility to cash.

With widespread vaccinations, as the COVID-19 cases declined and relaxations were announced with regards to movement of people, the Company continued to facilitate and safeguard the interest & overall well-being of both employees and end-customers, with precautionary initiatives such as sanitization of cash vans, currency chests, ATMs, and followed a set of stringent guidelines in office or at place of work to ensure social distancing. Additionally, field-staff was provided with toolkits containing facemasks, gloves, and sanitisers. The field engineers working from home were imparted training on various soft skills as well as business requirements through our internal Learning & Development portal, Digital Smart Learning System (DSLS).

The Company's dedicated team called 'COVIAssist' provided emergency assistance to all the employees and their families affected by COVID-19. The Company partnered with Star Alliance

and Dhani app to provide app-based emergency support like doctor-on-call etc. Further, COVIAssist launched #StopTheSpread campaign with the aim to achieve 100% vaccination for its employees pan India. Under this initiative, vaccination camps were organised, immunizing over 8000 employees (on roll/off roll/third party), support staff and their immediate family members. The employees who were home quarantined were assisted with tips for speedy recovery and were also reimbursed for their medical expenses.

As we gained normalcy in the second half of the year, the office capacity was increased in a phase-wise manner, in accordance with the government guidelines while continuing to practice COVID-19 protocols such as temperature checks and frequent sanitisation of office spaces. Further, colleagues are encouraged to hold virtual meetings as much as possible.

While most of the staff has been immunised with two doses of the COVID-19 vaccine, the group is now encouraging them to go for the precautionary or booster dose through various internal communication platforms. Prioritizing the safety and good health, the Company will continue educating its pan India staff on the importance of best hygiene practices, vaccination, and COVID-19 appropriate behaviour through regular communication.

LISTING

The Equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on January 31, 2022. Annual listing fee for the FY 2021-22 has been paid to both the Exchanges.

DIVIDEND

On account of loss during the financial year, the Board of Directors did not recommend any Dividend for the financial year ended March 31, 2022.

RESERVES

During the year under review, ₹ 550 million were transferred from Debenture Redemption Reserve to General Reserve Account.

CHANGE(S) IN THE NATURE OF BUSINESS

There was no material change in the nature of business of the Company during the financial year under review.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act 2013 ("the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], with

an appropriate combination of Executive, Non-Executive and Independent Directors.

The Board of the Company has 8 (Eight) Directors comprising of 1 (One) Managing Director, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 4 (Four) Independent Directors.

During the financial year under review, there were below changes in the Board constitution of the Company:

- Appointment of Mr. Stanley Johnson P. (DIN: 08914900) as an Executive Director w.e.f. June 9, 2021;
- Appointment of Mr. Vinayak R. Goyal (DIN: 09199173) as an Executive Director w.e.f. June 9, 2021;
- Resignation of Mr. Badrinarain K. Goyal (DIN: 01679378), Non-Executive Director w.e.f. June 9, 2021;
- Mrs. Anupama R. Goyal (DIN: 02696453), Non-Executive Director, retired by rotation and was re-appointed at the 18th Annual General Meeting of the Company held on September 21, 2021.

Post March 31, 2022 till the date of signing this report, the following changes have taken place in the Board constitution:

- Appointment of Mrs. Jhuma Guha (DIN: 00007454) as an Additional Director (Non-Executive Independent Director) w.e.f. 5th August, 2022 for a period of 5 years subject to approval of members at the ensuing 19th AGM of the Company

In accordance with the Articles of Association of the Company and the provisions of the Section 152 of the Companies Act, Mr. Stanley Johnson P. (DIN: 08914900) will retire by rotation at the ensuing 19th Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment. The necessary resolutions for re-appointment of Mr. Stanley Johnson P. and appointment of Mrs. Jhuma Guha have been included in the Notice of the forthcoming AGM for the approval of the members.

Mr. Ravi B. Goyal (DIN: 01374288) – Chairman and Managing Director, Mr. Saurabh Lal – Chief Financial Officer and Ms. Sneha Kadam – Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as at the date of this Report.

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee and meetings of those Committees held during the year is given in the Corporate Governance Report annexed as "Annexure 1".

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors of your Company have submitted their declarations of independence, as required, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence, as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and are not disqualified from continuing as Independent Directors of your Company.

Further, all the Independent Directors of your Company have confirmed their registration/renewal of registration, on Independent Directors' Databank.

Except Mrs. Jhuma Guha (DIN: 00007454), Additional Director (Non-Executive, Independent Director) appointed w.e.f. August 5 2022 who holds 185 equity shares in your Company, none of the Independent Non-Executive Directors held any equity shares of your Company during the financial year ended March 31, 2022.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS

The independent Directors of the Company possess requisite qualifications, experience and expertise. In compliance with the rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Indian Institute of Corporate Affairs ("IICA"). Pursuant to amendments in section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) years from the date of inclusion of their names in the data bank.

Mr. Sudip Bandyopadhyay, Mr. Vijay Chugh, Mr. Subrata Kumar Mitra and Mrs. Jhuma Guha are exempted from the requirement to undertake online proficiency self-assessment test conducted by IICA. Mr. Rahul N. Bhagat has duly completed the online proficiency self-assessment test conducted by the IICA within the prescribed timelines.

SHARE CAPITAL

During the financial year under review, the Company has made the following allotment:

- 1,010,500 Equity Shares allotted to AGSTTL Employees Welfare Trust under Employee Stock Option Scheme – ESOS 2012 and Employee Stock Option Scheme – ESOS 2015 on March 29, 2022.

The Authorised Share Capital of your Company as on March 31, 2022 was ₹ 1,600,000,000 divided into 160,000,000 Equity Shares of ₹ 10 each.

The issued, subscribed and paid-up equity share capital of the Company as on March 31, 2022 was ₹ 1,214,030,760 (consisting of 121,403,076 equity shares of face value of ₹ 10 each).

ISSUE OF SWEAT EQUITY SHARES

The Company has not issued Sweat Equity Shares during the Financial Year under review and hence the disclosure as required under Section 54 read with rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has not issued Equity Shares with differential voting rights and hence the disclosure as required under Section 43 read with rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required to be made.

MAJOR EVENTS THAT HAVE OCCURRED DURING THE FINANCIAL YEAR

- Your Company's Initial Public Offering (IPO) received an overwhelming response. The issue consisted of an offer for sale of ₹ ~680 Cr by Mr. Ravi B. Goyal, Promoter and certain identified Selling shareholders. The scrip got listed on January 31, 2022 on both BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The proceeds of the IPO were utilised in the manner as disclosed in the Objects of Offer of the Offer documents filed for the IPO.
- During the financial year ended March 31, 2022, the Company has redeemed on January 29, 2022, the 5,500 (Five Thousand Five Hundred only) rated, listed, secured, redeemable, non-convertible debentures of ₹ 10 lakh (Rupees Ten lakh only) issued on private placement basis on March 26, 2021.

CREDIT RATING

The details of credit rating obtained by the Company during the financial year are as under:

Sr No.	Instrument	Rating	Rating Action	Type of rating	Name of the rating agency	Date
1	Working Capital Loan (₹ 3,310.00 million)	IND A+/Positive/ Ind A1+	Long-term rating affirmed; Outlook revised to Positive from Stable; Short-term rating upgraded	Long-Term Rating / Short-Term Rating	India Ratings and Research Private Limited	31 March 2022
2	Term Loan (₹ 5,276 million)	Ind A+ / Positive	Affirmed; Outlook revised to Positive from Stable	Long-Term Rating	India Ratings and Research Private Limited	31 March 2022
3	Commercial paper (₹ 300.00 million)	IND A1+	Upgraded	Short-Term Rating	India Ratings and Research Private Limited	31 March 2022
4	Long-term and short-term borrowings (₹ 9,000.00 million)	CRISIL A+/Stable	Reaffirmed	Long Term Rating	CRISIL Ratings Limited	18 February 2022

CONSOLIDATED FINANCIAL STATEMENT

Consolidated financial statements are prepared for the year 2021-22 in compliance with the provisions of the Companies Act, applicable accounting standards and as prescribed under the Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis, is presented in a separate section forming part of the Annual Report.

AWARD AND RECOGNITIONS

The Company received below awards and recognitions during the year:

- Recognised as 'Iconic Brands of India 2021' by the Economic Times; and
- Won the 'Technology Disruption of the Year' award for QR-Cash Solution at the 3rd Inn-Tech 2021: Innovation and Technology Awards.

DEBENTURES

During the financial year ended March 31, 2022, the Company has redeemed 5,500 (Five Thousand Five Hundred only) rated, listed, secured, redeemable, non-convertible debentures of ₹ 10 lakh (Rupees Ten lakh only) issued on private placement basis on March 26, 2021.

The Company had appointed Vistra ITCL (India) Limited as its Debenture Trustee. The Contact details of the Debenture Trustees are:

Contact Person Name: Mr. Jatin Chonani, Compliance Officer
Address: The IL&FS Financial Centre, Plot C- 22, G Block, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051
Email ID: itclcomplianceofficer@vistra.com

Sr No.	Instrument	Rating	Rating Action	Type of rating	Name of the rating agency	Date
5	Listed Non Convertible Debentures (₹ 550 Crore)	CRISIL A+/Stable	Withdrawn*	Long Term Rating	CRISIL Ratings Limited	18 February 2022
6	Listed Non Convertible Debentures (₹ 550 Crore)	CRISIL A+/Stable	Reaffirmed	Long Term Rating	CRISIL Ratings Limited	14 January 2022
7	Working Capital Loan (₹ 3,650.00 million)	IND A+/Stable/ Ind A1	Long-term rating upgraded; Short-term rating affirmed	Long-Term Rating / Short-Term Rating	India Ratings and Research Private Limited	1 April 2021
8	Term Loan (₹ 4,630 million)	Ind A+ / Stable	Upgraded	Long-Term Rating	India Ratings and Research Private Limited	1 April 2021
9	Commercial paper (₹ 300.00 million)	IND A1	Affirmed	Short-Term Rating	India Ratings and Research Private Limited	1 April 2021

*Since the said Debt instrument has been fully redeemed, CRISIL ratings has withdrawn the rating assigned to the captioned Debt Instrument basis the request made by the Company.

AUDITORS AND AUDITORS REPORT

At the 14th Annual General Meeting (AGM) of the Company held on September 25, 2017, M/s. B S R & Co. LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office upto the conclusion of the ensuing 19th Annual General meeting subject to ratification by members every AGM held thereafter.

Your Directors recommend re-appointment of Statutory Auditors for further period of four (4) years from the conclusion of the ensuing 19th Annual General Meeting till the conclusion of the 23rd Annual General Meeting subject to the approval of Members. The Statutory Auditors have confirmed that they are not disqualified from being re-appointed as Auditors of the Company. As required under the provisions of section 139(1) of the new Act, the Company has received a written consent from them to the effect that the re-appointment, if made, would be in accordance with the new Act and the Rules framed thereunder and that they satisfy the criteria provided in section 141 of the new Act.

Members are requested to approve their re-appointment as the Auditors of the Company and to fix their remuneration as recommended by the Board, by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

The Report given by the Statutory Auditors on the financial statement of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Audit Committee composition and details with respect to the number of meetings and attendance at the meetings are provided in the Report on Corporate Governance forming part of the Annual Report FY 2021-22. During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee on any matter which is mandatorily required.

COST AUDITORS

M/s. Kishore Bhatia & Associates, Cost Accountants, will be carrying out the cost audit of the Company for the financial year 2021-22. The Company has duly maintained cost records as required under the provisions of the Companies Act 2013. The Board of Directors have re-appointed them to conduct the audit of the cost records of the Company for the financial year 2022-23 in compliance with section 148 of the Companies Act, 2013.

INTERNAL AUDITOR

The Board of Directors have appointed M/s. Mahajan & Aibara Chartered Accountants LLP, (Firm Registration No: 105742W), as Internal Auditors for the FY 2021-22 to conduct the internal audit of the various areas of operations and records of the Company.

SECRETARIAL AUDIT REPORT

M/s. Bhandari & Associates, Practising Company Secretaries, (Firm Registration No: P1981MH043700) were appointed to conduct the Secretarial Audit of the Company for the financial year 2021-22 as required under Section 204 of the Companies Act, 2013 and the rules made thereunder. The report of the Secretarial Auditor, in the prescribed Form MR-3 is annexed to this report as "Annexure 2".

The Secretarial Auditors' Report for FY22 does not contain any qualification, reservation or adverse remark, except as mentioned in the form MR-3 which is annexed to this report as "Annexure 2". The Board has taken note of the remarks of the Secretarial Auditor and commented as below:

Sr. No.	Particulars	Comments
1	Prior intimation of at least seven working days was not given to the National Stock Exchange of India Limited ("NSE") in respect of record date for redemption of its 5,500 Listed (on NSE), Rated, Secured, Redeemable, Transferable, Non-Convertible Debentures ("NCDs") of the nominal value of INR 10 Lakhs each, aggregating to INR 550 Crores on January 29, 2022, pursuant to Regulation 60(2) of Listing Regulations. The record date intimation was given only one working day prior to such redemption	As per the objects of the offer defined in Red Herring Prospectus (RHP), the offer proceeds to be received by Mr. Ravi B. Goyal (Promoter Selling Shareholder) for the sale of his portion of the offered Shares, was to be transferred to the CCPS cash escrow account upon receipt of the listing and trading approvals from the Stock Exchanges and no later than one business day after receipt of the listing approval but prior to the listing of the Equity Shares. These funds were to be utilised by the Company for redemption of the NCDs. On account of the same, the Company has given a shorter notice intimation to the Exchanges for redemption.
2	Disclosure of outcome of Board meeting of the Company held on February 14, 2022, in which the financial results for the quarter and nine months ended December 31, 2021 were approved, was not intimated to the Stock Exchanges within thirty minutes of the closure of the said meeting, as required under Regulation 30 of Listing Regulations	The Board meeting concluded at 4:00 p.m. and results were submitted to BSE Limited at 5:20 p.m. This was on account of inadvertence and the Board will ensure compliance in future.
3	Disclosure in respect of sale of the 650,000,000 Compulsory Convertible Preference Shares of Vineha Enterprises Private Limited ("CCPS") held by the Company to Mr. Ravi Goyal, Promoter on August 16, 2021 at a consideration of INR 650 Crores for the purpose of redemption of its NCDs was not provided to NSE, pursuant to Regulation 51(1) & (2) of Listing Regulations	The delay was on account of inadvertence.
4	As required under Regulation 54(1) and 56(1)(d) of Listing Regulations, the Company has not maintained hundred percent asset cover in respect of its NCDs	The same was in compliance with the terms of the Debenture Trust Deed/Information Memorandum mutually agreed with the Debentureholders.
5	In-principle approvals were not obtained from the Stock Exchanges (BSE Limited ("BSE") and NSE) prior to the allotment of 1,010,500 equity shares of face value of INR 10 each by the Company to AGSTTL Employees Welfare Trust on March 29, 2022 ("ESOP Allotted Shares"), pursuant to Regulation 28(1) of the Listing Regulations read with Regulation 10(b) of the SBEB Regulations	This was on account of inadvertence and the Board will ensure compliance in future. Further, the Company has made an application to SEBI for condonation in this regard.
6	Financial results for the quarter ended September 30, 2021 were not submitted to NSE within forty-five days from the end of the said quarter as required under Regulation 52(1), 52(4) and 54 (2) of Listing Regulations and were submitted on December 21, 2021. NSE imposed a fine of INR 2.52 Lakhs on the Company for such delayed submission, the payment of which was made by the Company on December 21, 2021	The Company had sought an extension from SEBI until December 14, 2021 to file the quarterly and half-yearly results for the three and six months ended September 30, 2021, respectively. This request was not acceded to by the SEBI through its letter dated November 26, 2021, received by the Company on December 10, 2021.
7	Payment of interest on the NCDs of the listed entity was made on April 12, 2021 and confirmation of the same was intimated to NSE on May 06, 2021. The status of payment was not intimated within one working day as required under Regulation 57(1) of Listing Regulations	This was an inadvertent delay and the Board will ensure compliance in future.
8	The Company has disbursed/transferred the CSR funds under the statutory obligation laid down in Section 135 of the Act to the implementing agency (AGS Community Foundation, a Section 8 company and subsidiary of the Company). However, the amounts so transferred in the previous year (INR 1.68 Crores) and the current year (INR 2.14 Crores) remain unutilised by the implementing agency as at March 31, 2022. Further, the Company is yet to formulate the annual action plan as per Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and approve the CSR projects/activities to be undertaken as per its CSR Policy and Schedule VII of the Act	The Company had disbursed CSR contribution to the implementing agency (AGS Community Foundation, a Section 8 company and subsidiary of the Company) and was evaluating avenues to utilise the said contribution. The said contribution shall be utilised by the implementing agency in a judicious and beneficial manner.
9	The Company had declared a dividend at the rate of INR 1/- per equity share of face value of INR 10 each for the financial year ended March 31, 2021 in the Annual General Meeting held on September 21, 2021. The said amount of dividend was not deposited in a separate bank account within the timeline as specified under Section 123(4) of the Act. However, payment of the same was made to the shareholders within thirty days of its declaration in compliance with Section 123 and 124 of the Act.	This was an inadvertent delay and the Board will ensure compliance in future.

The Board will ensure that the Company takes necessary steps to comply with applicable regulations from time to time.

Securevalue India Limited, wholly owned subsidiary of the Company falls within the ambit of "Material Subsidiary" as per the Listing Regulations for the financial year 2021-22. The Secretarial Audit Report of Securevalue India Limited for the Financial Year 2021-22 is enclosed as "Annexure 2A" to this report.

SUBSIDIARIES

As on March 31, 2022, the Company has 8 subsidiaries which include 3 Direct wholly owned subsidiaries, 1 subsidiary (section 8 company) and 4 overseas step down subsidiaries as under:

- i. Securevalue India Limited (Wholly owned subsidiary);
- ii. India Transact Services Limited (Wholly owned subsidiary);
- iii. Global Transact Services Pte. Ltd. (Wholly owned subsidiary);
- iv. Novus Technologies Pte. Ltd. (First level step down subsidiary through Global Transact Services Pte. Ltd.);
- v. Novus Technologies (Cambodia) Company Limited (Second level step down subsidiary through Novus Technologies Pte. Ltd.);
- vi. Novus Transact Philippines Corporation (Second level step down subsidiary through Novus Technologies Pte. Ltd.);
- vii. Novustech Transact Lanka (Private) Limited (Second level step down subsidiary through Novus Technologies Pte. Ltd.); and
- viii. AGS Community Foundation (Section 8 Company).

Further, as on March 31, 2022, the Company has an associate entity (45% stake) in Indonesia i.e. P.T. Nova Digital Perkasa through its first level step down subsidiary (Novus Technologies Pte. Ltd.).

During the year under review, none of the entities have ceased to be the Company's subsidiaries, joint ventures or associate companies.

The Board of Directors (including Audit Committee) have reviewed the affairs of the subsidiaries and associate entity. A Report on the performance and financial position of each of the subsidiaries and associate entity in the prescribed format Form AOC-1 forms part of this report as "Annexure 3".

The Annual Audited Accounts of the Subsidiary Companies and the related detailed information will be made available to the Shareholders of the Company at the corporate office of the Company.

The Company has framed a Policy for determining Material Subsidiary which is available on the website of the Company at

https://www.agsindia.com/pdf/debenture/2022/AGSTTL_Policy_for_determining_Material_Subsiidiary.pdf

CODE OF CONDUCT

Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel, which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the code as mentioned hereinabove.

The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, for the financial year ended March 31, 2022. The said Code is available on the website of your Company at https://www.agsindia.com/pdf/AGSTTL_Code_of_Conduct.pdf

RISK MANAGEMENT

The Risk Management Committee has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise wide risk management framework.

As on March 31, 2022, the Risk Management Committee comprises of the below entailed Directors:

1. Mr. Vijay Chugh – Chairman of the Committee;
2. Mr. Ravi B. Goyal – Member; and
3. Mr. Rahul N. Bhagat – Member

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment and incorporates risk treatment plans in its strategy, business and operational plans. Further, the Board has formally adopted a Risk Management Policy.

EMPLOYEES STOCK OPTION SCHEMES

During the financial year ended March 31, 2022, 1,010,500 equity shares were allotted by the Company to AGSTTL Employees Welfare Trust (ESOP Trust) for enabling exercise of vested options by employees under Employees Stock Option Scheme 2012 (ESOS 2012) and Employee Stock Option Scheme 2015 (ESOS 2015). The Shareholders of the Company have approved amendments to ESOS 2012 and ESOS 2015 in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI SBEB Regulations"].

A. EMPLOYEE STOCK OPTION SCHEME – ESOS 2012

The Company instituted the ESOS 2012 pursuant to resolutions passed by the Board and the Shareholders, each dated February 29, 2012, and as amended pursuant to

resolutions passed by the Board and the Shareholders, each dated July 27, 2018 and November 22, 2021. The ESOS 2012 is compliant with the SEBI SBEB Regulations.

Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted in the ratio of 3:1 to the Shareholders as on a record date of February 11, 2015. Pursuant to the adjustment made as a result of such bonus issue, pursuant to a resolution passed by the Board, dated March 12, 2015, the total number of options that can be granted under ESOS 2012 is 2,319,588.

Pursuant to a resolution passed by the Nomination and Remuneration Committee dated August 12, 2021, 129,740 options were granted from the remaining ESOS 2012 pool

The details of ESOS 2012 are as follows:

a) Options granted:

As on March 31, 2022, the Company has granted options as below:

Grant Year	Options Granted	Options Lapsed	Options Exercised	Net Options
2012	1,870,000	650,080	910,620	309,300
2013	50,000	-	50,000	-
2015	342,000	252,000	37,000	53,000
2019	881,000	105,000	256,500	519,500
2022	129,740	16,780	-	112,960
Total	3,272,740	1,023,860	1,254,120	994,760

b) Options vested during the year: 263,840

c) Options exercised during the year: 938,200

d) The total number of shares arising as a result of exercise of option during the year: 938,200

e) Options lapsed during the year: 156,780

f) The exercise price (as on the date of grant of options): ₹ 39.13 per option

g) Variation of terms of options: NIL

h) Money realized by exercise of options during the year: ₹ 36,711,766/-

i) Total number of options in force as on March 31, 2022: 994,760

j) Employee wise details of options granted to:-

(A) Key managerial personnel as per Companies Act, 2013

Name of Key Managerial Person	Options held as on April 1, 2021	Options granted during the year	Options exercised during the year	Options held as on March 31, 2022
Mr. Saurabh Lal	102,000	--	--	102,000
Ms. Sneha Kadam	13,000	--	--	13,000

to certain employees of our Company or our Subsidiaries, including certain Key Managerial Personnel, under ESOS 2012. Such options are convertible into not more than 129,740 Equity Shares, which represents 0.11% of the pre-Offer paid-up Equity Share Capital of our Company. ESOS 2012 is administered by the AGSTTL Employees' Welfare Trust. Pursuant to a shareholders' resolutions dated February 3, 2015 and November 22, 2021, our Company approved the grant of an interest free unsecured loan of up to ₹ 92,000,000 and ₹ 43,000,000/- respectively to AGSTTL Employees Welfare Trust, in one or more tranche(s), to be utilized for the purpose of purchasing the Equity Shares of our Company under ESOS 2012, and such shares to be allocated to the employees of our Company upon the exercise of options under ESOS 2012.

(B) Employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under the ESOS 2012 are set forth below:

Name of Employee	No. of Option Granted
- Post Bonus	
Financial Year 2012	
Mr. Stanley Johnson P.	112,000
Mr. Anand Agarwal*	112,000
Financial Year 2013	
Mr. Ravindra Deshpande*	14,000
Mr. Rajesh Shah	18,000
Mr. Subrat Mishra*	18,000
Financial Year 2015	
Mr. Amit Majumdar*	160,000
Mr. Saurabh Lal	28,000
Mr. Ankur Sharma*	20,000
Mr. Stanley Johnson P.	20,000
Mr. Vijay Iyer*	20,000
Financial Year 2019	
Mr. Satish Zope	75,000
Mr. Saurabh Lal	74,000
Mr. Stanley Johnson P.	72,000
Mr. Shailesh Shetty	62,000

* no longer an employee/associated with the Company

(C) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant: NIL

The details of ESOS 2015 are as follows:

a) Options granted:

As on March 31, 2022, our Company has granted options as below:

Grant Year	Options Granted	Options Lapsed	Options Exercised	Net Options
2019	1,216,000	220,500	652,400	343,100
2022	2,402,920	260,360	-	2,142,560
Total	3,618,920	480,860	652,400	2,485,660

b) Options vested during the year: 338,470

c) Options exercised during the year: 652,400

d) The total number of shares arising as a result of exercise of option during the year: 652,400

e) Options lapsed during the year: 289,360

f) The exercise price (as on the date of grant of options): ₹ 39.13/- per option

g) Variation of terms of options: NIL

h) Money realized by exercise of options: ₹ 25,528,412

i) Total number of options in force as on March 31, 2022: 2,485,660

j) Employee wise details of options granted to:

B. EMPLOYEE STOCK OPTION SCHEME – ESOS 2015

The Company instituted ESOS 2015 on January 30, 2015 pursuant to resolutions dated January 30, 2015 and February 3, 2015 passed by the Board and Shareholders, respectively, and the ESOS 2015 was subsequently amended pursuant to resolutions, each dated July 27, 2018 and November 22, 2021, passed by the Board and the Shareholders. The ESOS 2015 is compliant with the SEBI SBEB Regulations.

Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted in the ratio of 3:1 to the Shareholders as on a record date of February 11, 2015. Pursuant to the adjustments made as a result of such bonus issue, by way of a resolution passed by the Board, dated March 21, 2015, the total number of options that can be granted under ESOS 2015 was 1,216,000, convertible into 1,216,000 Equity Shares. Further, pursuant to a Board resolution dated August 4, 2021 and a Shareholders' resolution dated August 7, 2021, the option pool available to be granted ESOS 2015 was increased by an additional 2,200,000 options. Pursuant to a resolution passed by the Nomination and Remuneration Committee dated August 12, 2021, 2,402,920 options were granted to certain employees of our Company or our Subsidiaries, including certain Key Managerial Personnel, under ESOS 2015. Such options are convertible into not more than 2,402,920 Equity Shares. ESOS 2015 is administered by the AGSTTL Employees' Welfare Trust.

(A) Key managerial personnel as per Companies Act:

Name of Key Managerial Person	Options held as on April 1, 2021	Options granted during the year	Options exercised during the year	Options held as on March 31, 2022
Mr. Saurabh Lal	--	70,500	--	70,500
Ms. Sneha Kadam	--	6,800	--	6,800

(B) Employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under the ESOS 2015 are set forth below:

Financial Year 2019	Options granted
Mr. Ricardos El Khoury	75,000

(C) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant: NIL

The particulars required to be disclosed pursuant to the SEBI SBEB Regulations shall be disclosed on Company website.

BOARD CONSTITUTION

As on March 31, 2022, your Board comprises 8 (Eight) Directors comprising of 1 (One) Managing Director, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 4 (Four) Independent Directors.

The Board met 19 times during the FY 2021-22, the details of which are given in the Corporate Governance Report forming part of the Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and the Listing Regulations.

Post March 31, 2022, Mrs. Jhuma Guha has been appointed as an Additional Director (Non-Executive, Independent) on the Board of the Company w.e.f. August 5, 2022 for a period of 5 years subject to approval of members at the ensuing 19th AGM.

COMPANY'S POLICY RELATING TO PAYMENT OF REMUNERATION TO DIRECTORS AND KMPs

The Company's policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee to align the objectives and goals of the Company with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time). The compensation structure is merit-based, market-led and benchmarked against industry standards. The Nomination and Remuneration Policy includes provisions for criteria of payment and remuneration payable to Directors, senior management and other employees of the Company.

The Company's Nomination and Remuneration Policy is available on the website of the Company at https://www.agsindia.com/pdf/debenture/2022/AGSTTL_Nomination%20&%20Remuneration%20Policy.pdf.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

The Nomination & Remuneration Committee carried out annual performance evaluation of the Board, its Committees and Individual Directors for the financial year 2021-22 at their meeting held on May 25, 2022. During the financial year under review, the Independent Directors of your Company in separate meeting held on March 29, 2022 without presence of other Directors and management evaluated performance of the Chairman, Managing Director and other Non-Independent Directors along with performance of the Board/Board Committees and other senior management members. The evaluation of the performance of the Directors was done through discussions, the criteria of which included, inter alia, board structure, contributions made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management.

VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, the Board of Directors have formulated a "Whistle Blower Policy/Vigil Mechanism" which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulations 22 of the Listing Regulations. The policy is a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code or the Terms of reference or the Policy without fear of punishment or unfair treatment. The policy is available on the website of the Company and can be viewed on: https://www.agsindia.com/pdf/AGSTTL_Whistle_Blower-Vigil_Mechanism_Policy.pdf

DEPOSITS

During the financial year 2021-22, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

ANNUAL RETURN

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return can be accessed on our website at <https://www.agsindia.com/investor-relation.aspx>

STATEMENT ON MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2021-22 and the date of this Report.

STATEMENT ON MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS

No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an effective internal control and risk mitigation system, which is reviewed and constantly updated. The internal controls including the internal financial control of the Company are managed and reviewed by the Audit Committee and apart from the staff employed by the Company, the Company has also appointed independent Internal Auditors to review and monitor the internal financial controls and their adequacy. The Internal Financial Controls of the Company are adequate and commensurate with the size and nature of business of the Company.

REPORTING OF FRAUDS

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

- No. of complaints at the beginning of the year 2021-22: NIL
- No. of complaints received during the year 2021-22: NIL

- No. of complaints disposed off during the year 2021-22: NIL
- No. of complaints at the end of the year 2021-22: NIL

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in "Annexure 4" forming part of this Report.

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES

The Company has complied with the provisions of Section 185 & 186 of the Act w.r.t. granting loans, making investments and providing guarantees & securities to its subsidiaries. Details of the same are referred at Note 46 (Notes to the financial statements) of the standalone financial statements as on March 31, 2022.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year under review were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant Related Party Transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interests of the Company at large.

All Related Party Transactions were placed before the Audit Committee and also before the Board for their approval. Prior in-principle approval (omnibus approval) of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval on a monthly/quarterly basis, as the case maybe.

The Company has framed a Related Party Transactions Policy which is available at the below link: https://www.agsindia.com/pdf/debenture/2022/AGSTTL_Policy%20on%20materiality%20of%20related%20party%20transactions.pdf

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

MD AND CFO CERTIFICATION

As required under Regulation 17(8) of the SEBI Listing Regulations, the Managing Director and CFO of your Company have certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the financial year ended March 31, 2022. Their Certificate is annexed as “Annexure 5” to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE - TERMS OF REFERENCE

The terms of reference of the CSR Committee are as follows:

- TERMS OF REFERENCE OF CSR COMMITTEE:
 - Formulate and Recommend to the Board, the Corporate Social Responsibility (CSR) initiatives of the Company together with overseeing their implementation.
 - Recommend and Review the amount of expenditure to be incurred on the aforesaid CSR activities out of the “AGSTTL - CSR Corpus”.
 - Monitor, alter and amend the CSR Policy of the Company, as and when required.
 - Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes / activities proposed to be undertaken by the Company in line with its CSR Policy.
 - To discharge any other function as may be delegated to it by the Board and falling under the purview of the Company’s CSR Policy.

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out herewith as “Annexure 6” to this Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3)(c) & 134(5) of the Companies Act, 2013, with respect to Directors’ Responsibility Statement, it is hereby confirmed that for the concerned FY 2021-22:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and loss of the Company for that period;
- c. the Directors had 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. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REPORT ON CORPORATE GOVERNANCE

As required by Regulation 34 of the Listing Regulations, a detailed Report on Corporate Governance is included in the Annual Report as “Annexure 1”.

M/s. Bhandari & Associates, Practising Company Secretaries, Mumbai, have certified your Company’s compliance requirements in respect of Corporate Governance, in terms of Regulation 34 of the Listing Regulations; and their Compliance Certificate is annexed to the Report on Corporate Governance. (“Annexure 7”)

PARTICULARS OF EMPLOYEES

The information under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

- Ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director in the financial year:

Name of the Director	Designation	Ratio of Remuneration of each Director/KMP to median remuneration of employees	Percentage increase/ decrease in Remuneration in the financial year 2021-22 over financial year 2020-21
Mr. Ravi B. Goyal	Chairman & Managing Director	52.88	NIL
Mr. Sudip Bandyopadhyay	Non-Executive, Independent Director	12.12	25%
Mr. Subrata Kumar Mitra	Non-Executive, Independent Director	7.56	NA
Mr. Vijay Chugh	Non-Executive, Independent Director	11.79	23%
Mr. Rahul N. Bhagat	Non-Executive, Independent Director	12.12	24%
Mrs. Anupama R. Goyal	Non-Executive, Non-Independent Director	NA	NA
Mr. Stanley Johnson P.	Executive Director	67.55	NA
Mr. Vinayak R. Goyal	Executive Director	13.73	NA

Notes:

- The Non-Executive, Independent Directors of the Company are paid remuneration in the form of commission and sitting fees for meetings attended by them during FY 2021-22.
- Mr. Vinayak R. Goyal joined as Executive Directors w.e.f June 9, 2021. His remuneration pertains to the period from the date of appointment till March 31, 2022 and accordingly is not comparable to the previous financial year.
- Mr. Stanley Johnson P. joined as Executive Directors w.e.f June 9, 2021. Prior to his appointment as Executive Director, he was associated as Head - Banking Outsourcing. His remuneration pertains to full financial year and is not comparable to the previous financial year. The remuneration paid to him includes perquisites of ₹ 8.05 million on account of exercise of 102,000 employee stock options.
- Mr. Subrata Kumar Mitra joined as Independent Director w.e.f. July 20, 2021. His remuneration pertains to the period from the date of appointment till March 31, 2022 and accordingly is not comparable to the previous financial year.
- The median remuneration of employee of the Company during FY 2021-22 was ₹ 453,897.
- Mrs. Jhuma Guha has been appointed w.e.f. August 5, 2022 and therefore excluded from the above disclosure.

- Percentage increase in remuneration of Chief Financial Officer and Company Secretary in the financial year:

Name of the KMP	Designation	Percentage increase/ decrease in Remuneration in the financial year 2021-22 over financial year 2020-21
Mr. Saurabh Lal	Chief Financial Officer	6%
Ms. Sneha Kadam	Company Secretary	20%

- Percentage increase in the median remuneration of employees in the financial year: [-1.40%]
- Number of permanent employees on the rolls of the Company as on March 31, 2022: 1,427
- Average percentile 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 the managerial remuneration: 6%
- It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company: Yes
- Receipt of any remuneration or commission by MD or WTD of the company from any subsidiary company is required to be disclosed pursuant to Section 197(14) – Not applicable

Any Member desirous of obtaining the statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 may write to the Company Secretary at the

e-mail ID companysecretary@agsindia.com. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid annexure.

HUMAN CAPITAL

The Directors acknowledge and appreciate the contribution of all employees towards the performance of the Company and believe that the employees are the most valuable assets of the Company. The Company has a scalable recruitment and human resources management process.

COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India.

OTHER DISCLOSURES

- No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done

ACKNOWLEDGEMENTS

The Board wishes to place on record their sincere appreciation and gratitude to the various government authorities, bankers,

customers, vendors, shareholders and all other stakeholders for their continued co-operation and generous support. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

For and on behalf of the Board of Directors
AGS Transact Technologies Limited

Ravi B. Goyal
Chairman & Managing Director
(DIN: 01374288)
Address: C-3101, 31st Floor,
Beau Monde, Appasaheb Marathe Marg,
Prabhadevi, Mumbai- 400025

Place: Mumbai
Date: 5 August 2022

Annexure 1

Report on Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is based on the principles of full disclosure, fairness, equity, transparency, and accountability in various aspects of its functioning, leading to the protection of stakeholders interest and an enduring relationship with them.

Your Company is committed to follow the best Corporate Governance practices not only to ensure success in business, but also for maximizing value for all the stakeholders, be it Members, investors, clients or employees. The trust of the stakeholders is built by maintaining the highest ethical standards, transparency and accountability. The Directors and Management of your Company continue to be committed to adhering to the best governance standards and to comply with the regulatory requirements in the true spirit and beyond the letter of law.

2. BOARD OF DIRECTORS

a. Board Composition and category of directors

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act 2013 ("the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], with an appropriate combination of Executive, Non-Executive and Independent Directors. The number of Independent Directors comprises of more than 50% of the total strength of the Board.

As on March 31, 2022, the Board comprises of 8 (Eight) Directors comprising of 1 (One) Managing Director, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 4 (Four) Independent Directors.

Further, pursuant to appointment of Mrs. Jhuma Guha as Additional Director (Non-Executive, Independent Director) of the Company on August 5, 2022, the Board comprises of 9 (Nine) Directors comprising of 1 (One) Managing Director, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 5 (Five) Independent Directors.

The management of the Company is entrusted in the hands of its Senior Management Personnel and is headed by the Executive Chairman and Managing Director who functions under the supervision and control of the Board. The Board

reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders value are met.

Mr. Ravi B. Goyal, Chairman and Managing Director of the Company is the Promoter. Mr. Vinayak R. Goyal (Executive Director and son of Mr. Ravi B. Goyal) and Mrs. Anupama R. Goyal (Non-Executive Director and spouse of Mr. Ravi B. Goyal) belong to the promoter group. None of the other Directors are related to Promoter group, or related to each other than as stated above.

None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. It is hereby confirmed that in the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the Listing Regulations and the Companies Act, 2013 and are independent of the management. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

The Board of Directors comprises of professionals drawn from diverse fields who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board decision making process. All the Directors of the Company are experienced professionals having knowledge covering wide range of subjects including those of Information technology, Banking solutions, Consumer Banking, Financial Services, Banking outsourcing operations, Governance and the related regulatory issues of the business.

Since the Company got listed on January 31, 2022, the Company did not conduct any familiarization programs for its Independent Directors during FY 2021-22. The Company shall conduct such programs during FY 2022-23 to make them aware of the nature of the industry and their roles, rights, responsibilities.

Details of the Directors seeking re-appointment i.e. Mr. Stanley Johnson P. and Appointment as Independent Director i.e. Mrs. Jhuma Guha at the Annual General Meeting (AGM) shall be included in the Notice of the AGM.

Matrix setting out the skills/ expertise/ competence of the Board of Directors:

The following is the list of core skills/ expertise/ competencies possessed by the Board of Directors of the Company, which are essential for the functioning of the Company in an effective manner:

Sr No.	Name of the Director	Skills/expertise/competences
1.	Mr. Ravi B. Goyal	Over 26 years of experience in the field of technology
2.	Mr. Sudip Bandyopadhyay	Over three decades of rich and diverse experience in various areas of finance and financial service
3.	Mr. Subrata Kumar Mitra	Over 40 years of experience in the financial industry
4.	Mr. Vijay Chugh	Over 32 years of experience at the Reserve Bank of India in the fields of supervision and regulation of commercial banks, rural credit and development, payment and settlement systems and core banking solutions
5.	Mr. Rahul Narain Bhagat	Over three decades of experience in consumer banking
6.	Mrs. Anupama R. Goyal	Associated with the Company and its subsidiaries since 2012
7.	Mrs. Jhuma Guha	Experience of over 3 decades in the field of financial services
8.	Mr. Stanley Johnson P.	Over 26 years of experience in the field of payment industry
9.	Mr. Vinayak R. Goyal	Over 3 years of experience in the fields of investment banking, business strategy and fund raising

*Mrs. Jhuma Guha has been appointed w.e.f. August 5, 2022

b. Board meetings held and Directors' attendance record

Sr. No.	Name of the Director	Category	Number of Board meetings held during the year ended March 31, 2022		No. of Directorship in Public Companies as on March 31, 2022	*No. of Board Committee Membership held in Public Companies as on March 31, 2022		Attendance at last AGM held on September 21, 2021	Shareholding as on March 31, 2022
			Held	Attended		Member	Chairman		
1.	Mr. Ravi B. Goyal	Chairman & Managing Director	19	19	3	3	0	Yes	27,741,455
2.	Mr. Sudip Bandyopadhyay	Non-Executive, Independent Director	19	19	9	6	4	No	NIL
3.	Mr. Subrata Kumar Mitra	Non-Executive, Independent Director	16	16	10	9	5	N.A.	NIL
4.	Mr. Vijay Chugh	Non-Executive, Independent Director	19	19	7	6	0	No	NIL
5.	Mr. Rahul N. Bhagat	Non-Executive, Independent Director	19	19	5	3	1	No	NIL
6.	Mrs. Anupama R. Goyal	Non-Executive, Non-Independent Director	19	10	3	0	0	Yes	16
7.	Mr. Stanley Johnson P.	Executive Director	19	19	1	0	0	Yes	102,000
8.	Mr. Vinayak R. Goyal	Executive Director	19	18	2	0	0	Yes	NIL

*In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in public limited companies (excluding AGS Transact Technologies Limited) have been considered.

The Board of Directors of the Company meets regularly to discuss the operational and financial performance of the Company and that of its subsidiaries. During the year under review, 19 meetings of the Board were held on the following dates:

9 June 2021, 23 June 2021, 29 June 2021, 20 July 2021, 4 Aug 2021, 6 Aug 2021, 12 Aug 2021, 18 Aug 2021, 21 Oct 2021, 22 Nov 2021, 21 Dec 2021, 6 Jan 2022, 11 Jan 2022, 12 Jan 2022, 18 Jan 2022, 22 Jan 2022, 27 Jan 2022, 14 Feb 2022 and 29 Mar 2022.

c. Other directorship positions held in listed entities by Directors and the category

Sr No.	Name of the Director	Names of listed entities in which Directorship held	Category of Directorship
1.	Mr. Ravi B. Goyal	None	None
2.	Mr. Sudip Bandyopadhyay	<ul style="list-style-type: none"> Inditrade Capital Limited VST Industries Limited 	Non-Executive Director/Promoter Non- Executive – Independent Director
3.	Mr. Subrata Kumar Mitra	<ul style="list-style-type: none"> Onward Technologies Limited IL&FS Engineering & Construction Company Limited IF&FS Transportation Networks Limited Centrum Capital Limited 	Non- Executive – Independent Director
4.	Mr. Vijay Chugh	<ul style="list-style-type: none"> Dhani Services Limited 	Non- Executive – Independent Director
5.	Mr. Rahul N. Bhagat	None	None
6.	Mrs. Anupama R. Goyal	None	None
7.	Mr. Stanley Johnson P.	None	None
8.	Mr. Vinayak R. Goyal	None	None

d. Board Committees
Audit Committee

As on March 31, 2022, the Company's Audit Committee comprises of 4 Members and is compliant with the provisions of section 177 of Companies Act, 2013 and SEBI (LODR) Regulations. The constitution of Audit Committee is as follows:

Mr. Sudip Bandyopadhyay	Chairman of the Committee
Mr. Ravi B. Goyal	Member
Mr. Vijay Chugh	Member
Mr. Rahul N. Bhagat	Member

During the financial year under review, the Audit Committee met Eleven (11) times i.e. as on 9 June 2021, 29 June 2021, 4 Aug 2021, 6 Aug 2021, 12 Aug 2021, 21 Oct 2021, 22 Nov 2021, 21 Dec 2021, 6 Jan 2022, 14 Feb 2022 and 29 Mar 2022.

The above meetings were duly attended by all Committee Members.

The terms of reference of the Audit Committee are as follows:

- overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the auditors of the Company;

c. reviewing and monitor the statutory auditors' independence and performance and the effectiveness of audit process;

d. approval of payments to the statutory auditors for any other services rendered by statutory auditors;

e. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i. matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, as amended;

ii. changes, if any, in accounting policies and practices and reasons for the same;

iii. major accounting entries involving estimates based on the exercise of judgment by management;

iv. significant adjustments made in the financial statements arising out of audit findings;

v. compliance with listing and other legal requirements relating to financial statements;

vi. disclosure of any related party transactions; and

vii. qualifications and modified opinions in the draft audit report.

- f. reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 - g. scrutiny of inter-corporate loans and investments;
 - h. valuation of undertakings or assets of the Company, wherever it is necessary;
 - i. evaluation of internal financial controls and risk management systems;
 - j. approval or any subsequent modification of transactions of the Company with related parties;
 - k. reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/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;
 - l. approving or subsequently modifying transactions of the Company with related parties;
 - m. establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 - n. reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
 - o. reviewing the adequacy of internal audit function, if any, 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;
 - p. discussion with internal auditors on any significant findings and follow up thereon;
 - q. 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;
 - r. 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;
 - s. looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - t. approval of appointment of the chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;
 - u. reviewing the functioning of the whistle blower mechanism;
 - v. ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;
 - w. reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiaries exceeding INR 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 - x. considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
 - y. formulating a policy on related party transactions, which shall include materiality of related party transactions; and
 - z. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act or other applicable law.
- The Audit Committee shall mandatorily review the following information:
- a. management's discussion and analysis of financial condition and result of operations;
 - b. statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. management letters/letters of internal control weaknesses issued by the statutory auditors;

- d. internal audit reports relating to internal control weaknesses;
- e. the appointment, removal and terms of remuneration of the chief internal auditor;
- f. examination of the financial statements and the auditor's report thereon; and
- g. statement of deviations, including:
 - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - ii) annual statement 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.

During the financial year under review, the Nomination and Remuneration Committee were held 8 (Eight) times i.e. on 9 June 2021, 23 June 2021, 29 June 2021, 20 July 2021, 4 Aug 2021, 12 Aug 2021, 22 Nov 2021 and 29 Mar 2022.

The above meetings were duly attended by all Committee Members.

The terms of reference of the Nomination and Remuneration Committee are as follows:

- a. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company ("Board") a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- b. formulation of criteria for evaluation of the performance of independent directors and the Board;
- c. devising a policy on diversity of the Board;
- d. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- e. determining 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;
- f. recommend remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;
- g. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- h. recommend to the Board, all remuneration, in whatever form, payable to senior management;
- i. performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ("SEBI Employee Benefits Regulations");
- j. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2022, the Company's Nomination and Remuneration Committee comprises of 5 Members and is compliant with the provisions of section 178 of Companies Act, 2013 and SEBI (LODR) Regulations. The Company's Nomination and Remuneration Policy is available on the website of the Company at https://www.agsindia.com/pdf/debenture/2022/AGSTTL_Nomination%20&%20Remuneration%20Policy.pdf

The policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee to align the objectives and goals of the Company with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time). The Company believes that human capital is the most important asset required in fulfilling its business objectives and it shall continually strive to foster an environment that enhances skills and leadership qualities among its employees.

The compensation structure is merit-based, market-led and benchmarked against industry standards.

The constitution of Nomination and Remuneration Committee is as follows:

Mr. Vijay Chugh	Chairman of the Committee
Mr. Ravi B. Goyal	Member
Mr. Rahul N. Bhagat	Member
Mr. Sudip Bandyopadhyay	Member
Mr. Subrata Kumar Mitra	Member (w.e.f. 4 Aug 2021)

- k. analysing, monitoring and reviewing various human resource and compensation matters;
- l. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- m. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- n. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the SEBI Employee Benefits Regulations, the Companies Act, each as amended or other applicable law.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on March 31, 2022, the Company's Corporate Social Responsibility (CSR) Committee comprises of 3 Members and is compliant with the provisions of section 135 of Companies Act, 2013. The constitution of CSR Committee is as follows:

- | | | |
|----|---------------------|---------------------------|
| 1. | Mr. Vijay Chugh | Chairman of the Committee |
| 2. | Mr. Ravi B. Goyal | Member |
| 3. | Mr. Rahul N. Bhagat | Member |

During the financial year under review, 1 meeting of the CSR Committee was held on 29 March 2022. The same was attended by all the Members.

The terms of reference of CSR Committee are as follows:

- a. formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto, in accordance with Schedule VII of the Companies Act;
- b. recommending the amount of expenditure to be incurred on the corporate social responsibility activities;
- c. reviewing and monitoring the implementation of corporate social responsibility policy of the Company and programs undertaken by the Company; and

- d. performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

RISK MANAGEMENT COMMITTEE

The Company's Risk Management Committee comprises of 3 Members. The constitution of the Committee as on March 31, 2022 is as follows:

- | | | |
|----|---------------------|------------------------------|
| 1. | Mr. Vijay Chugh | - Chairman of the Committee; |
| 2. | Mr. Ravi B. Goyal | - Member; and |
| 3. | Mr. Rahul N. Bhagat | - Member |

The terms of reference of Risk Management Committee are as follows:

- a. to formulate a detailed risk management policy which shall include: (i) a framework for identification of internal and external risks specifically faced by the Company, 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; (ii) measures for risk mitigation including systems and processes for internal control of identified risks; and (iii) business continuity plan.
- b. to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. to keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- g. performing such other functions as may be delegated by the Board or prescribed under the SEBI Listing Regulations and other applicable law.

The Company has voluntarily incorporated Risk Management Company and during the year under review, no meetings of the Risk Management Committee were held.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company's Stakeholders' Relationship Committee comprises of 3 Members. The constitution of the Committee as on March 31, 2022 is as follows:

- | | | |
|----|-------------------------|---|
| 1. | Mr. Rahul Narain Bhagat | Non-Executive, Independent Director (Chairman) |
| 2. | Mr. Vijay Chugh | Non-Executive, Independent Director (Member); and |
| 3. | Mr. Sudip Bandyopadhyay | Non-Executive, Independent Director (Member) |

The terms of reference of the Stakeholders' Relationship Committee are as follows:

- a. redressal of grievances of the security holders of the Company 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. and assisting with quarterly reporting of such complaints;
- b. review measures taken for effective exercise of voting rights by shareholders;
- c. review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- d. review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- e. formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- f. to approve, register, refuse to register transfer or transmission of shares and other securities;
- g. to sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

- h. to issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- i. to dematerialize or rematerialize the issued shares;
- j. to further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agents(s); and
- k. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

Details of investor queries and grievances received and attended by the Company during the FY22 are given herein below:

- Pending as on April 1, 2021 - NIL
- Received during the year - 15
- Disposed-off during the year - 15
- Pending as on March 31, 2022 - NIL
- Number of complaints not resolved to the satisfaction of shareholders - NIL

e. Annual Evaluation of Board's Performance

The Nomination & Remuneration Committee carried out annual performance evaluation of the Board, its Committees and Individual Directors for the financial year 2021-22 at their meeting held on May 25, 2022. During the financial year under review, the Independent Directors of your Company in separate meeting held on March 29, 2022 without presence of other Directors and management evaluated performance of the Chairman, Managing Director and other Non-Independent Directors along with performance of the Board/Board Committees and other senior management members. The evaluation of the performance of the Directors was done through discussions, the criteria of which included, inter alia, board structure, contributions made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management. The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

f. Remuneration of Directors

(i) Remuneration to Executive Directors for the FY 2021-22:

Sr No.	Name of the Director	Designation	Salary, Allowances and Bonus (in INR mn)	Perquisites	Pension	Total Remuneration
1.	Mr. Ravi B. Goyal	Chairman & Managing Director	24.00	NIL	NIL	24.00
2.	Mr. Stanley Johnson P.	Director	22.61	8.05*	NIL	30.66
3.	Mr. Vinayak R. Goyal	Director	6.23	NIL	NIL	6.23

* Perquisites are on account of exercise of 102,000 employee stock options.

(ii) Remuneration to Executive Directors for the FY 2021-22:

Sr No.	Name of the Director	Options held as on April 1, 2021	Options granted during the year	Options exercised during the year	Options held as on March 31, 2022
1.	Mr. Stanley Johnson P.	204,000	98,800	102,000	200,800

The service contracts of the Chairman and Managing Director & Executive Directors of your Company are for a period of three years, with a notice period of six months and three months respectively.

(iii) Remuneration to Non-Executive, Independent Directors for the FY 2021-22:

The Non-Executive Independent Directors (NEDs) of the Company are paid remuneration by way of Sitting Fees for their participation in various committee and board meetings. Further, the NEDs are also entitled to receive profit related commission in accordance with the terms of their respective appointment letters, within the limits specified under the Companies Act, 2013. The remuneration paid to NEDs during the year is as follows:

Sr No.	Name of the Independent Director	Sitting fees (in INR mn)	*Commission (in INR mn)
1.	Mr. Sudip Bandyopadhyay	3.10	2.40
2.	Mr. Subrata Kumar Mitra	1.75	1.68
3.	Mr. Vijay Chugh	2.95	2.40
4.	Mr. Rahul N. Bhagat	3.10	2.40

Notes:

 *Subject to approval of shareholders at the ensuing 19th AGM.

Mrs. Jhuma Guha has been appointed w.e.f. August 5, 2022.

There is no pecuniary or business relationship between the NEDs and the Company, except for the sitting fees for attending meetings of the Board/Committees thereof and commission payable to them annually. The Independent Directors are not entitled to any stock options and except Mrs. Jhuma Guha none of the Non-Executive, Independent Directors hold any Equity Shares in the Company.

No remuneration is paid to Mrs. Anupama R. Goyal, Non-Executive, Non-Independent Director of the Company.

g. General Body Meetings

The venue and timings of the last three Annual General Meetings are given below:

Financial year	Date	Location	Time
2018-19	30 Sept 2019	601-602, Trade World, B-Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, India	12 noon
2019-20	25 Sept 2020	14 th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi (West), Mumbai-400013, Maharashtra, India	11 a.m.
2020-21	21 Sept 2021	14 th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi (West), Mumbai-400013, Maharashtra, India	11 a.m.

The number and particulars of Special Resolutions which were passed in the last three Annual General Meetings are as follows:

Date of AGM	Special resolutions passed
30 Sept 2019	Approval of related party transaction with Instrument Research Associates Private Limited Approval for Increase In Commission Payable to Non-Executive, Independent Directors of the Company
25 Sept 2020	None
21 Sept 2021	None

No resolutions were passed via Postal ballot during the previous financial year. Further, no resolutions are proposed to be passed through Postal ballot.

h. Means of Communication

The Board takes on record the audited/ unaudited annual/ quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations issued by SEBI within prescribed time limit from the closure of the quarter/year and announces the results to all the Stock Exchanges (BSE and NSE) where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in Free Press Journal and Navshakti within 48 hours of the conclusion of the meeting of the Board in which they are approved. The same are also published on the website of the Company i.e. www.agsindia.com.

Official news releases, if any, and Investor/Analysts presentations/transcripts are also uploaded on the Company website.

i. General Shareholder Information

- Annual General Meeting – August 30, 2022
- Financial Year of the Company: April to March
- Dividend Payment Date: No Dividend declared for FY 2021-22
- Listing of Equity Shares on Stock Exchanges and Stock Code:

The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

Name and Address of the Stock Exchange	Type of Security/ Scrip Code	International Securities Identification Number (ISIN)
BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001	Equity Shares BSE Scrip Code: 543451	INE583L01014
National Stock Exchange of India Limited Address: Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	Equity Shares NSE Scrip Symbol: AGSTRA	INE583L01014

- Annual listing fees has been duly paid to both BSE and NSE.
- Corporate Identity Number (CIN) of the Company: L72200MH2002PLC138213
- Market Price data:

The monthly high/low price quotes of equity shares traded on the Bombay Stock Exchange and the National Stock Exchange of India is as follows

Month	National Stock Exchange		Bombay Stock Exchange	
	High	Low	High	Low
Jan-22	181.85	154.00	181.85	153.80
Feb-22	173.95	95.00	173.95	95.00
Mar-22	122.65	96.75	122.00	96.80

Details of Registrar and Share Transfer Agents (RTA) are as follows

Link Intime India Pvt. Ltd,
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083.
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Share Transfer System

Share transfers and related operations for the Company are processed by the Company's RTA viz., Link Intime India Private Limited, Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

Securities and Exchange Board of India (SEBI) vide its notification dated 08 June, 2018 has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (Listing Regulations) and SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations 2018 (RTA Regulations) and amendment to Regulation 40 of the Listing Regulations and Clause 5(c) of Schedule III of the RTA Regulations. These amendments have mandated that the transfer of securities would be carried out only in dematerialized form.

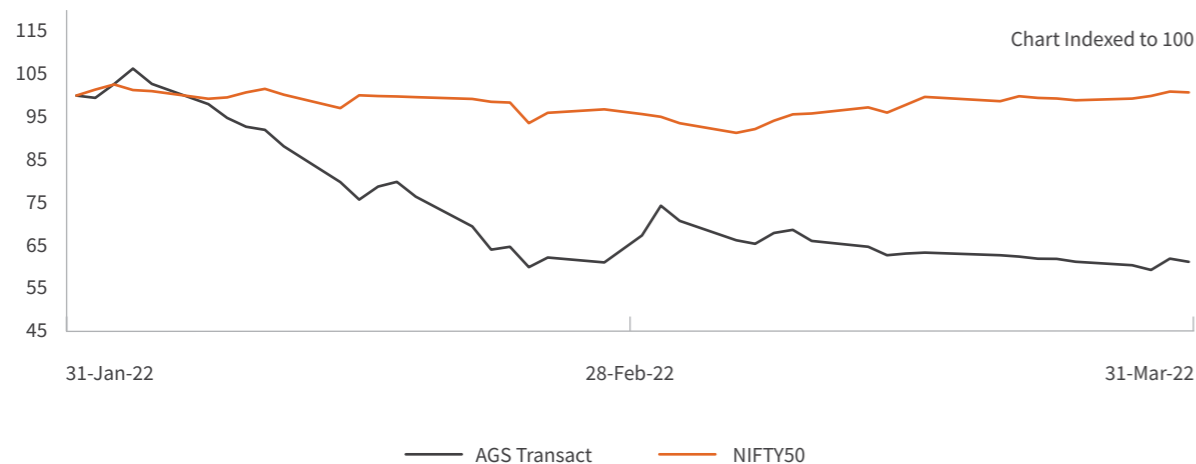
Plant Location

We have a 6,987.84 square metres facility at Daman, where we assemble, stage and conduct the testing of ATMs and other products. Our Daman facility has the capacity to manufacture up to 1,000 ATMs every month. The facility also acts as a warehousing facility for our ATMs.

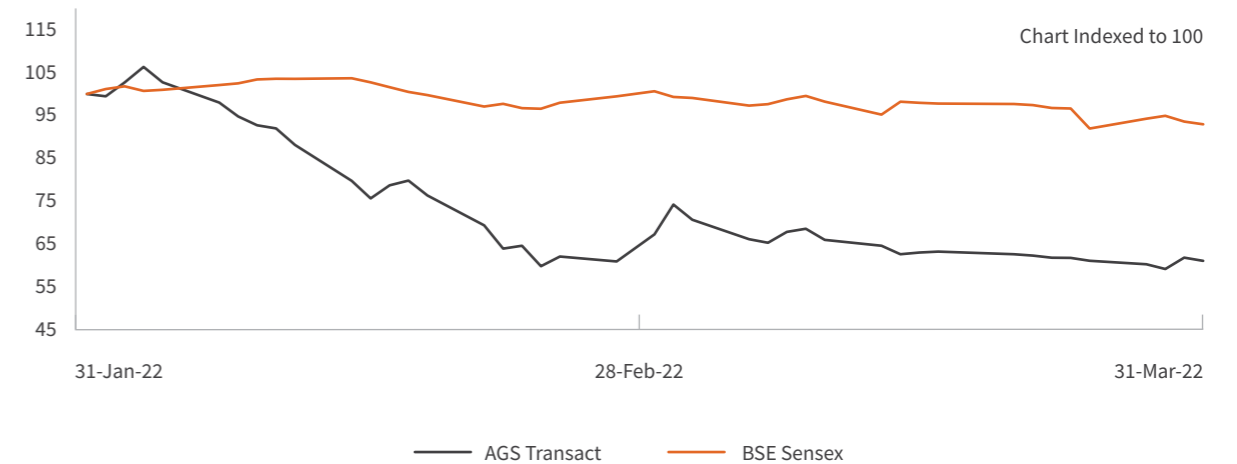
We have set up a 3,409 square feet innovation centre in Mumbai, Maharashtra where we demonstrate our end-to-end capabilities of designing, installing and integrating the hardware and software solutions that we provide. We have also set up an in-house testing and repair centre in Navi Mumbai, Maharashtra to support all our business sectors and a technology support which is operational round-the-clock to assist our customers. We also have a central warehouse facility at Kalamboli, Maharashtra totalling 19,785 square feet.

Our office premises, 'AGS House', in Mahape, Navi Mumbai, Maharashtra, has six floors and covers a total built-up area of approximately 8,000 square metres. These premises house our technical support and operational teams, monitoring centres, software lab, and the related infrastructure. In addition, we have a 24x7 call centre located in Airoli with an area of 26,938 square feet that provides support to our customers.

Stock Price Performance vs Nifty



Stock Price Performance vs BSE Sensex



Distribution of Shareholding as on 31 March 2022*

Shareholding of Shares	Number of shareholders	Percentage of Total	Total Shares
1 to 500	127,225	98.1705	11,376,133
501 to 1000	1,252	0.9661	967,948
1001 to 2000	561	0.4329	845,762
2001 to 3000	189	0.1458	477,932
3001 to 4000	72	0.0556	263,487
4001 to 5000	72	0.0556	346,990
5001 to 10000	94	0.0725	699,062
10001 & above	131	0.1011	105,415,262

*The above doesn't include 1,010,500 equity shares allotted to AGSTTL Employees Welfare Trust.

Convertible instruments issued as on March 31 2022

The Company has not issued any ADRs/ GDRs/ Warrants or any Convertible instruments. As on March 31, 2022, no convertible instruments are outstanding.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part -

Particulars	AGSTTL (₹ in million)	SVIL (₹ in million)	ITSL (₹ in million)	GTSL (₹ in million)	Total
Audit fees	7.50	2.00	1.80	1.33	12.63
Certification fees and other services*	14.14	--	--	-	14.26
Out of pocket expenses	1.27	0.06	0.05	-	1.27
Total	22.92	2.06	1.85	1.33	28.16

*Out of above expenditure, ₹ 9.83 million pertains to initial public offer is included in Legal and professional charges.

- **Details of Utilisation of Funds**

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A).

- **Credit Ratings obtained during the FY 2021-22 – These details are included in Directors Report**

- **Name, designation, and address of the Compliance Officer**

Ms. Sneha Kadam, Company Secretary and Compliance Officer

Email: companysecretary@agsindia.com;

Address for correspondence: 14th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi (West), Mumbai 400013

- **Disclosure Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

- No. of complaints at the beginning of the year 2021-22: NIL
- No. of complaints received during the year 2021-22: NIL
- No. of complaints disposed off during the year 2021-22: NIL
- No. of complaints at the end of the year 2021-22: NIL

VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, the Board of Directors have formulated a “Whistle Blower Policy/Vigil Mechanism” which is in compliance

with the provisions of Section 177 (10) of the Companies Act, 2013. The policy is a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code or the Terms of reference or the Policy without fear of punishment or unfair treatment. The policy is available on the website of the Company and can be viewed on:

https://www.agsindia.com/pdf/AGSTTL_Whistle_Blower-Vigil_Mechanism_Policy.pdf

No employee and or other person has been denied access to the Chairman of the Audit Committee.

DEMAT HOLDING

As on 31 March, 2022, 120392575 shares of the Company are in demat form. The Company has executed agreements with both NSDL and CDSL for dematerialisation of its shares.

ISIN of the Company: INE583L01014

CERTIFICATE FROM A PRACTICING COMPANY SECRETARY ON NON-DISQUALIFICATION OF DIRECTORS

A certificate from a company secretary in practice M/s. Bhandari & Associates, Company Secretaries that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached as “**Appendix A**”.

- **Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:**

Financial results for the quarter ended September 30, 2021 were not submitted to NSE within forty-five days from the end of the said quarter as required under Regulation 52(1), 52(4) and 54 (2) of Listing Regulations and were submitted on December 21, 2021. NSE imposed a fine of ₹ 252,000 on the Company for such delayed submission, the payment of which was made by the Company on December 21, 2021.

POLICIES AS PER SEBI (LODR)

The below policies adopted in accordance with SEBI (LODR) regulations are available on the website of the Company at www.agsindia.com:

1. Policy on Board Diversity
2. Policy on determining material subsidiary
3. Policy on related party transactions

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS

All the mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations have been complied with by the Company.

ADOPTION OF DISCRETIONARY REQUIREMENTS OF LISTING REGULATIONS

The Company has adopted the following non-mandatory requirements in terms of Part E of Schedule II of Listing Regulations:

- A. Modified opinion(s) in audit report: During the period under review, there was no audit qualification in the Financial Statements. The Company continues to adopt the best accounting practices and has complied with the relevant applicable Accounting Standards.
- B. Reporting of internal auditor: The internal auditor of the Company reports directly to the Audit Committee.

DISCLOSURE FOR LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

Except granting of loan to its wholly owned subsidiary i.e. India Transact Services Limited during the year, the Company has not made any Loans and advances in the nature of loans to firms/companies in which directors are interested during the FY 2021-22.

RECOMMENDATIONS OF THE COMMITTEES

During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee/Nominations and Remuneration Committee/Corporate Social Responsibility Committee on any matter which is mandatorily required.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

There are no shares in the demat suspense account/ unclaimed suspense account at the beginning and at the end of the FY 2021-22.

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT /ETHICS

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for prohibition and prevention of Insider Trading for its designated employees. The code lays down Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company.

In accordance with Regulation 26 of the Listing Regulations, 2015, this is to confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to the Code of Conduct for the financial year ended March 31, 2022.

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V, Para C, clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
AGS Transact Technologies Limited
601-602 Trade World B-Wing,
Kamala Mill Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AGS Transact Technologies Limited, having CIN L72200MH2002PLC138213 and having Registered Office at 601-602 Trade World B-Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 (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, 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, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 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.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Ravi Badrinarain Goyal	01374288	December 11, 2002
2.	Mr. Sudip Bandyopadhyay	00007382	September 16, 2010
3.	Mrs. Anupama Ravi Goyal	02696453	August 10, 2012
4.	Mr. Vijay Chugh	07112794	March 12, 2015
5.	Mr. Rahul Narain Bhagat	02473708	June 07, 2018
6.	Mr. Stanley Johnson Panacherry	08914900	June 09, 2021
7.	Mr. Vinayak Ravi Goyal	09199173	June 09, 2021
8.	Mr. Subrata Kumar Atindra Mitra	00029961	July 20, 2021

Ensuring the eligibility of / 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 **Bhandari & Associates**
Company Secretaries
Firm Registration No: P1981MH043700

Manisha Maheshwari
Partner
ACS No: 30224; C P No.: 11031
Mumbai | May 27, 2022
UDIN: A030224D000411541

Annexure 1

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
AGS Transact Technologies Limited
CIN: L72200MH2002PLC138213

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AGS Transact Technologies 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- The Companies Act, 2013 (“the Act”) and the Rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SBEB Regulations”);
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent of provisions dealing with client and referring to the Companies Act, 2013;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#; and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#.

The Regulations or Guidelines, as the case may be, are not applicable for the period under review.

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

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable except in respect of the matters listed below:

- Prior intimation of at least seven working days was not given to the National Stock Exchange of India Limited (“NSE”) in

- respect of record date for redemption of its 5,500 Listed (on NSE), Rated, Secured, Redeemable, Transferable, Non-Convertible Debentures (“NCDs”) of the nominal value of INR 10 Lakhs each, aggregating to INR 550 Crores on January 29, 2022, pursuant to Regulation 60(2) of Listing Regulations. The record date intimation was given only one working day prior to such redemption.
2. Disclosure of outcome of Board meeting of the Company held on February 14, 2022, in which the financial results for the quarter and nine months ended December 31, 2021 were approved, was not intimated to the Stock Exchanges within thirty minutes of the closure of the said meeting, as required under Regulation 30 of Listing Regulations.
 3. Disclosure in respect of sale of the 650,000,000 Compulsory Convertible Preference Shares of Vineha Enterprises Private Limited (“CCPS”) held by the Company to Mr. Ravi B. Goyal, Promoter on August 16, 2021 at a consideration of INR 650 Crores for the purpose of redemption of its NCDs was not provided to NSE, pursuant to Regulation 51(1) & (2) of Listing Regulations.
 4. As required under Regulation 54(1) and 56(1)(d) of Listing Regulations, the Company has not maintained hundred percent asset cover in respect of its NCDs.
 5. In-principle approvals were not obtained from the Stock Exchanges (BSE Limited (“BSE”) and NSE) prior to the allotment of 1,010,500 equity shares of face value of INR 10 each by the Company to AGSTTL Employees Welfare Trust on March 29, 2022 (“ESOP Allotted Shares”), pursuant to Regulation 28(1) of the Listing Regulations read with Regulation 10(b) of the SBEB Regulations.
 6. Financial results for the quarter ended September 30, 2021 were not submitted to NSE within forty-five days from the end of the said quarter as required under Regulation 52(1), 52(4) and 54 (2) of Listing Regulations and were submitted on December 21, 2021. NSE imposed a fine of INR 2.52 Lakhs on the Company for such delayed submission, the payment of which was made by the Company on December 21, 2021.
 7. Payment of interest on the NCDs of the listed entity was made on April 12, 2021 and confirmation of the same was intimated to NSE on May 06, 2021. The status of payment was not intimated within one working day as required under Regulation 57(1) of Listing Regulations.
 8. The Company has disbursed/transferred the CSR funds under the statutory obligation laid down in Section 135 of the Act to the implementing agency (AGS Community Foundation, a Section 8 company and subsidiary of the

Company). However, the amounts so transferred in the previous year (INR 1.68 Crores) and the current year (INR 2.14 Crores) remain unutilised by the implementing agency as at March 31, 2022. Further, the Company is yet to formulate the annual action plan as per Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and approve the CSR projects/activities to be undertaken as per its CSR Policy and Schedule VII of the Act.

9. The Company had declared a dividend at the rate of INR 1/- per equity share of face value of INR 10 each for the financial year ended March 31, 2021 in the Annual General Meeting held on September 21, 2021. The said amount of dividend was not deposited in a separate bank account within the timeline as specified under Section 123(4) of the Act. However, payment of the same was made to the shareholders within thirty days of its declaration in compliance with Section 123 and 124 of the Act.

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 of the Company during the year under review were in accordance 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 for meetings 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.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate 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 period under review, the Company has inter alia undertaken the following events/actions –

1. The Board of Directors had approved to undertake an Initial Public Offering (IPO) of the Company’s equity shares of face value of INR 10 each (“IPO”) at their meeting held on August 04, 2021, pursuant to which the Company had listed its 38,857,141 equity shares aggregating to INR 680 Crores on BSE and NSE on January 31, 2022 through an offer for sale by Mr. Ravi B. Goyal, Promoter and certain other selling shareholders of the Company.

2. Members’ approval had been obtained at the Extra-ordinary General Meeting (“EGM”) held on August 13, 2021 in respect of approval for sale and transfer of its CCPS to Mr. Ravi B. Goyal, Chairman and Managing Director/ Promoter at consideration of INR 650 Crores pursuant to Section 188 of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
3. Members’ approval had been obtained at the EGM held on August 07, 2021 for:
 - A. Increasing the existing option pool available to be granted under the Employees Stock Option Scheme 2015 (ESOS 2015) by an additional 2,200,000 options (convertible into 2,200,000 equity shares of face value of INR 10 each), pursuant to Section 62(1)(b) of the Act.
 - B. Alteration of Articles of Association by substituting the existing Articles of Association and adopting new Articles of Association (“AOA”) of the Company, pursuant to Section 14 of the Act.
 - C. Increasing the aggregate limit for investment by Non-Residents Indians and Overseas Citizen of India investment on repatriation basis from 10% to 24% pursuant to applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and the consolidated FDI Policy Circular of 2020, the Act and rules made thereunder.

4. Members’ approval had been obtained at the EGM held on November 22, 2021 for:
 - A. Amendment in Employee Stock Option Scheme 2012 (ESOS 2012) and Employee Stock Option Scheme 2015 (ESOS 2015) pursuant to Section 62(1)(b) of the Act read with Rule 12(5) of the Companies (Share Capital and Debentures) Rules, 2014 and SBEB Regulations.
 - B. Granting interest free unsecured loan of INR 4.3 Crores to AGSTTL Employees Welfare Trust, in one or more tranches for utilizing by the Trust for the purpose of purchasing the shares of the Company with respect to ESOS 2012 and ESOS 2015, and allocation to the employees of the company upon exercise under the respective Schemes.
5. The Company had redeemed its NCDs of nominal value of INR 10 Lakhs each, aggregating to INR 550 Crores, on January 29, 2022.

For **Bhandari & Associates**
Company Secretaries

Manisha Maheshwari
Partner
ACS No.: 30224; C P No.: 11031
Mumbai | May 27, 2022
ICSI UDIN: A030224D000411473

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,
AGS Transact Technologies Limited
CIN: L72200MH2002PLC138213

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained management representation on compliance with laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Bhandari & Associates**

Company Secretaries
Firm Registration No: P1981MH043700

Manisha Maheshwari

Partner
ACS No: 30224; C P No.: 11031
Mumbai | May 27, 2022
ICSI UDIN: A030224D000411473

Annexure 2A

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Securevalue India Limited
CIN: U74120MH2012PLC230193

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 'Securevalue India 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- ii. The securities Contracts (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 and 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'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011#;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015#;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021#;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021#;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, to the extent of provisions dealing with client and referring to the Companies Act, 2013;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#;

The Regulations or Guidelines, as the case may be were not applicable for the period under review.

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

- iii) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if applicable#.

Not applicable for the period under review.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable except in respect of the matters listed below:

1. The Company did not have a Woman Director on its Board till March 28, 2022 as required under Section 149 of the Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014. However; the Company has appointed Woman Director on March 29, 2022.
2. The Company has disbursed/transferred the CSR funds under the statutory obligation laid down in section 135 of the Act to the implementing agency (AGS Community Foundation, section 8 Company and a related party of the Company) in the previous financial year. The amount so transferred remains unutilized by the implementing agency as at March 31, 2022.

We further report that -

Subject to foregoing, 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 for meetings 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.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

For Bhandari & Associates

Company Secretaries
Firm Registration No: P1981MH043700

Manisha Maheshwari

Partner
ACS No.: 30224; C P No.: 11031
Mumbai | May 27, 2022
ICSI UDIN: A030224D000411473

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,
Securevalue India Limited
CIN: U74120MH2012PLC230193

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Bhandari & Associates

Company Secretaries
Firm Registration No: P1981MH043700

Manisha Maheshwari

Partner
ACS No.: 30224; C P No.: 11031
Mumbai | May 27, 2022
ICSI UDIN: A030224D000409295

Annexure 3

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Subsidiaries

(₹ in million, except exchange rate and % shareholding)

Name of the Subsidiary	India Transact Services Limited (ITSL)	Securevalue India Limited (SVIL)	AGS Community Foundation	Global Transact Services Pte. Ltd. (GTSL)	*Novus Technologies Pte. Ltd. (NTPL) (step-down subsidiary)	**Novus Technologies (Cambodia) Company Limited	**Novus Transact Philippines Corporation (Novus Philippines)	**Novustech Transact Lanka (Private) Limited
Reporting period	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022
Country	India	India	India	Singapore	Singapore	Cambodia	Philippines	Sri Lanka
Reporting Currency	Indian Rupee (INR)	Indian Rupee (INR)	Indian Rupee (INR)	Singapore Dollar (SGD)	Singapore Dollar (SGD)	US Dollar (USD)	Philippine Peso (PHP)	Lankan Rupee (LKR)
Exchange rate	N.A.	N.A.	N.A.	As mentioned in the notes below the table				
Share capital	1,150.00	260.49	0.10	753.92	62.03	142.48	16.40	106.08
Reserves & surplus	(972.61)	1,060.56	41.85	-5.90	-644.55	186.73	-49.64	153.21
Total Assets	1,684.01	3,760.56	42.00	749.67	537.08	330.69	63.04	551.06
Total Liabilities	1,684.01	3,760.56	42.00	749.67	537.08	330.69	63.04	551.06
Investments	0.01	0.01	NIL	-	-	-	-	-
Turnover	1,979.70	4,611.51	23.11	-	50.20	15.98	57.66	632.10
Profit/(Loss) before taxation	(125.67)	253.63	23.07	-0.64	-57.28	4.49	3.89	60.98
#Provision for taxation	2.53	68.73	N.A.	-	4.81	1.10	1.69	24.93
Profit/(Loss) after taxation	(128.20)	184.90	23.07	-0.64	-62.10	3.39	2.20	36.05
Proposed Dividend	NIL	NIL	N.A.	NIL	NIL	NIL	NIL	NIL
% of shareholding held by the Company	100	100	60	100	NIL	NIL	NIL	NIL

#Provision for tax includes total tax expenses.

*Novus Technologies Pte. Ltd. is a step down subsidiary of the Company through Global Transact Services Pte. Ltd.;

**Novus Technologies (Cambodia) Company Limited, Novus Transact Philippines Corporation & Novustech Transact Lanka (Private) Limited are second generation step down subsidiaries of the Company through Novus Technologies Pte. Ltd.

AGS Community Foundation is a section 8 company i.e. non-profit organisation. Turnover in its case implies contribution received by AGS Community Foundation and profit after tax implies Surplus.

§ Unaudited numbers. Not considered for the purpose of consolidation.

Notes:

- None of subsidiaries are yet to commence operations. GTSL is a holding overseas wholly owned subsidiary company;
- None of the subsidiaries have been liquidated or sold during the year;
- Investment refers to investments made in subsidiaries;
- Exchange rate as on March 31, 2022 are considered as follows:
Closing Rate: 1 SGD = INR 55.8261; 1 USD= INR 75.5939 ; 1 PHP= INR 1.4581 ; 1 IDR =INR 189.8795 & 1 LKR = INR 0.2571
Average Rate: 1 SGD = INR 55.2083; 1 USD= INR 74.4649; 1 PHP= INR 1.4868; 1 IDR =INR 192.7729 & 1 LKR = INR 0.3636

Part “B”

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Associates or Joint Ventures	P.T. Nova Digital Perkasa
1. *Latest audited Balance Sheet Date	December 31, 2021
2. Date on which the Associate or Joint Venture was associated or acquired	January 31, 2020
3. Shares of Associate or Joint Ventures held by the company on the year end:	
Number of shares	112,500 Shares
Amount of Investment in Associates or Joint Venture	USD 450,000/-
Extent of Holding (in percentage)	45% (Indirectly)
4. Description of how there is significant influence	Associate (Indirectly holding of 45% stake through first level overseas step down subsidiary)
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	IDR (Indonesian Rupee) 9,132.58 million [As per audited Balance sheet as on December 31, 2021]
7. Profit or (Loss) for the year	
i. Considered in Consolidation	INR (7.94) million
ii. Not Considered in Consolidation	N.A.

*The financial year followed by the Associate entity is calendar year. Consolidation is done basis provisional numbers as on March 31, 2022.

- Names of associates or joint ventures which are yet to commence operations: N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year: N.A.

For and on behalf of the Board of Directors

AGS Transact Technologies Limited

Ravi B. Goyal
Chairman & Managing Director
(DIN: 01374288)

Saurabh Lal
Chief Financial Officer
(Mem No: 504653)

Place: Mumbai
Date: 5 August 2022

Stanley Johnson P.
Executive Director
(DIN: 08914900)

Sneha Kadam
Company Secretary
(Mem No: ACS 31215)

Annexure 4

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

I Conservation of Energy:

At AGSTTL Group, we strongly encourage initiatives that promote overall well-being of our environment which includes proactive implementation of industry-best processes and practices. The AGS manufacturing unit in Daman has been ISO 14001 certified since June 2016. We follow standards staunchly to protect the environment from adverse effects of production throughout the life cycle of the product. The company has tied-up with the Ecyclear for collection of all our E-waste on PAN India basis and disposing the same at their plant. We educate & encourage our clients to drop the e-waste at nearest drop point or offer door-step collection facility through our logistics team or E-waste Solutions team and channelize the same to our e-waste partner plant for final processing. Additionally, to provide a safer and standardised quality of work at every site, we follow industry best practices like mandatory use of gloves, goggles, and facemask/face-shield etc. Extensive & Regular reports are maintained to ensure the company remains compliant.

Our marquee AGS House building in Navi Mumbai, which is also the command centre is striving to evolve towards a “Green building”. Many constructive practices have become a voluntary part of AGS’ day to day operations such as optimised use of resources like water, electricity, paper etc. For instance, we use recycled water for urinals, WC and for watering the garden as well as green plantation on the ground and on 4th floor of the building. As a part of our environment friendly initiatives, we have installed VRF AC units for reduced CO₂ emissions, green DG to maintain quality of air & sound and a DGU glass façade to control/maintain internal temperature. AGS House has received ‘Orange’ clearance from the Pollution Control Board.

II Technology absorption, Research and Development, adoptions and innovation:

The Company has implemented processes and follow various methods to track latest technology trends in the industry. On this line, we are working towards developing a new feature in our ATMs for seamless card-less transactions.

III Foreign Exchange earnings and outgo:

The Earnings in Foreign Exchange were ₹ 46.92 million (previous year ₹ 35.61 million) as against Expenditure incurred in Foreign Currency of ₹ 0.30 million (previous year ₹ 0.09 million).

For and on behalf of the Board of Directors
AGS Transact Technologies Limited

Ravi B. Goyal
 Chairman & Managing Director
 Address: C-3101, 31st Floor,
 Beau Monde, Appasaheb Marathe Marg,
 Prabhadevi, Mumbai- 400025

Place: Mumbai
 Date: 5 August 2022

Annexure 5

MD & CFO Certificate

To,
 The Board of Directors,
AGS Transact Technologies Limited

We the undersigned, in our respective capacities as the Managing Director and and Chief Financial Officer of **AGS Transact Technologies Limited** (“the Company”) to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of their knowledge and belief we state that:
 - (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. We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the period, 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 that 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 they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. 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 Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
AGS Transact Technologies Limited

Ravi B. Goyal
 Chairman & Managing Director
 (DIN: 01374288)

Place: Mumbai
 Date: 27 May 2022

Saurabh Lal
 Chief Financial Officer
 (Mem No: 504653)

Annexure 6

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Board of Directors at its meeting held on March 31, 2022 approved the amended CSR Policy of your Company upon recommendation of the CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The objective of the CSR Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

The CSR Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

2. The composition of the CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vijay Chugh	Chairman of the Committee (Independent Director)	1	1
2.	Mr. Ravi B. Goyal	Member	1	1
3.	Mr. Rahul N. Bhagat	Member (Independent Director)	1	1

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

The CSR Policy may be accessed on the Company's website at the link:

https://www.agsindia.com/pdf/AGSTTL_Corporate_Social_Responsibility_Policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	-	NIL	NIL
TOTAL		NIL	NIL

6. Average net profit of the company as per section 135(5): ₹ 1,068.86 million

- 7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 21.40 million
- (b) Surplus arising out of the CSR projects or programmed or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 21.40 million

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
21.40 million (Through AGS Community Foundation)	Nil	-	-	Nil	-

The CSR contribution made to AGS Community Foundation (implementing agency) remains unutilized with the implementing agency as at March 31, 2022.

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in million)	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	None	None	None	None	None	None	No	AGS Community Foundation*	CSR00008340

*The Company has contributed funds to AGS Community Foundation (a section 8 company incorporated by the Company in collaboration with its wholly owned subsidiaries i.e. India Transact Services Limited, Securevalue India Limited, Mr. Ravi B. Goyal (Chairman and Managing Director) and Mrs. Anupama R. Goyal (Director) on 24th September 2019 to initiate its CSR activities.

The CSR contribution made to AGS Community Foundation (implementing agency) remains unutilized with the implementing agency as at March 31, 2022.

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 21.40 million

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ In million)
(i)	Two percent of average net profit of the company as per Section 135(5)	21.40
(ii)	Total amount spent for the Financial Year	21.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or program 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: Not Applicable*

Annexure 7

Sl. No.	Name of the Project	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in million)	Amount spent in the reporting Financial Year (₹ in million)	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 million)
				Name of the Fund	Amount (₹ in million)	Date of transfer	
1.	-	-	-	-	-	-	-
TOTAL							

* The CSR contribution made to AGS Community Foundation (implementing agency) remains unutilized with the implementing agency as at March 31, 2022.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(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 million)	Cumulative amount spent at the end of reporting Financial Year (₹ in million)	Status of the project - Completed /Ongoing
1.	-	-	-	-	-	-	-	-
TOTAL								

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): Not Applicable

- (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

For and on behalf of the Board of Directors
AGS Transact Technologies Limited

Ravi B. Goyal
 Chairman and Managing Director
 Address: C-3101, 31st Floor, Beau Monde,
 Appasaheb Marathe Marg, Prabhadevi,
 Mumbai- 400025

Vijay Chugh
 Chairman of the CSR Committee
 Address: Flat D 101, Ashford Royale,
 S. Samuel Marg, Nahur, Bhandup West,
 Mumbai-400078

Place: Mumbai
 Date: 27 May 2022

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of AGS Transact Technologies Limited

We have examined the compliance of conditions of Corporate Governance by AGS Transact Technologies Limited (“the Company”) for the year ended March 31, 2022, as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“Listing Regulations”]. The equity shares of the Company were listed on the National Stock Exchange of India Limited and BSE Limited with effect from January 31, 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the 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, we certify that the Company has complied with the conditions of Corporate Governance as specified in Chapter IV of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Bhandari & Associates**
 Company Secretaries
 Firm Registration No: P1981MH043700

Manisha Maheshwari
 Partner
 ACS No: 30224; C P No.: 11031
 Mumbai | May 27, 2022
 UDIN: A030224D000411737

Management Discussion and Analysis

ECONOMIC OUTLOOK

Global Economy

Global economic prospects have been challenging and volatile. Recovery was expected to strengthen from the second quarter of this year after a short-lived impact of the Omicron variant. However, since then, the outlook has deteriorated, largely because of the Russia-Ukraine Crisis.

Additionally, frequent and wider-ranging lockdowns in China – including in key manufacturing hubs – have also slowed activity there and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging.

Even as policymakers focus on cushioning the impact of the war and the pandemic, attention will need to be maintained on longer-term goals. This includes re-skilling workers for the ongoing digital transformation while facilitating the labour market transformation.

Indian Economy

Inflation has increased substantially in many economies including India due to rising commodity prices and pandemic-induced supply-demand imbalances. In this rising inflationary environment, RBI has raised key rate and indicated further hikes. RBI has projected inflation to remain above its upper tolerance band of 6 per cent through the first three quarters of FY23 (April-December 2022).

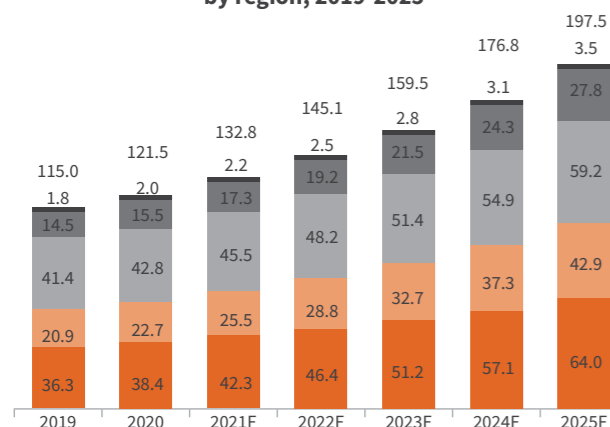
Following the quick abatement of the third wave of COVID-19 in February 2022 and the relaxation of state-level restrictions, economic activity began to recover. The third wave had a far lesser influence on confidence levels than the previous two waves, as seen by the consumer and business confidence surveys conducted by the RBI in January 2022. Consumer confidence increased from 62.3 in November 2021 to 63.7 in January 2022. The present situation index has improved due to positive sentiments about the general economic condition, household income, and consumption.

INDUSTRY OVERVIEW

Looking forward, we see a handful of primary drivers influencing the payments revenue trajectory. On one hand, continued cash displacement and a return to global economic growth will accelerate existing upward trends in the share and number of electronic transactions. On the other, interest margins will likely remain muted. Sustained softness in this key top-line contributor will create greater incentive for payments players to pursue new fee-driven revenue sources and to expand beyond their traditional focus to adjacent areas such as commerce facilitation and identity services.

Given the above assumptions, it is expected that the global payments revenues would quickly return to their long-term 6 to 7 percent growth trajectory, recouping 2020's declines in 2021 and reaching roughly \$2.5 trillion by 2025¹. More importantly, however, as “payments” become further absorbed into commercial and consumer commerce journeys, established payments providers will gain access to adjacent opportunities as large as the core payments revenue pool. Players across the ecosystem are already focusing on these attractive elements of the payments value chain, rather than traditional interchange, acquiring, and transaction fees linked to payment flows.

Worldwide B2B non-cash transactions volume (billions), by region, 2019-2025

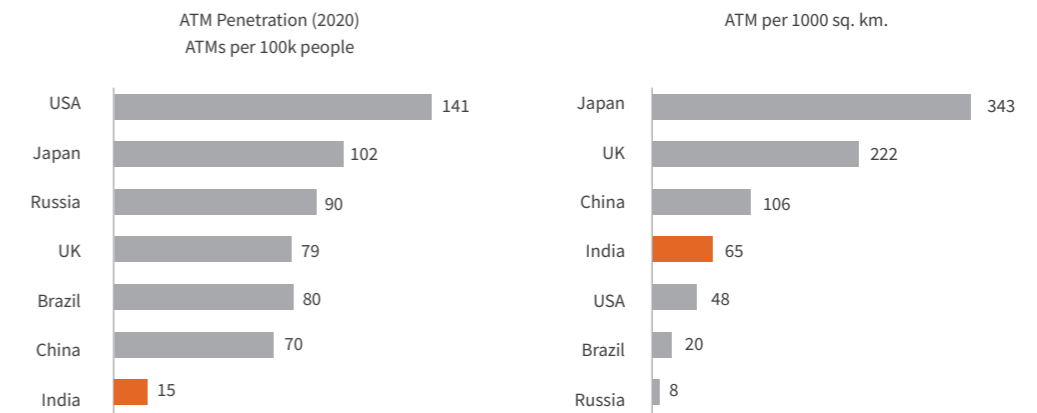


Source: Capgemini Financial Services Analysis, 2021

	Growth		CAGR
	'19 - '20	'20 - '21F	'20 - '25F
Global	5.7%	9.3%	10.2%
MEA	9.0%	11.2%	10.2%
Latin America	7.3%	11.0%	12.3%
North America	3.5%	6.2%	6.7%
APAC	8.5%	12.5%	13.6%
Europe	5.8%	10.0%	10.7%

Source: World Payments Report 2021 - Capgemini

Global B2B non-cash transactions are expected to increase at a 10.2% CAGR during 2020-25F to reach nearly 200 billion transactions by 2025, which are progressing on the digital payments route as more and more businesses go digital². ISO 20022 adoption will introduce cross-border interoperability and payment standardization to boost operational efficiency.



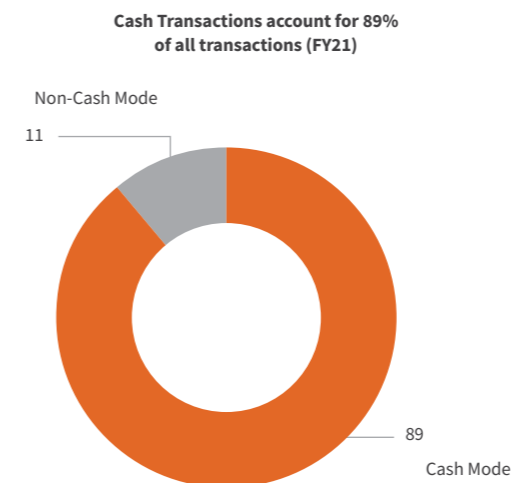
Source: Ken Research

ATMs are popular in developing countries because people prefer paying through cash when making low-value payments, for personal budgeting reasons. The sizeable unbanked population, who mostly operate outside of cities, is representative of the strong potential for new ATM users in the future. The global ATM industry is therefore positioned to grow, due to an increasing proportion of the population availing financial services and a subsequent rise in number of ATMs being set up in these developing nations.

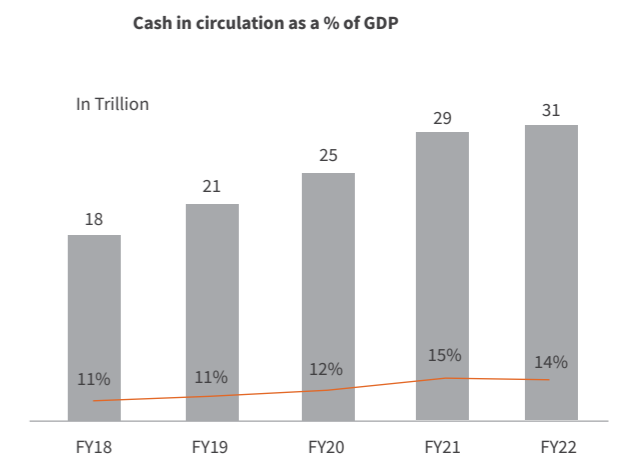
The Indian ATM industry has grown steadily during the past decade. Albeit there has been some slowdown in the ATM growth owing to consolidation in the public sector banks. On an overall basis, economic advancement, increase in income levels generally in urban areas due to growth in job opportunities and evolution to mass banking from class banking have driven the market for the ATM industry in recent years.

Significant growth observed in ATMs was primarily due to the rural spread and activation of the PMJDY scheme. The growth in onsite ATMs is primarily due to the fact that people prefer to use ATMs which are closer to their bank branches. However, there has been a growth in offsite ATMs due to an increase in contracts offered to MSPs with an aim of garnering higher penetration in the market and improve retail banking for the customers.

In India, the number of ATMs/CRMs installed increased from approx. 200,000 as of March 31, 2016, to 248,000 as of March 31, 2022.



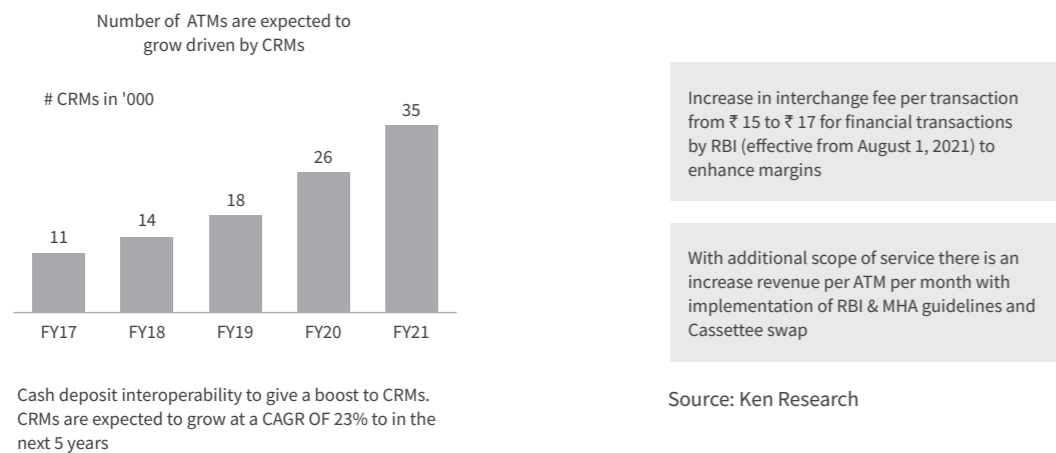
Source: Ken Research



Source: RBI Report

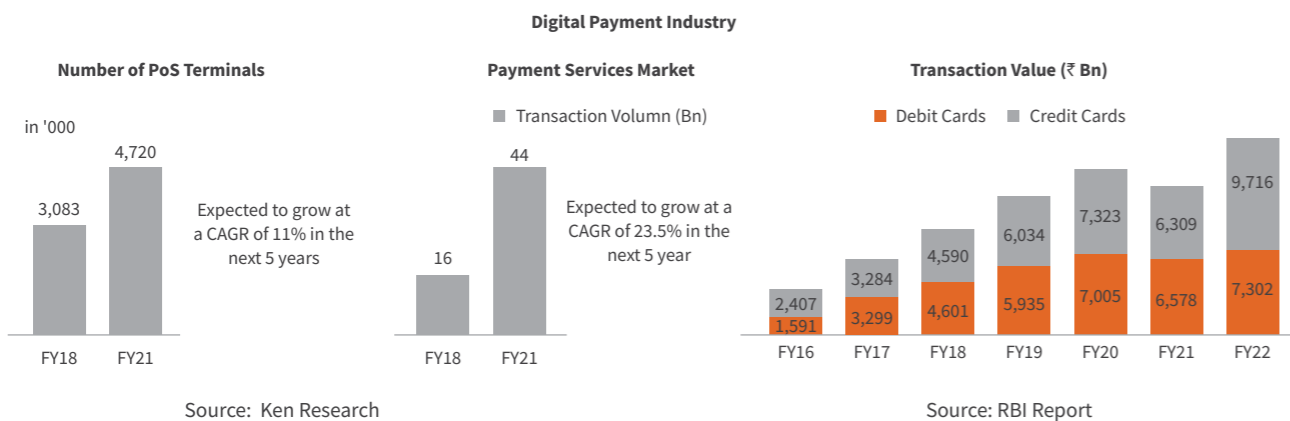
The cash in circulation also continues to grow at a very robust pace. As per the data published in the RBI's Annual Report, currency in circulation was at 31 lakh crores as of March 2022, indicating the increasing usage of cash and broader recovery in both economic activity and consumption in the country.

Seeing a very strong ATM RFP pipeline led by the Public Sector banks, almost 30,000 ATMs/CRMs will come up for procurement in the next 12 months which may be a fresh addition or a replacement to the network.



CRM i.e. Cash Recycling Machine is a self-service terminal that lets the customer make deposit and withdrawal transactions of cash. CRMs in India have RBI-supported note identification protocols and mechanisms. The recycled notes are then stored in separate cassettes in the machines automatically for dispensing to the customers. The CRMs thus do an exact recycling process of collecting cash from the depositors and giving it to those who withdraw money.

Cash recycling machines or CRMs are becoming more popular in India as they can detect fake notes and validate, sort and store cash quickly and reduce frequency of cash replenishment thus reducing banks' overall operational costs.



With the pandemic delivering an unprecedented push, digital payments have changed customer engagement forever. It has catalysed acceptance of digital payments across various transaction types, groups and markets. Digital payments are growing thanks to the rapid customer adoption and payment firms' focus on a seamless experience.

During FY 2021-22, the Indian Payments Systems' growth mirrored the economic upturn, growing by 63.6% in volume terms and 23.1% in value terms. The digital payments industry grew by 33% during the year, with the total number of digital transactions being 7,422 crore, up from 5,554 crores in FY 2020-21. India continues to lead the global markets in the terms of digital payments since 2019.

India's digital payment volumes were almost threefold that of China and almost seven times higher than the combined real-time payments volume of the US, Canada, the UK, France and Germany. Real-time payments helped India unlock an additional \$16.4 Bn of economic output last year pegged at 0.56% of the formal GDP. Over 31% of all payments in India last year were done through real-time payment instruments³.

COMPANY OVERVIEW

AGS Transact Technologies Limited is one of the largest integrated omni-channel payment solutions providers in India, catering to banks & corporate clients, serving across diverse industries including retail, petroleum, ecommerce and fintech sectors. With approx. 465,000 customer touch points across ~2,200 cities and towns, it has established leadership position in the Indian ATM Industry: being the second largest ATM managed service & cash management company in India (Source: Ken Research). Also, it is one of the largest deployers of PoS terminals at petroleum outlets in India. In addition to the physical presence, the company has built digital payment platforms such as Ongo & Fastlane. To leverage these offerings and to stay ahead of the curve the company has built a dedicated in-house infrastructure & technology capabilities with the ability to innovate and offer customised **payment solutions**.

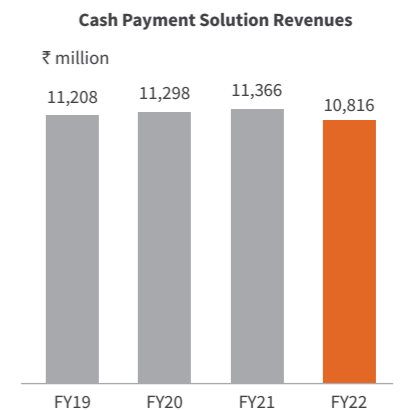
Our payment solutions segment includes cash and digital solutions, wherein, the cash segment includes ATM/CRM Outsourcing Business and Cash Management Solutions. For detailed description of our offerings under Payment Solutions, kindly refer page no 21.

Business Segment Review – Payment Solutions (Cash)

Under our ATM/CRM Outsourcing Business we deploy ATMs on behalf of banks on a transaction or a fixed fee basis. This is fast becoming a preferred option for banks as they can outsource such an essential function to a professional third-party, scale up faster and more efficiently serve their customers. This business has contributed approximately 47% of our FY '22 top line and will continue to grow.

We offer our Cash management services through our wholly owned subsidiary Securevalue India Limited. We manage approx. 45,000 ATMs in 1800+ locations through a fleet of 2490+ secured Cash Vans. Our other cash management services include vaulting services, bullion management and cash processing. It is expected that the share of the outsourcing of currency chest to cash management companies will increase significantly as banks can save approximately 35.0% to 50.0% of their expenditure incurred on maintaining the currency chest. This business has contributed approximately 13% of our FY '22 top line.

Cash payment solutions contributed 61% of revenue from operations in FY 2021-22. This growth is being largely driven by expansion in our overall cash management network.



Key Government Initiatives under this segment:

Implementation of Cassette Swapping in ATMs/CRMs

In a circular dated April 2018, RBI convened a committee on currency movement to review security of the treasury in transit. To mitigate risks involved in open cash replenishment/top-up, the committee advised that banks may consider using lockable cassettes in their ATMs which shall be swapped at the time of the cash replenishment. It was mentioned in the circular that this may be implemented in a phased manner covering at least one-third of ATMs operated by the banks each year, such that all ATMs can implement the cassette swap system by March 31, 2021.

Securevalue India Limited (SVIL) is one of the few providers to implement the cassette swapping system across multiple ATM locations in Mumbai, Pune and Bangalore.

RBI's MHA Guidelines for ATM Industry

The RBI released certain MHA guidelines in 2018 ("MHA Guidelines") to strengthen security in the cash management industry. However, the MHA Guidelines are not yet being followed by cash management companies on a pan-India basis, except for Securevalue India.

Digital Banking Units (DBUs)

RBI has proposed to set up 75 Digital Banking Units (DBUs) in 75 districts of the country by Scheduled Commercial Banks. As per these guidelines, banks are free to adopt an in-sourced or out-sourced model for operations of DBUs. We are looking forward to capturing this opportunity.

Additionally, the RBI's recent circular proposing interoperable cardless withdrawal on ATMs (ICCW), i.e., cardless cash withdrawal from ATM via UPI, will encourage overall transactions on ATM

by providing a faster & more secure form of cash withdrawal. AGS Transact Technologies pioneered this solution in 2019 with the introduction of QR-based cardless cash withdrawal on a leading public sector bank's ATM.

Currency Distribution and Exchange Scheme (CDES)

The RBI has formulated the Currency Distribution and Exchange Scheme (CDES) to ensure that all bank branches provide better customer services to members of the public.

Business Segment Review – Payment Solutions (Digital)

Our digital payments solutions comprise a payments platform, customised solutions and related managed services catering to end-users, merchants, banks, bank agents as well as other ecosystem partners. In addition, we provide a secure transaction switching platform for providing integrated payments processing, card management and merchant solutions and Fastlane – India's first mobile fuelling application which utilizes advanced RFID technology to enable cashless, contactless, and paperless payment.

Offered on our Ongo digital payment platform, our merchant services include device-based and device-less payment solutions, prepaid and loyalty programs, Cash@PoS, loans against card receivables and other value-added services.

Further, with a focus on the OMC sector, we pioneered an Integrated Payment Solution (IPS) for OMCs. IPS provides us an opportunity to monetise Ongo PoS machines across OMC retail outlets. We have developed an integrated payments proposition for petroleum retail outlets where the PoS machine is connected with the existing fuel automation, to provide control over transactions on the PoS machine. According to Ken Research, in FY21, we were one

of the largest deployer of PoS terminals across leading OMC retail outlets in India.

Our Digital solutions segment contributed 15% of the total revenues in FY 2021-22. This growth is driven by leveraging our existing presence in the consumer-oriented sectors and the acquisition of new merchants through the focused efforts of our sales and marketing team.

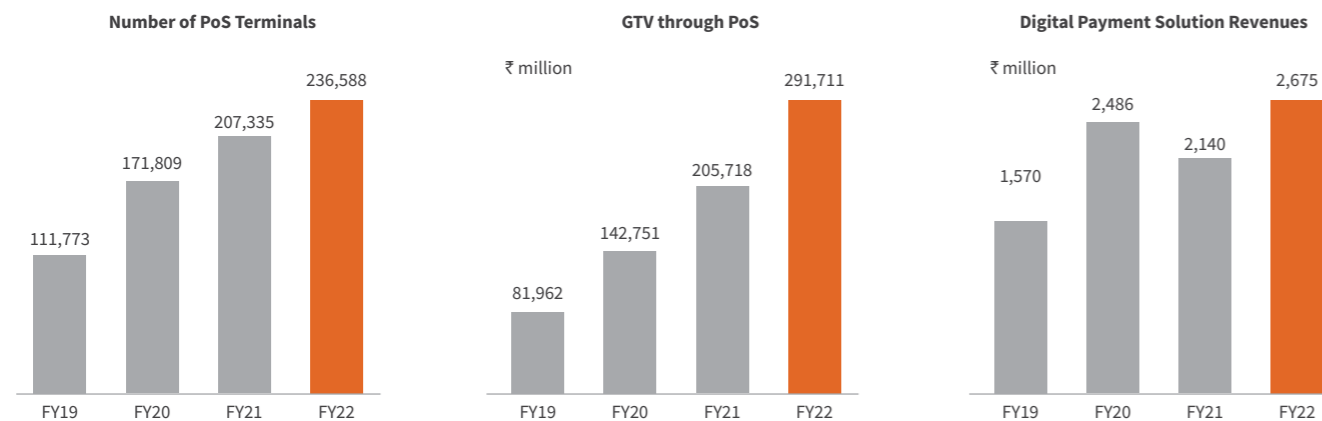
Key Government initiatives under digital payment segment

The government and regulatory bodies have continually strived to increase the adoption of digital payments in the country, especially in tier 3 and below cities & towns. An initiative that has contributed significantly towards this is the setting up of Payments Infrastructure Development Fund (PIDF). Through PIDF the RBI has subsidised the deployment of PoS infrastructure (physical and digital modes) in tier-3 to tier-6 centres and north-eastern states of the country. Under this scheme, 411,492 physical devices and 11,405,116 digital devices were set up.

Additionally, the Ministry of Electronics and Information Technology (MeitY) has continued taking efforts to increase digital literacy through its 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA) and it aims to cover six crore rural households (one person per household) by March 31, 2023.

Government policies have been incentivising OMCs and their customers towards digital payments, such as the mandated discount on digital payments, which is bound to drive a shift in the payment methods at fuel stations and reduce cash requirements at petrol pumps. PoS penetration will also receive a boost from the adoption of value added service offerings by OMCs at their respective outlets.

Digital Payment Solution Operational and Financial Metrics



Business Segment Review: Banking Automation Solutions

Banking Automation Solutions segment covers sale of ATMs and Cash Recycling Machines or CRMs, currency technology products and self-service terminals and related services and upgrades.

We provide complete life-cycle management of ATMs & CRMs after their respective warranty periods have expired and Upgrades & Software for a fixed, one-time fee. Additionally, we stock spare parts for the repair of ATMs, CRMs and other automated banking hardware products.

Business Segment Review: Other Automation Solutions

We provide technology solutions to customers in the retail, petroleum and colour sectors in our Other Automation Solutions business segment that enables them to provide technology-driven automated payments and dispensing solutions to their end customers.

KEY FINANCIAL RATIOS

Key Financial Ratios as per SEBI (Listing Obligations and Disclosure requirements 2018) (Amendment) Regulations 2018 with Change of 25% or more as compared to the immediately previous financial year. For detailed ratios, please refer Financial Statements on Page No. 156 and 240.

Ratio	Consolidated		Changes (%)	Reason for Change
	FY 2021-22	FY 2020-21		
Current ratio	1.2	1.7	-31.21%	Current Assets during the year ended 31 March 2021 includes the funds received from issuance of Listed NCDs which were utilized during the year ended 31 March 2022 for Investment in CCPS which primarily lead to movement in Current Ratio
Debt / Equity ratio	1.5	2.2	-33.04%	Repayment of Listed NCDs has resulted in an improvement in the Debt / Equity Ratio
Debt Service Coverage ratio	1.2	1.9	-35.83%	Movement in Debt Service Coverage Ratio during the year ended 31 March 2022 was primarily due to repayment of long-term borrowings
Return on Equity (ROE)	-15.9%	10.4%	-253.00%	Group has reported loss during the year ended 31 March 2022 which has led to the variance in Return on Equity (ROE)
Net Profit Ratio	-4.6%	-3.0%	-250.50%	Group has reported loss during the year ended 31 March 2022 which has led to the variance in Net profit Ratio

OPPORTUNITIES AND THREATS

Various initiatives such as the incentive to end-customers on making digital payments across OMCs, introduction of interoperable cardless cash withdrawal via UPI on bank ATMs, setting up of 75 DBUs in 75 districts by scheduled commercial banks and implementation of cassette swapping system across ATMs/CRMs in India, provides vast growth & expansion opportunity to our cash & digital business segments. As the industry in which we operate is regulated by various government agencies, any changes to existing laws and regulations related to our industry could affect our business segments.

Additionally, the continuing impacts of COVID-19 and outbreak of any newer variants of the virus may potentially act disadvantageous to our business.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all the assets are safeguarded, protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly. The Company conducts audits of various departments based on an annual audit plan through an independent internal auditor and

reports significant observations along with ‘Action Taken Reports’ to the Audit Committee from time to time. The Company regularly updates its risk management policy to protect the property, earnings, and personnel of the Company against losses and legal liabilities that might be incurred due to various risks.

HUMAN RESOURCES

As of March 31, 2022, AGS Transact Technologies has around 12,000 employees (including sub-contracted employees) across our offices pan India. As the company is focused on overall growth & expansion of its various business segments, we emphasise on imparting specific skills to the employees across the value chain, through various offline & online training programs. For instance, our field engineers are imparted training on various soft skills as well as business requirements through our internal Learning & Development portal called Digital Smart Learning System (DSLS).

Aligning with the overall company’s Vision, select KMPs are chosen for specialised training programs/courses designed towards creating future-ready business/strategic leaders. The company strongly supports a diverse and inclusive workforce and is committed towards creating an environment that promotes equal work opportunities for all. The company encourages lateral movement through Internal Job Postings.

¹Source: The 2021 McKinsey Global Payments Report

²Source: World Payments Report 2021 - Capgemini

³Source: ACI Worldwide Report

Independent Auditor’s Report

To the Members of AGS Transact Technologies Limited

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the standalone financial statements of AGS Transact Technologies Limited (the “Company”) (in which is included financial information from an Employee Stock Option plan (ESOP) trust), 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.

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 loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
<p>See Note 52 to the standalone financial statements</p> <p>Impact of Covid-19 on going concern assessment – With outbreak of Covid-19 pandemic during the previous years, the operations of the Company are impacted and this necessitates the evaluation of the Company’s ability to continue as a Going concern and meeting its obligations to the stakeholders, creditors, employees and lenders.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Gaining an understanding of the Company’s business planning process and assessing the design, implementation and operating effectiveness of management’s key internal controls over preparation of cash flow forecasts to assess its liquidity. Evaluating the key assumptions in the cash flow forecasts (including future revenue, profitability and cash flows) with reference to historical information, current performance, future plans, and market and other external available information. Performed a retrospective analysis to assess the reasonableness of Company’s past projections by comparing historical forecast to actual results. Assessing the availability of undrawn banking and other financing facilities and history of actual rollover of facilities by inspecting underlying documentation. We also considered the adequacy of the required disclosure in the standalone financial statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those 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 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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 period. 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.

The key audit matter	How the matter was addressed in our audit
<p>See note 5(a) to the standalone financial statements</p> <p>Impairment of Investments -</p> <p>The Company has investments in subsidiaries and associate (collectively “the investments”) aggregating Rs. 2,661.87 million as at 31 March 2022. The Company records the investments at cost less any provision for impairment loss. Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), could have a significant impact on the valuation of these investments. As such, the investments are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the investments are determined and if the amount is lower than the carrying value of the investments, impairment loss is recognised in the statement of profit and loss.</p> <p>The impairment assessment involves the use of estimates and judgements. The identification of impairment event and the determination of an impairment charge also require the application of significant judgement by the Company. The judgement, in particular, is with respect to the timing, quantity and estimation of projected cash flows.</p> <p>This annual impairment test is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the key assumptions, including estimates of future revenues from contracts, operating costs, terminal value growth rates, capital expenditure and the weighted-average cost of capital (discount rate), to be used to estimate the recoverable amount.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> - Evaluating design, implementation and operating effectiveness of key controls in respect of the Company’s impairment assessment process, including the approval of forecasts and valuation models. - Evaluated the key assumptions used in estimating future cash flows such as sales volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry. - Involved our internal valuation specialists to evaluate the assumptions including the discount rates used in the calculations, through external market data. - Evaluated past performances where relevant, and assessed historical accuracy of the forecast used in the calculations. - Assessed the adequacy of disclosures in the financial statements on key judgements, assumptions and quantitative data with respect to impairment losses. - Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. - Assessing the adequacy of the Company’s disclosures in respect of its impairment testing.
<p>See note 27 to the standalone financial statements</p> <p>Revenue recognition –</p> <p>Revenue from rendering of services net of service level agreement adjustments/credits is recognised when the Company satisfies performance obligation by transferring the services to the customers.</p> <p>The revenue from ATM management services is disclosed net of service level agreement adjustments/credits, one-time upfront fees and premium on purchase of property, plant and equipment. Revenue from maintenance contracts is recognised pro-rata over the period of the contract as and when services are rendered.</p> <p>Revenue from sales of goods is measured at fair value of the consideration received or receivable, net of returns, service level agreement adjustments/credits, non-current warranties, trade discounts, goods and service tax and volume rebates, where applicable.</p> <p>Revenue is recognised when the Company satisfies performance obligation by transferring the goods to the customers. The Company ‘transfers’ goods to the customers when the customers obtains control of that goods, which may be transferred either at a point in time or over time.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtaining and understanding of the systems, processes and controls implemented by the Company for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances. • Evaluating the design, implementation and operating effectiveness of Company’s general IT controls, key manual and application controls over the Company’s IT systems. • Evaluating the accounting policies adopted by the Company for revenue recognition to check those are in line with the applicable accounting standards and their consistent application to the significant sales contracts. • Inspecting on a sample basis, key customer contracts. Based on the terms and conditions defined in the contracts, we assessed the Company’s revenue recognition policies with reference to the requirements of the applicable accounting standards.

The key audit matter	How the matter was addressed in our audit
<p>We identified revenue recognition as a Key Audit Matter since there is an element of inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised. Further, overstatement of revenue is considered to be a significant audit risk as it is the key driver of returns to investors and incentives linked to performance for a reporting period.</p> <p>Due to judgments involved in the estimate of total revenue and significant audit risk of overstatement, we have considered measurement of revenue as a key audit matter.</p>	<ul style="list-style-type: none"> • Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts. • Performing substantive testing by selecting samples of revenue transactions recorded during the year and matching the parameters used in the computation with the relevant source documents. • Scrutinising the revenue journal entries raised throughout the reporting period and comparing details of sample of these journals, which met certain risk-based criteria, with relevant underlying documentation. • Checking completeness and accuracy of the data used by the Company for revenue recognition by performing specific cut off procedures on revenue. On a sample basis, we evaluated the revenue being recognized in the correct accounting period. • Considering the adequacy of the disclosures in the standalone financial statements in accordance with Ind AS 115 - Revenue from Contracts with Customers.

Other Information

The Company’s Management and Board of Directors are 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 auditor’s report thereon. The Company’s annual report is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Company’s annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management’s and Board of Directors’/Board of Trustees Responsibilities for the Standalone Financial Statements

The Company’s Management and Board of Directors are 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/loss 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. The respective Management and Board of Directors of the company/Board of Trustees of the Employee Stock Option plan (ESOP) trust (“Trust”) are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability of each company/trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Board of Trustees either intends to liquidate the company/trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are also responsible for overseeing the financial reporting process of each company/trust.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate,

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

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

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

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

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 period 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) 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.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) 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.
- f) 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".

(B) 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:

- a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.
- b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Notes 20 and 26 to the standalone financial statements.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) Attention is drawn to note 17 to the standalone financial statements regarding declaration of proposed final dividend for the previous year. In respect of the said dividend paid during the year by the Company, except for not transferring amount of dividend to separate bank account within the timeline specified in sub-section (4) of Section 123 of the Act, the payment of dividend is in accordance with Section 123 of the Companies Act, 2013.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN: 22103145AJTWJG9358

Place: Mumbai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report

(Referred to in our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee) disclosed in the standalone financial statements are held in the name of the Company. In respect of immovable properties where the Company is the lessee, the lease agreements are duly executed in favour of the lessee (including cases where the lease contract is in the process of being renewed).
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (₹ in million)	Amount as reported in the quarterly return/ statement (₹ in million)	Amount of difference (₹ in million)	Whether return/ statement subsequently rectified
Q 1 – June 2021	<ul style="list-style-type: none"> • ICICI Bank • Standard Chartered Bank • Citi Bank • Yes Bank • HDFC Bank • Axis Bank • Bajaj Finance limited • Federal Bank 	Inventory, Trade receivables and payables	5,335.34	5,380.11	-44.77	No

Quarter	Name of bank	Particulars	Amount as per books of account (₹ in million)	Amount as reported in the quarterly return/ statement (₹ in million)	Amount of difference (₹ in million)	Whether return/ statement subsequently rectified
Q 2 – September 2021	<ul style="list-style-type: none"> ICICI Bank Standard Chartered Bank Citi Bank HDFC Bank Axis Bank Bajaj Finance limited Federal Bank 	Inventory, Trade receivables and payables	6,345.14	6,441.11	-95.97	No
Q 3 – December 2021	<ul style="list-style-type: none"> ICICI Bank Standard Chartered Bank Citi Bank HDFC Bank Axis Bank Bajaj Finance limited Federal Bank 	Inventory, Trade receivables and payables	6,741.87	6,030.01	711.86	No
Q 4 – March 2022	<ul style="list-style-type: none"> ICICI Bank Standard Chartered Bank Citi Bank HDFC Bank Axis Bank Bajaj Finance limited Federal Bank Dhanlaxmi Bank IDFC First Bank Ltd 	Inventory, Trade receivables and payables	6,834.36	6,849.89	-15.53	No

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties. The Company has provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies and other parties during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to firms or limited liability partnership during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, to any other entity as below:

Particulars	Guarantees (₹ in million)	Loans (₹ in million)	Advances in nature of loans (₹ in million)
Aggregate amount during the year			
- Subsidiaries*	100.00	-	-
- Joint ventures*	-	-	-
- Associates*	-	-	-
- Others	-	403.74	-
Balance outstanding as at balance sheet date			
- Subsidiaries*	207.41	-	-
- Joint ventures*	-	-	-
- Associates*	-	-	-
- Others	-	418.98	-

*As per the Companies Act, 2013

The Company has not provided any security to any entity.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans and advances in the nature of loan given, in our opinion the repayment of principal and payment of interest (where applicable) has been stipulated and the repayments have been regular. The loan given during the year to the employee stock option trust is interest free.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loan given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Income-Tax and Cess have not been regularly deposited by the Company with the appropriate authorities and there have been serious delays in a large number of cases.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Provident fund and Employees' State Insurance have been generally regularly deposited by the Company with the appropriate authorities though there have been delays in some months.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Duty of Customs and other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Central Goods and Service Tax Act, 2017	Interest on Goods and service tax	5.54	F.Y. 2019-20 to 2020-21	20 th of each next month	-	
The Central Goods and Service Tax Act, 2017	Interest on Goods and service tax	4.33	F.Y. 2021-22	20 th of each next month	-	
Income Tax Act, 1961	Interest on tax deducted on source	118.68	F.Y. 2007-08 to 2020-21	7 th of next month	-	
Income Tax Act, 1961	Tax Deducted at source, Interest on tax deducted on source	109.99	F.Y. 2021-22	7 th of next month	-	

Also, refer Note 40 to the standalone financial statements.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as per Enclosure I to this Report.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet 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, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as per details below:

Nature of loan taken	Name of lender (May mention whether Bank/ NBFC/ Corporate etc)	Amount of loan (₹ in million)	Name of the subsidiary, joint venture, associate companies	Relationship	Details of security pledged	Remarks
Term Loan	JM Financial Products Limited/ Non-Banking Financial Company	400.00	Securevalue India Limited	Subsidiary	Equity shares/ First ranking exclusive share pledge over unencumbered 100% share capital of Securevalue India Limited	

Further the Company has not defaulted in repayment of such loans raised.

- (x) (a) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company. Also, refer note 53 to the standalone financial statements.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year except that we have been informed that there have been 9 instances of cash loss/embezzlements on account of theft/burglary in ATMs managed by the Company amounting to ₹ 11.66 million during the year under audit by employees and others. The Company has filed complaints with police and has also filed insurance claims for the recovery of amounts involved. Of the above, the Company recovered ₹ 6.80 million, ₹ 2.49 million is pending settlement and balance ₹ 2.37 million debited to the statement of profit and loss during the year.
- (b) 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a), (b) and (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where

applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, 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) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
 - (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
 - (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
 - (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
 - (xix) We draw attention to Note 52 to the standalone financial statements which explains that the Company has incurred losses in current year.
- In March 2020, the World Health Organisation declared COVID-19 to be a pandemic and several restrictions were imposed by Governments across the globe on travel, goods movement and transportation considering public health

and safety measures. Considering the Company's activities are classified as an 'essential services', management believes that the impact of the pandemic may not be significant. As of today, services remain operational, following enhanced internal safety guidelines. The Company has incurred losses for the year ended 31 March 2022 of ₹ 886.24 million. The Company has noted drop primarily in transaction revenue related to ATM outsourcing business as compared to previous periods due to the Omicron pandemic lockdown, delayed collections from customers and higher interest outgo on borrowings resulting in delays in payment of dues to various parties including statutory dues and consequential impact. Management assessed its business forecasts and cash forecasts and do not expect a material impact in the long term based on the increase in transaction levels currently anticipated and new services contracted with customers are in the pipeline. The Company expects it will generate sufficient cashflows from operating activities including through reduction in receivables outstanding days and also expects to receive an additional line of credit, and thus will be able to meet its liabilities as and when they fall due for repayment in the foreseeable future. The Company also expects to finance its acquisition of fixed assets through debt financing as has been the case in past years. Management expects to make profits and have concluded that the Company has sufficient resources to continue as a going concern. The Company has considered internal and external information while assessing recoverability of its assets disclosed in these standalone financial statements up to the date of approval of these standalone financial statements by the Board of Directors. The impact of the global health pandemic may be different from that estimated in the going concern assessment as at the date of approval of these standalone financial statements and the Company continues to closely monitor any material changes in future economic conditions.

On the basis of the above and according to the information and explanations given to us, on the basis of the financial

ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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.

Also, refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

- (xx) (a) In our opinion and according to the information and explanations given to us, the Company has transferred amounts as required under Section 135 of the Act to the implementing agency. However, the amounts so transferred in the previous year (₹ 16.80 million) and the current year (₹ 21.40 million) remain unutilised by the implementing agency as at 31 March 2022. There is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN: 22103145AJTWJG9358

Place: Mumbai
Date: 27 May 2022

Enclosure I to Annexure A to the Independent Auditor's Report – 31 March 2022

Name of the statute	Nature of the dues	Amount demanded (₹ in million)	Amount paid (in ₹ million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Central Excise Act, 1944	CENVAT Credit	1,127.00	Nil	March 2014 to November 2015	Customs, Excise & Service Tax Appellate Tribunal	
The Central Excise Act, 1944	CENVAT Credit	1,402.25	Nil	December 2015 to June 2017	Commissioner	
The Customs Act, 1962	Customs Duty	302.36	9.00	F.Y. 2005-06 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal	
The Odisha VAT Act, 2004	Value Added Tax and penalty	16.65	Nil	F.Y. 2011-13	Orissa High Court	
The Central Excise Act, 1944	Excise Duty	5.35	Nil	F.Y. 2010-11	Tribunal	
The Central Excise Act, 1944	Excise Duty	0.43	0.03	F. Y. 2014-15	Customs, Excise & Service Tax Appellate Tribunal	
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	2.54	0.63	F.Y. 2007-08	Tribunal	
The Odisha Entry Tax Act, 1999	Entry Tax	1.46	0.50	F.Y. 2011-13	Orissa High Court	
The Madhya Pradesh VAT Act, 2002	Value Added Tax	0.66	0.19	F.Y. 2010-11	Tribunal	
The Haryana VAT Act, 2003	Value Added Tax and penalty	0.69	Nil	F.Y. 2012-13	High Court of Punjab and Haryana	
West Bengal VAT Act, 2003	Value Added Tax	26.03	2.56	F.Y. 2014-15 and 2016-17	West Bengal Sales Tax Appellate Board	
The Customs Act, 1962	Customs Duty	3.03	Nil	2015-16	Commissioner Appeals	
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	0.78	0.78	F.Y. 2018-19	Commissioner Appeals	
The Central Excise Act, 1944	Excise Duty	1.04	1.04	F.Y. 2017-18	Commissioner Appeals	
Finance Act, 1994	Service Tax	4.78	4.78	F.Y. 2017-18	Commissioner Appeals	
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	12.68	12.68	F.Y. 2017-18	Bombay High Court	
The Andhra Pradesh VAT Act, 2005	Value Added Tax	43.23	NIL	F.Y. 2016-17	Andhra Pradesh High Court	
The Income Tax Act, 1961	Income tax, Tax deducted at source	1.29	1.29*	F.Y. 2017-18	CIT (Appeals)	
The Income Tax Act, 1961	Income tax, Tax deducted at source	66.43	13.29*	F.Y. 2016-17	CIT (Appeals)	
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	1.95	NIL	F. Y. 2018-19	Commissioner Appeals	
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	548.33	NIL	F.Y. 2017-18 and 2019-20	Directorate General of Goods & Services Tax Intelligence, Surat	
The Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	14.87	0.46	F.Y. 2015-18	Appellate Authority - Commercial taxes department	

*Adjusted

Annexure B to the Independent Auditors' Report

on the standalone financial statements of AGS Transact Technologies Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of AGS Transact Technologies Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements 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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements 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 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial

statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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.

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 standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to 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 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.

Place: Mumbai
Date: 27 May 2022

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to 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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN: 22103145AJTJG9358

Standalone Balance sheet

as at March 31, 2022

Particulars	Note	31 March 2022	31 March 2021
(₹ in million)			
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	3,488.56	4,001.13
Right-of-use assets	3 (b)	3,030.66	3,018.29
Capital work-in-progress	3 (c)	373.41	243.52
Intangible assets	4 (a)	416.21	371.15
Intangible assets under development	4 (b)	-	113.17
Financial assets			
Investments	5	2,661.93	2,660.94
Loans	7 (a)	249.20	-
Other financial assets	7 (b)	613.93	707.87
Deferred tax assets (net)	8 (d)	174.89	205.64
Other non-current assets	9	162.97	580.14
Other non-current tax assets (net)	8 (e)	359.06	53.33
Total non-current assets		11,530.82	11,955.18
Current assets			
Inventories	10	640.47	701.88
Financial assets			
Investments	6	-	96.91
Trade receivables	11		
Billed receivables		6,432.07	4,634.70
Unbilled receivables		1,257.90	2,434.77
Cash and cash equivalents	12 (a)	208.72	5,836.78
Bank balances other than 12(a) above	12 (b)	269.85	841.63
Loans	13	110.83	25.88
Other financial assets	14	167.21	153.48
Other current assets	15	746.87	508.65
Other current tax assets (net)	8 (f)	-	48.48
Total current assets		9,833.92	15,283.16
Total assets		21,364.74	27,238.34
Equity and liabilities			
Equity			
Equity share capital	16	1,201.71	1,185.81
Other equity	17	4,317.04	5,161.58
Total equity		5,518.75	6,347.39
Non-current liabilities			
Financial liabilities			
Borrowings	18 (a)	3,955.16	7,731.72
Lease liabilities	18 (b)	2,410.04	2,451.99
Other financial liabilities	19	5.04	24.48
Provisions	20	155.77	157.21
Other non-current liabilities	21	16.63	16.01
Total non-current liabilities		6,542.64	10,381.41
Current liabilities			
Financial liabilities			
Borrowings	22 (a)	1,971.97	3,143.66
Lease liabilities	22 (b)	1,226.84	1,220.13
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		435.16	83.30
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,152.86	4,128.22
Other financial liabilities	24	624.71	589.28
Other current liabilities	25	777.95	1,205.25
Provisions	26	113.86	139.70
Total current liabilities		9,303.35	10,509.54
Total equity and liabilities		21,364.74	27,238.34

Significant accounting policies 2
 The accompanying notes are an integral part of the standalone financial statements. 1-56

As per our report of even date attached.

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Rajesh Mehra
 Partner
 Membership No. 103145

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
 CIN : L72200MH2002PLC138213

Ravi Goyal
 Managing Director
 DIN: 01374288

Saurabh Lal
 Chief Financial Officer
 Membership No.: 504653

Place: Mumbai
 Date : 27 May 2022

Stanley Johnson P.
 Executive Director
 DIN: 08914900

Sneha Kadam
 Company Secretary
 Membership No.: 31215

Place: Mumbai
 Date : 27 May 2022

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
(₹ in million)			
Revenue			
Revenue from operations	27	13,170.19	13,731.09
Other income	28	150.17	339.86
Total income		13,320.36	14,070.95
Expenses			
Cost of raw materials and components consumed	29	2,019.23	2,120.57
Purchase of traded goods	30	186.80	525.84
Decrease / (Increase) in inventories of finished goods and traded goods	31	67.45	(36.91)
Employee benefit expenses	32	1,391.89	1,365.22
Other expenses	33	6,288.97	5,973.64
Total expenses before interest, depreciation and amortisation and tax		9,954.34	9,948.36
Earnings before interest, tax, depreciation and amortisation (EBITDA)		3,366.02	4,122.59
Finance costs	34	2,309.86	1,139.56
Depreciation and amortisation expense	3&4	1,870.69	1,971.95
(Loss) / profit before tax		(814.53)	1,011.08
Tax expense			
Current tax			
For the year	8 (a)	41.80	206.50
Adjustment of tax relating to previous year		-	43.19
Deferred tax expense	8 (d)	29.91	60.52
Total tax expense		71.71	310.21
(Loss) / profit for the year		(886.24)	700.87
Other comprehensive income			
Items that will not be reclassified to Profit and Loss in subsequent years (net of tax)			
Remeasurements of defined benefit plans	36	3.35	(0.81)
Income tax relating to the above	8	(0.84)	0.21
Other comprehensive (loss) / income (net of tax) for the year		2.51	(0.60)
Total comprehensive (loss) / income for the year		(883.73)	700.27
Earnings per equity share (Nominal value of equity shares of ₹ 10 each, fully paid up)			
Basic earnings per share (₹)	35	(7.45)	5.91
Diluted earnings per share (₹)	35	(7.45)	5.82

Significant accounting policies 2
 The accompanying notes are an integral part of the standalone financial statements. 1-56

As per our report of even date attached.

For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022

Rajesh Mehra
 Partner
 Membership No. 103145

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
 CIN : L72200MH2002PLC138213

Ravi Goyal
 Managing Director
 DIN: 01374288

Saurabh Lal
 Chief Financial Officer
 Membership No.: 504653

Place: Mumbai
 Date : 27 May 2022

Stanley Johnson P.
 Executive Director
 DIN: 08914900

Sneha Kadam
 Company Secretary
 Membership No.: 31215

Place: Mumbai
 Date : 27 May 2022

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

Equity share capital

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Balance at the beginning of the year	1,203.93	1,203.93
Add: Shares issued during the year	10.10	-
Less: Treasury shares*	(12.32)	(18.12)
Balance at the end of the year	1,201.71	1,185.81
* Movement of treasury shares		
Balance at the beginning of the year	(18.12)	(18.12)
Add: Treasury shares issued during the year	(10.10)	-
Share options exercised during the year	15.90	-
Balance at the end of the year	(12.32)	(18.12)

Other equity

Particulars	Reserves and surplus					Total other equity
	Securities premium	Employee stock options reserve	Debenture redemption reserve	General reserve	Retained earnings	
Balance as at 1 April 2020	2,299.93	114.51	-	10.00	2,014.04	4,438.48
Profit for the year	-	-	-	-	700.87	700.87
Other comprehensive income / (loss) for the year	-	-	-	-	(0.60)	(0.60)
Employee compensation expenses recognised during the year	-	22.83	-	-	-	22.83
Balance as at 1 April 2021	2,299.93	137.34	-	10.00	2,714.31	5,161.58
Loss for the year	-	-	-	-	(886.24)	(886.24)
Other comprehensive income for the year	-	-	-	-	2.51	2.51
Dividend paid	-	-	-	-	(120.39)	(120.39)
Employee compensation expenses recognised during the year	-	113.25	-	-	-	113.25
ESOP cost on share options exercised during the year	64.28	(64.28)	-	-	-	-
Transfer from retained earnings	-	-	550.00	-	(550.00)	-
Transfer to general reserve	-	-	(550.00)	550.00	-	-
Premium on share options exercised during the year	46.33	-	-	-	-	46.33
Balance as at 31 March 2022	2,410.54	186.31	-	560.00	1,160.19	4,317.04

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date : 27 May 2022

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Place: Mumbai
Date : 27 May 2022

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Standalone Statement of Cash Flows

for the year ended 31 March 2022

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
A Cash flows from operating activities		
Net (Loss) / Profit before tax	(814.53)	1,011.08
Adjustments for:		
Finance costs	2,309.86	1,139.56
Interest income	(58.71)	(127.05)
Write back of lease liabilities (net) and rent concession (refer note 38)	(48.56)	(138.29)
Corporate guarantee income	(0.99)	(0.99)
Depreciation and amortisation expense	1,870.69	1,971.95
Loss / (gain) on sale/retirement of Property, plant and equipment (net)	3.15	(11.06)
Fair value gain on financial assets measured at Fair Value through Profit or Loss (net)	(2.09)	(0.01)
Provision for warranty (net)	(5.45)	1.40
Inventories written off	23.32	-
Employee stock option scheme expense	87.71	18.00
Impairment loss on trade receivables	118.76	-
Unrealised foreign exchange loss	0.80	2.17
	3,483.96	3,866.76
Changes in working capital :		
Decrease / (Increase) in inventories	38.09	(77.29)
Increase in trade receivables	(735.10)	(1,694.91)
Decrease in loans and other financial assets	21.45	71.40
(Increase) / Decrease in other current assets	(224.39)	114.30
Decrease in other non-current assets	9.25	88.47
Increase in trade payables	371.54	571.07
(Decrease) / Increase in other current liabilities	(259.17)	758.25
Decrease in other non-current liabilities	(18.83)	(67.78)
(Decrease) / Increase in provisions	(18.47)	2.70
Cash generated from operations	2,668.33	3,632.97
Direct taxes paid (net)	(299.05)	(7.15)
Net cash flows from operating activities (A)	2,369.28	3,625.82
B Cash flows from investing activities		
Purchase of property, plant and equipment including capital advances and work-in-progress	(516.51)	(849.97)
Proceeds from sale of property, plant and equipment	29.69	140.72
Investment in compulsorily convertible preference shares	(6,500.00)	-
Proceeds from sale of investments in compulsorily convertible preference shares	6,500.00	-
Purchase of current investments	-	(96.90)
Sale of current investments	99.00	-
Interest received	16.75	82.90
Loan given to subsidiary company	(68.93)	(80.62)
Repayment of loan by subsidiary company	93.98	61.09
Fixed deposits placed during the year	(263.89)	(825.34)
Proceeds from maturity of fixed deposits	908.20	400.73
Net cash generated from / (used in) investing activities (B)	298.29	(1,167.39)
C Cash flows from financing activities		
Proceeds from issuance of equity share capital (face value)	15.91	-
Proceeds from issuance of equity share securities premium	46.33	-
Proceeds from issuance of non convertible debentures	-	5,500.00
Redemption of non convertible debentures (refer note 5 below)	(5,500.00)	-
Proceeds from long-term borrowings	4,302.54	1,417.60
Repayment of long-term borrowings (refer note 5 below)	(3,454.41)	(874.23)
Repayment from short-term borrowings - secured (net)	(230.44)	(624.49)
Payment of lease liabilities	(1,383.94)	(1,405.93)
Dividend paid	(120.39)	-
Interest paid	(1,706.38)	(552.87)
Other finance charges paid	(264.85)	(124.34)
Net cash generated (used in) / from financing activities (C)	(8,295.63)	3,335.74
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)	(5,628.06)	5,794.17
Cash and cash equivalents at the beginning of the year	5,836.78	42.61
Cash and cash equivalents at the end of the year (refer note 12a)	208.72	5,836.78

Standalone Statement of Cash Flows

for the year ended 31 March 2022

Notes:

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Statement of Cash flows".

2 The movement of borrowings as per Ind AS 7 is as follows:

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Opening borrowings	10,875.38	5,464.40
Proceeds from issuance of Non Convertible Debentures	-	5,500.00
Redemption of Non Convertible Debentures	(5,500.00)	-
Proceeds from long-term borrowings	4,302.54	1,417.60
Repayment of long-term borrowings	(3,454.41)	(874.23)
Repayment of short-term borrowings - secured (net)	(230.44)	(624.49)
Non-cash adjustments	(65.94)	(7.90)
Closing borrowings	5,927.13	10,875.38

3 Reconciliation of cash and cash equivalents

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Cash on hand	29.15	35.82
Balance with banks		
Current accounts	179.57	5,800.96
Less: Current account balances held in trust for customers	-	-
Total current account balances	179.57	5,800.96
Cash and cash equivalents as per statement of cash flows (refer note 12a)	208.72	5,836.78

4 Cash credit is treated as a borrowings and hence not included as a part of cash and cash equivalents for the purpose of the Statement of Cash Flows.

5 This includes pre-payment of long-term borrowings including NCDs amounting to ₹6,705.70 million (31 March 2021: Nil).

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date : 27 May 2022

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Place: Mumbai
Date : 27 May 2022

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

1. Reporting entity

AGS Transact Technologies Limited (the 'Company') is a company domiciled in India with its registered office situated at Lower Parel, Mumbai. The Company is in the business of supplying, installing and managing technology-based payment solutions, automation products and providing related services to its customers in Banking, Petroleum, Colour and Retail sectors. The Company also provides complete ATM Outsourcing, Intelligent Cash Deposit (ICD), ATM Managed Services, Digital payment services which includes toll and transit solutions, services through point of sale (POS) machine, transaction switching and processing services to various banks, financial institutions and other companies.

The Non-Convertible Debentures ('NCD') of the Company were listed on National Stock Exchange ('NSE') from 26 March 2021 and have been delisted on 5 February 2022.

The Equity Shares of the Company were listed on National Stock Exchange ('NSE') and Bombay stock Exchange ('BSE') on 31 January 2022.

2. Basis of preparation and Significant Accounting Policies

A. Basis of preparation of Financial Statements

The standalone financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and relevant provisions of the Act.

The standalone financial statements have been prepared on accrual and going concern basis.

The Company has prepared these standalone financial statements which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in

Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements').

The standalone financial statements of the Company for year ended 31 March 2022 were approved by the Board of Directors of the Company on 27 May 2022.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the entity's functional currency.

All amounts have been rounded off to the nearest million with two decimals, unless otherwise indicated.

C. Basis of measurement

The Standalone Financial Statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations.

D. Key estimates and assumptions

While preparing the standalone financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the Balance Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Revenue recognition

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Judgment is required to determine the transaction price for the contract. The transaction price could be variable consideration with elements such as net of returns, service level agreement adjustments / credits, non-current warranties, trade discounts, volume rebates, where applicable.

Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. All useful lives are reviewed at each reporting period and revised if required.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Fair value of financial instruments

Derivatives are carried at fair value. Derivatives include foreign currency forward contracts. Fair value of foreign currency forward contracts is determined using the fair value reports provided by respective bankers.

Further information about the assumptions made in measuring fair values is included in the following note:

- Impairment test of financial assets: key assumptions underlying recoverable amounts.

Taxes

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

E. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

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

The entity has recognised certain assets at fair value and further information is included in the relevant notes.

F. Investments in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of

the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

G. Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

The Company classifies its financial assets into a) financial assets measured at amortised cost, b) financial assets measured at fair value through other comprehensive income (FVOCI), and c) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

(a) Financial assets measured at amortised cost

A financial asset is classified as measured at amortised cost if it is held within a business model whose objective is to

- hold financial asset in order to collect contractual cash flows
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

the Statement of Profit and Loss. Any impairment loss arising from these assets is recognised in the Statement of Profit and Loss.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are not reclassified to Statement of Profit and Loss. On de-recognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

(c) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which does not meet the criteria for classification as at amortised cost or FVOCI, is classified as FVTPL. Financial assets at fair value through profit and loss are measured at fair value, and changes therein are recognised in the Statement of Profit and Loss.

(iii) Trade receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument. Trade receivables are tested for impairment on

a specific basis after considering the sanctioned credit limits, prior experience, customer profile and expectations about future cash flows.

(iv) De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

(v) Impairment of Financial Assets

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

For trade receivables, the Company applies a simplified approach. It recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits and expectations about future cash flows.

The impairment losses and reversals are recognised in the Statement of Profit and Loss.

H. Financial liabilities

(i) Initial recognition and measurement

A financial liability is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified as measured at fair value less any directly attributable transaction cost or FVTPL. A financial liability is classified

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

as at FVTPL if it is held for trading, or it is a derivative or it is designated as such on initial recognition.

(ii) Subsequent measurement

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the EIR method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

(iii) De-recognition

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

I. Offsetting of financial instruments

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

J. Derivative financial instruments

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in Statement of Profit and Loss. The gain or loss on such derivative is presented in the Statement of Profit and Loss in the same line item as the corresponding foreign exchange loss or gain arising from the hedged transaction.

K. Share capital

(i) Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity

(ii) Treasury shares

The Company has created an AGSTTL Employees Welfare Trust (Trust) for providing share-based payment to its employees and those of its subsidiaries. The Trust is used as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company for giving shares to employees. The Company treats Trust as its extension

and shares held by Trust are treated as treasury shares. Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Capital Reserve. Share options exercised during the reporting period are deducted from treasury shares.

L. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, after deducting trade discounts and rebates if any.

Pre-operative expenses such as salaries, brokerage, legal and professional fees, etc. incurred during installation period are capitalised under the respective asset head as part of the indirect installation cost, to the extent to which the expenditure is allocable / apportioned to the asset-head. In case of composite contract involving acquisition of property, plant and equipment and providing services, the property, plant and equipment are capitalised at the respective fair value of the asset acquired.

Stores and spares include tangible items used as rotables in supply of goods or services and are expected to be used for a period more than 1 year.

Demo assets includes assets which are given for training, testing and demonstration to various current and prospective customers for supply of goods or services and are expected to be used for a period more than 1 year.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Plant and equipment which are not ready for intended use as on the reporting date are disclosed as “Capital work-in-progress”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are classified as Capital advances.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

(iii) Depreciation

Depreciation on property, plant and equipment

Depreciation is provided on the Written Down Value (‘WDV’) method, except in the case of Building, ATM, ATM sites, Demo assets and Stores and spares where the Straight-Line Method (‘SLM’) is used, over the estimated useful life of each asset as determined by the management. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is put to use.

The estimated useful lives and method of depreciation of items of property, plant and equipment are as follows:

Asset	Method of Depreciation	Useful life (years)
Buildings	SLM	30 - 60
ATM/CRM machines*#	SLM	10
Others assets at ATM Sites*#	SLM	7
Demo assets#	SLM	2 - 5
Stores and spares#	SLM	5
Plant and machinery	WDV	15
Furniture and fixtures	WDV	10
Office equipment, electrical installation and air conditioners	WDV	5 - 10
Computers	WDV	3 - 6
Vehicles	WDV	8

* ATM/CRM machines and others assets at ATM sites are depreciated over the estimated useful lives of 10 years and 7 years respectively, which is lower than the useful life indicated in Schedule II of the Act.

The Management has estimated, supported by independent assessment by professionals, the useful lives of these classes of assets.

Leasehold improvements are amortised over the primary period of lease i.e. lease period which ranges from 3 to 8 years as per the agreement or the life of respective assets, whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

M. Asset held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount or fair value less cost to sell.

N. Intangible assets

(i) Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred

Intangibles which are not ready for intended use as on the reporting date are disclosed as “Intangible under development”.

(ii) Subsequent expenditure

After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Service concession arrangements

The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement,

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

is regarded to be its cost. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses, if any.

(iv) Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The estimated useful lives are as follows:

Asset	Useful life (years)
Technical know-how	7
Software	4

The estimated useful life of an intangible asset in a service concession arrangement is the period of the contract.

The amortisation period and the amortisation method are reviewed at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

(v) Expenditure on research and development

Expenditure on research activities is recognised in the Statement of Profit and Loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in Statement of Profit and Loss as incurred.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project. Amortisation is recognised in the Statement of Profit and Loss.

During the period of development, the asset is tested for impairment annually.

O. Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss as other income on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

P. Inventories

Raw materials, finished goods, stores, spares (other than those capitalised in property, plant and equipment), traded items and consumables are carried at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.

In determining cost of raw materials, finished goods, traded items, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

Q. Impairment of non-financial assets

The Company’s non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

R. Revenue

(i) Sale of goods

Revenue from contracts with customers is measured at fair value of the consideration received or receivable, net of returns, service level adjustment/credits, non-current warranties, trade discounts, goods and service tax and volume rebates, where applicable.

Revenue is recognised when the Company satisfies performance obligation by transferring the goods to the customers. The Company 'transfers' goods to the customers when the customer obtains control of that goods. Control may be transferred either at a point in

time or over time. The amount of revenue recognised is adjusted for expected returns, which are estimated based on historical data.

(ii) Rendering of services

Revenue from contracts with customers net of service level adjustment/credits is recognised when the Company satisfies performance obligation by transferring the services to the customers.

The revenue from ATM and management services is disclosed net of service level adjustment/credits, one-time upfront fees and premium on purchase of property, plant and equipment. One time upfront fees and premium on purchase of property, plant and equipment is amortised over the respective contract period.

Revenue from maintenance contracts is recognised pro-rata over the period of the contract as and when services are rendered. Revenue from upgrades and digital payment services is recognised as and when services are rendered.

The Company collects goods and service tax on behalf of the government and therefore, these are not economic benefits flowing to the Company.

(iii) Service concession arrangements

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the Company.

(iv) Multiple deliverable arrangements

At contract inception, the Company assesses the goods or services explicitly or implicitly promised in a contract and identify as a performance obligation each promise to transfer a distinct good or service. A good or service that is promised in a contract is 'distinct' if both of the following criteria are met:

- a) The customer can benefit from the good or service either on its own or together with other resources that are 'readily available' to the customer.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

- b) The entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

The Company, at contract inception, allocates the transaction price to each performance obligation on the basis of relative stand-alone selling price.

With effect from 1 April 2018, the Company has adopted Ind AS 115 Revenue from contracts with customers.

S. Recognition of insurance claim, dividend income, interest income or expense

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in Other income in the Statement of Profit and Loss.

Lease interest expense is recognised upon commencement of the lease agreement using constant periodic rate of return over the period of the agreement.

T. Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(ii) Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated into the functional

currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss in the period in which they arise.

(iii) Fair value gains / (loss) of derivative contracts

Foreign exchange difference on foreign currency borrowings, settlement gain / (loss) and fair value gain / (loss) on derivative contracts relating to borrowings are accounted and disclosed under Finance cost.

U. Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified short-term employee benefits and they are recognised in the year in which the employee renders the related services. For the amount expected to be paid, the Company recognises undiscounted liability if they have a present legal or constructive obligation to pay the amount as a result of past service provided by employees, and the obligation can be estimated reliably.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered Provident Fund Scheme and Employee State Insurance Corporations. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

(iii) Gratuity - Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement,

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary and the tenure of employment with the Company.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

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

(iv) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the estimated liability for leave as a result of services rendered by employees, which is determined at each reporting date based on an actuarial valuation by an

independent actuary using the projected unit credit method. The discount rates used for determining the present value of the obligation under other long term employee benefits, are based on the market yields on Government of India securities as at the reporting date. Re-measurement gains and losses are recognised immediately in the Statement of Profit and Loss.

The Company presents the above liability as current in the Balance Sheet.

(v) Employee stock compensation cost

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

V. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for warranties:

Provision for current warranty-related costs is recognised when the related product is sold. Provision is based on technical estimates which are based on historical experience. The estimates of such warranty-related costs are reviewed and revised annually.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

W. Contingent liabilities and contingent assets

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

A contingent asset is not recognised but disclosed in the Financial Statements where an inflow of economic benefit is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date.

X. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. 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 substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee

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.

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 re-measurements 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 fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Under Ind AS 116, the Company recognised a right-of-use asset and a lease liability for the sale and leaseback transaction, measured in the same way as other right-of-use assets and lease liabilities at that date and adjusted the leaseback right-of-use of asset for proportionate gains and losses recognised in statement of profit and loss.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases 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 expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date. The Company has used hindsight when determining the lease term and did not recognise right of use asset for leases to which the lease term end within 12 months of date of initial application.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Lease liability and ROU assets have been separately presented in Balance Sheet and lease payments have been classified as financing cash flows.

Y. 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 an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax 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 realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be utilised.

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Z. Finance Cost

Finance costs include interest and other borrowing costs incurred in connection with the borrowing of funds. Interest cost on financial liabilities is measured at amortized cost such as borrowings from banks and others or bonds or similar instruments etc. calculated as per the effective interest method. Interest and other dues on statutory liabilities that are compensatory in nature are measured at the interest rates as applicable under the Statute. Other borrowing cost includes processing fees, bill discounting charges, commission or charges paid for letter of credit and bank guarantees, exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs etc.

AA. Operating segments

(i) Basis for segmentation

An operating segment is a component of the entity that engages in business activities from which it may earn and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components and for which discrete financial information is available. Such decision is taken by chief operating decision maker (CODM).

(ii) Business segment

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets. Accordingly, the Company has identified 'Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(iii) Geographical segment

The Company's business is primarily within India. Hence no separate geographical disclosure is considered necessary.

(iv) Segment information

- Inter-segment transfers: The Company generally accounts for inter-segment sales and transfers at cost plus appropriate margins.
- Allocation of common costs: Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.
- Unallocated items: Unallocated items include general corporate income and expense items which are not allocated to any business segment.
- Segment accounting policies: The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

AB. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

AC. Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period when

the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. A corresponding amount is recognised directly in equity.

AD. Measurement of earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company has opted to present earnings before interest (Finance Cost), tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/loss from continuing operations including other income.

AE. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, unrestricted bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

AF. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

AG. Recent amendments/ pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework: The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use: The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from

selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts -Cost of Fulfilling a Contract: The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021): The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 3 (a) Property, plant and equipment Reconciliation of carrying amount

Description	Freehold Land	Building	Leasehold improvements	Plant and machinery	ATM Sites	Vehicles	Furniture and fixtures	Electrical installations and equipment	Stores and spares	Demo assets	Computers	Total
Gross carrying amount as at 1 April 2020	53.75	503.07	31.57	177.97	4,716.43	0.70	111.27	155.29	759.08	83.69	169.66	6,762.48
Additions	-	-	-	70.76	809.91	-	-	2.78	54.93	2.53	29.62	970.53
Disposals	-	3.33	-	1.98	497.25	-	0.84	0.41	-	-	-	504.10
Gross carrying amount as at 31 March 2021	53.75	499.74	31.57	246.75	5,029.09	0.70	110.43	157.66	814.01	86.22	198.99	7,228.91
Accumulated depreciation as at 1 April 2020	-	39.38	9.46	44.09	1,824.35	0.48	70.10	107.67	425.26	66.30	118.26	2,705.35
Depreciation for the year	-	9.97	6.39	26.13	568.55	0.03	10.36	13.99	134.63	10.72	28.71	809.48
Disposals	-	0.98	-	0.59	284.24	-	0.59	0.36	-	-	0.29	287.05
Accumulated depreciation as at 31 March 2021	-	48.37	15.85	69.63	2,108.66	0.51	79.87	121.30	559.89	77.02	146.68	3,227.78
Net carrying amount as at 31 March 2021	53.75	451.37	15.72	177.12	2,920.43	0.19	30.56	36.36	254.12	9.20	52.31	4,001.13
Gross carrying amount as at 1 April 2021	53.75	499.74	31.57	246.75	5,029.09	0.70	110.43	157.66	814.01	86.22	198.99	7,228.91
Additions	-	-	0.59	15.82	287.66	0.58	0.60	1.27	50.66	1.74	19.01	377.93
Disposals	-	-	0.19	35.37	240.13	-	7.46	14.70	-	-	11.48	309.33
Gross carrying amount as at 31 March 2022	53.75	499.74	31.97	227.20	5,076.62	1.28	103.57	144.23	864.67	87.96	206.52	7,297.51
Accumulated depreciation as at 1 April 2021	-	48.37	15.85	69.63	2,108.66	0.51	79.87	121.30	559.89	77.02	146.68	3,227.78
Depreciation for the year	-	9.11	6.45	28.68	554.42	0.09	7.49	9.84	114.34	5.90	25.99	762.31
Disposals	-	-	0.19	12.12	138.23	-	5.90	13.45	-	-	11.25	181.14
Accumulated depreciation as at 31 March 2022	-	57.48	22.11	86.19	2,524.85	0.60	81.46	117.69	674.23	82.92	161.42	3,808.95
Net carrying amount as at 31 March 2022	53.75	442.26	9.86	141.01	2,551.77	0.68	22.11	26.54	190.44	5.04	45.10	3,488.56

Note:

- Refer note 41 for expenses capitalised as part of the cost of property, plant and equipment.
- During the year ended 31 March 2022, assets having written down value of ₹ 95.35 million (31 March 2021: ₹87.38 million) included in disposals and subsequently added to inventory.
- Certain property, plant and equipment are hypothecated against borrowings, the details relating to which have been described in Note 18 (a).
- The Company has followed the cost model for accounting for its property, plant and equipment and accordingly no revaluation of the assets has been carried out.
- No impairment loss or reversal of impairment loss in respect of any property, plant and equipment was recognised in the standalone financial statements during the year.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee including cases where the lease contract is in the process of being renewed) are held in the name of the Company.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 3 (b) Right-of-use asset

Following are the changes in the carrying value of right-of-use asset:

Particulars	(₹ in million)		
	Building	Plant and Machinery	Total
Balance as at 1 April 2020	3,629.94	182.97	3,812.91
Additions	517.77	15.37	533.14
Depreciation for the year	(933.69)	(109.67)	(1,043.36)
De-recognition of right-of-use asset	(284.40)	-	(284.40)
Balance as at 31 March 2021	2,929.62	88.67	3,018.29
Balance as at 1 April 2021	2,929.62	88.67	3,018.29
Additions	1,069.32	73.84	1,143.16
Depreciation for the year	(896.66)	(89.96)	(986.62)
De-recognition of right-of-use asset (refer note 38)	(144.17)	-	(144.17)
Balance as at 31 March 2022	2,958.11	72.55	3,030.66

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Note 3 (c) Capital work-in-progress

i. CWIP Schedule

Particulars	(₹ in million)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Progress					
31 March 2021	243.52	-	-	-	243.52
31 March 2022	342.58	30.83	-	-	373.41
Project temporary suspended					
31 March 2021	-	-	-	-	-
31 March 2022	-	-	-	-	-

ii. There are no material capital-work-in progress for the which the completion is overdue or has exceeded its cost compared to its original budget.

Note 4 (a) Intangible assets

Reconciliation of carrying amount

Description	(₹ in million)			
	Licenses and technical knowhow fees	Software	Other intangible assets*	Total
Gross carrying amount as at 1 April 2020	90.30	487.91	254.82	833.03
Additions	-	41.80	25.09	66.88
Disposals	-	-	-	-
Gross carrying amount as at 31 March 2021	90.30	529.71	279.91	899.92
Accumulated amortisation as at 1 April 2020	65.87	294.36	49.42	409.65
Amortisation for the period	8.15	84.07	26.89	119.11
Disposals	-	-	-	-
Accumulated amortisation as at 31 March 2021	74.02	378.43	76.31	528.76
Net carrying amount as at 31 March 2021	16.28	151.28	203.60	371.15

Notes to the Standalone Financial Statements

as at 31 March 2022

Description	(₹ in million)			
	Licenses and technical knowhow fees	Software	Other intangible assets*	Total
Gross carrying amount as at 1 April 2021	90.30	529.71	279.91	899.92
Additions	-	166.81	-	166.81
Disposals	-	-	-	-
Gross carrying amount as at 31 March 2022	90.30	696.52	279.91	1,066.73
Accumulated amortisation as at 1 April 2021	74.02	378.43	76.31	528.76
Amortisation for the period	8.15	85.62	27.99	121.76
Disposals	-	-	-	-
Accumulated amortisation as at 31 March 2022	82.17	464.05	104.30	650.52
Net carrying amount as at 31 March 2022	8.13	232.47	175.61	416.21

* The Company had entered into a public private arrangement which meets the definition of a Service Concession Arrangement (SCA) as per Appendix A to Ind AS 11 Construction Contracts. Based on the requirements of Appendix A to Ind AS 11 Construction Contracts, the consideration in relation to such arrangement has been recognised as other intangible assets - refer note 39.

The Service Concession Arrangement (SCA) with the carrying value of ₹ 175.61 million as at 31 March 2022 (31 March 2021: ₹ 203.60 million) have a remaining estimated amortisation period of 5 to 8 years.

The Software with the carrying value of ₹ 232.47 million as at 31 March 2022 (31 March 2021: ₹ 151.28 million) have a remaining estimated amortisation period of 1 to 3 years.

- (i) The Company has followed the cost model for accounting for its other ntangible assets and accordingly no revaluation of the assets has been carried out.
- (ii) No impairment loss or reversal of impairment loss in respect of items of other intangible assets was recognised in the financial statements during the year.

Note:

Refer note 41 for expenses capitalised as part of the cost of intangible assets.

Note 4 (b) Intangible under development ageing schedule

Particulars	(₹ in million)				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Progress					
31 March 2021	100.91	8.05	4.20	-	113.17
31 March 2022	-	-	-	-	-
Project temporary suspended					
31 March 2021	-	-	-	-	-
31 March 2022	-	-	-	-	-

There are no material Intangible under development for which the completion is overdue or has exceeded its cost compared to its original budget.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 5 Non Current Investments

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Investments in subsidiaries (refer note 49)		
<i>(At cost or deemed cost)</i>		
Investment in equity instruments (Fully paid up unless stated otherwise)		
Unquoted		
13,504,850 equity shares (31 March 2021: 13,504,850 equity shares) of SGD 1 each of Global Transact Services Pte Ltd	658.69	658.69
115,000,000 equity shares (31 March 2021: 115,000,000 equity shares) of ₹ 10 each of India Transact Services Limited (refer note (i) below)	1,153.45	1,153.08
26,049,000 equity shares (31 March 2021: 26,049,000 equity shares) of ₹ 10 each of Securevalue India Limited (refer note (ii) below)	849.73	849.11
6,000 equity shares (31 March 2021: 6,000 equity shares) ₹ 10 each of AGS Community Foundation	0.06	0.06
	2,661.93	2,660.94

Notes:

- (i) It includes aggregate corporate guarantee commission amounting to ₹ 3.45 million (31 March 2021: ₹3.08 million).
 (ii) It includes aggregate corporate guarantee commission amounting to ₹ 15.27 million (31 March 2021: ₹14.65 million).

Aggregate Value of impairment of investment	Nil	Nil
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Note 6 Current investments

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Quoted Mutual Funds carried at Fair Value through Profit or Loss		
Nil units (31 March 2021: 292,295.282 units of Aditya Birla Sun Life Liquid Fund - Growth Direct Plan)	-	96.91
	-	96.91
Aggregate book value of quoted investments	-	96.90
Market value of quoted investments	-	96.91

Note 7 (a) Non-current financial assets - Loans

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Unsecured		
Loans and advances to other than related parties (refer note below (i))	249.20	-
	249.20	-

- (i) The Company had entered into a contract for purchase of certain technology assets pursuant to which an advance aggregating ₹ 359.00 million (net) was given. The parties subsequently mutually agreed to terminate the contract and the Company agreed to receive the refund of the Advance Purchase Price along with interest at the rate of 11% per annum as per the repayment schedule. Management has assessed this amount as fully recoverable and concluded that the refund is not prejudicial to the interest of the Company.

Note 7 (b) Other non-current financial assets

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Security deposits	250.11	253.48
Margin money with maturity of more than twelve months (refer note below)	123.47	187.83
Deposit given for acquisition of ATMs and ATM sites (refer note 44)	240.35	266.56
	613.93	707.87

Note:

Includes interest accrued amounting to ₹ 14.61 million (31 March 2021: ₹ 9.35 million) on margin money with maturity more than twelve months.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 8 Taxes

(a) Amounts recognised in the Standalone Statement of Profit and Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(₹ in million)		
Current tax expense		
Current year	41.80	206.50
Changes in estimates related to prior period	-	43.19
	41.80	249.69
Deferred tax expense		
Origination and reversal of temporary differences	29.91	60.52
	29.91	60.52
Tax expense for the year	71.71	310.21

(b) Amounts recognised in other comprehensive income

Particulars	Year ended 31 March 2022			Year ended 31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
(₹ in million)						
Items that will not be reclassified to the Statement of Profit and Loss						
Remeasurements of the defined benefit plans	3.35	(0.84)	2.51	(0.81)	0.21	(0.60)
	3.35	(0.84)	2.51	(0.81)	0.21	(0.60)

(c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(₹ in million)		
Loss before tax	(814.53)	1,011.08
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's statutory tax rate	(205.00)	254.47
Tax effect of:		
Expenses not allowed under tax	284.64	18.85
Prior period tax items	-	43.18
Rate change (refer note below)	-	-
Others	(7.93)	(6.29)
Total tax expense	71.71	310.21

Note:

On 20 September 2019, the government had brought in the Taxation Laws (Amendment) Ordinance 2019 to make certain amendments in the Income tax Act, 1961 and the Finance (No.2) Act 2019. The ordinance is promulgated by the President of India to effect tax reforms announced by the government. One such amendment includes to provide an option for a concessional tax at the rate of 22 percent in case of a domestic company subject to prescribed conditions with effect from financial year 2019-20 (Assessment year 2020-21). In this case, the Company would continue to avail the option for concessional tax rate for financial year 2021-22 (Assessment year 2022-23).

(d) Movement in deferred tax balances for the year ended 31 March 2022

Particulars	Net asset / (liability) 1 April 2021	Recognised in profit or loss - credit/ (charge)	Recognised in OCI	Net asset / liability 31 March 2022
(₹ in million)				
Property, plant and equipment	(78.08)	(15.00)	-	(93.08)
Impact of Ind AS 116 (refer note 38)	196.02	(7.74)	-	188.28
Intangible assets	52.87	1.53	-	54.40
Provision for employee benefits	64.88	(4.65)	(0.84)	59.39
Trade receivables	(6.74)	7.51	-	0.77

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(₹ in million)

Particulars	Net asset / (liability) 1 April 2021	Recognised in profit or loss - credit/ (charge)	Recognised in OCI	Net asset / liability 31 March 2022
Borrowings	5.32	(1.60)	-	3.72
Provision for warranties	13.87	(1.21)	-	12.66
Loans	(42.25)	(8.50)	-	(50.75)
Others	(0.25)	(0.25)	-	(0.50)
Deferred tax asset/(liabilities)	205.64	(29.91)	(0.84)	174.89

Movement in deferred tax balances for the year ended 31 March 2021

(₹ in million)

Particulars	Net asset / (liability) 1 April 2020	Recognised in profit or loss - credit/ (charge)	Recognised in OCI	Net asset / liability 31 March 2021
Property, plant and equipment	(34.29)	(43.79)	-	(78.08)
Impact of Ind AS 116 (refer note 38)	210.94	(14.92)	-	196.02
Intangible assets	47.25	5.62	-	52.87
Provision for employee benefits	63.99	0.68	0.21	64.88
Trade receivables	(7.94)	1.20	-	(6.74)
Borrowings	4.59	0.73	-	5.32
Provision for warranties	13.10	0.77	-	13.87
Loans	(31.84)	(10.41)	-	(42.25)
Derivative contracts	0.15	(0.15)	-	0.00
Others	-	(0.25)	-	(0.25)
Deferred tax asset/(liabilities)	265.95	(60.52)	0.21	205.64

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Note:

As the Company does not have any intention to dispose investments in unlisted subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

(e) Other non-current tax assets

(₹ in million)

Particulars	31 March 2022	31 March 2021
Advance tax paid (net of provision for tax)*	359.06	53.33

* Net of provision for tax 31 March 2022 ₹ 41.80 million (31 March 2021: ₹ 206.50 million)

(f) Other current tax assets

(₹ in million)

Particulars	31 March 2022	31 March 2021
Advance tax paid (net of provision for tax)	-	48.48
	-	48.48

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 9 Other non-current assets

(₹ in million)

Particulars	31 March 2022	31 March 2021
Balances with government authorities	73.74	72.65
One time upfront fees	9.09	23.99
Capital advances	11.99	364.20
Premium on purchase of property, plant and equipment (refer note 44)	50.53	108.93
Other prepaid expenses	17.62	10.37
	162.97	580.14

Note 10 Inventories

(valued at lower of cost and net realisable value)

(₹ in million)

Particulars	31 March 2022	31 March 2021
Raw materials and components (refer note (i) below)	416.07	410.03
Finished goods	169.34	222.75
Stock-in-trade	55.06	69.10
	640.47	701.88

Notes:

- Inventories includes goods in transit ₹ 8.89 million (31 March 2021: ₹ 88.90 million)
- Inventories are hypothecated against borrowings, the details relating to which have been described in Note 22 (a)

Note 11 Current financial assets - Trade receivables

(₹ in million)

Particulars	31 March 2022	31 March 2021
Billed receivables - Unsecured, considered good (refer note 18 (a) , 47 (B) and 49)	6,432.07	4,634.70
Unbilled receivables - Unsecured, considered good (refer note 47 (B) and 49)	1,257.90	2,434.77
	7,689.97	7,069.47

Billed receivables ageing schedule

As at 31 March 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,998.92	1,236.47	713.90	253.57	212.31	6,415.17
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	16.90	-	-	-	16.90
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Notes to the Standalone Financial Statements

as at 31 March 2022

Unbilled receivables ageing schedule

As at 31 March 2022

Particulars	(₹ in million)	
	Unbilled receivables	not due
(i) Undisputed Unbilled receivables – considered good	1,257.90	-
(ii) Undisputed Unbilled receivables – which have significant increase in credit risk	-	-
(iii) Undisputed Unbilled receivables – credit impaired	-	-
(iv) Disputed Unbilled receivables – considered good	-	-
(v) Disputed Unbilled receivables – which have significant increase in credit risk	-	-
(vi) Disputed Unbilled receivables – credit impaired	-	-

Billed receivables ageing schedule

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,077.75	296.10	867.78	109.85	249.35	4,600.83
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	24.14	5.81	3.92	-	-	33.87
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Unbilled receivables ageing schedule

As at 31 March 2021

Particulars	(₹ in million)	
	Unbilled receivables	not due
(i) Undisputed Unbilled receivables – considered good	2,434.77	-
(ii) Undisputed Unbilled receivables – which have significant increase in credit risk	-	-
(iii) Undisputed Unbilled receivables – credit impaired	-	-
(iv) Disputed Unbilled receivables – considered good	-	-
(v) Disputed Unbilled receivables – which have significant increase in credit risk	-	-
(vi) Disputed Unbilled receivables – credit impaired	-	-

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 12 (a) Current financial assets - Cash and cash equivalents

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Cash on hand (refer note (i) below)	29.15	35.82
Current accounts	179.57	5,800.96
	208.72	5,836.78

Notes:

- (i) Cash on hand as at 31 March 2022 includes ₹ 15.98 million (31 March 2021: ₹33.57 million) held by the Company at locations and includes ₹0.25 million (31 March 2021: ₹1.50 million) lying in vaults on behalf of Toll and Transit business and ₹11.97 million (31 March 2021: ₹ Nil) lying in vaults for cash burial business.

Note 12 (b) Current financial assets - Bank balances other than 12a above

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Margin money with maturity of less than three months (refer note (i) below)	107.80	716.75
Margin money with maturity more than three months but less than twelve months (refer note (ii) below)	162.05	124.88
	269.85	841.63

Notes:

- (i) Includes interest accrued amounting to ₹4.35 million (31 March 2021: ₹ 2.39 million) on margin money with maturity of less than three months.
- (ii) Includes interest accrued amounting to ₹ 3.64 million (31 March 2021: ₹ 2.69 million) on margin money with maturity more than three months but less than twelve months.

Note 13 Current financial assets - Loans

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Unsecured		
Loans and advances to related parties (refer note below)	0.83	25.88
Loans and advances to other than related parties (refer note 7 (a) (i))	110.00	-
	110.83	25.88

Notes:

The loans given to subsidiaries are interest free, the same is given for business purposes and are repayable on demand (refer note 49).

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 14 Other current financial assets

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Deposit given for acquisition of ATMs and ATM sites (refer note 44)	60.97	60.97
Security deposits	104.17	56.63
Amount held as margin money against borrowings	-	35.88
Other receivables	2.07	-
	167.21	153.48

Note 15 Other current assets

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Premium on purchase of property, plant and equipment (refer note 44)	58.40	58.40
Other prepaid expenses	70.11	122.18
One time upfront fees	14.91	14.63
Advance to employees	12.85	20.13
Other advances (also refer note 49)	590.60	293.31
	746.87	508.65

Note 16 Equity share capital

a. Details of authorised, issued and subscribed and fully paid up share capital are as follows

Particulars	(₹ in million)			
	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Authorised capital				
Equity shares of ₹ 10/- each	160,000,000	1,600.00	160,000,000	1,600.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10/- each fully paid up	121,403,076	1,214.03	120,392,576	1,203.93
Less: Treasury shares*	(1,231,900)	(12.32)	(1,812,000)	(18.12)
	120,171,176	1,201.71	118,580,576	1,185.81

b. Reconciliation of number of shares at the beginning and at the end of the year

Particulars	(₹ in million)			
	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	120,392,576	1,203.93	120,392,576	1,203.93
Add: Treasury shares issued during the year	1,010,500	10.10	-	-
Less: Treasury shares*(refer note (g) below)	(1,231,900)	(12.32)	(1,812,000)	(18.12)
Shares outstanding at the end of the year	120,171,176	1,201.71	118,580,576	1,185.81

* The treasury shares of the Company includes the shares held by the AGSTTL Employees Welfare Trust ("Trust", considered as a branch of the Company). As at 31 March 2022, the Trust held 1,231,900 shares of the Company.

Notes to the Standalone Financial Statements

as at 31 March 2022

c. Particulars of shareholders holding more than 5% of equity shares

Particulars	(₹ in million)		31 March 2021	
	31 March 2022		No. of shares	Percentage
	No. of shares	Percentage	No. of shares	Percentage
Ravi B. Goyal *	27,741,455	22.85%	66,460,312	55.20%
Vineha Enterprises Private Limited *	51,054,264	42.05%	51,054,264	42.40%

* As at 1 April 2021, 117,514,576 Equity Shares held by the Promoters, were pledged with Catalyst Trusteeship Limited as security in respect of secured redeemable non-convertible debentures issued by Vineha Enterprises Private Limited (Vineha NCDs). The Vineha NCDs were redeemed on 3 April 2021 and pledge on the Equity Shares of the Company held by the Promoters was released on 5 April 2021.

d. Terms / rights attached to equity shares

The Company has equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors, will be subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend.

The holders of equity shares will be entitled to receive remaining assets of the Company in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Scheme (ESOS) of the Company, refer note 37.

f. Shareholding of Promoters

Name of Promoter	(₹ in million)			31 March 2021		
	31 March 2022		% Change during the year	Number of shares	% of total shares	% Change during the year
	Number of shares	% of total shares		Number of shares	% of total shares	
Ravi B. Goyal	27,741,455	22.85%	58%	66,460,312	55.20%	Nil
Vineha Enterprises Private Limited	51,054,264	42.05%	Nil	51,054,264	42.40%	Nil
	78,795,719			117,514,576		

Note:

- Promoter means promoter as defined in Section 2 (69) of the Companies Act, 2013
 - Percentage change shall be computed with respect to the number at the beginning of the year (also refer note 53).
- g.** On 29 March 2022, the Company has issued 1,010,500 equity shares to AGSTTL Employees Welfare Trust under the approved ESOP schemes and the same are disclosed as treasury shares. The Company was required to obtain prior in-principle approval from Stock Exchanges, which was not complied with and the shares were allotted. The Company is in the process of seeking condonation from SEBI in this regard and submission of the related documents to Stock Exchanges. Accordingly, 1,010,500 shares of ₹ 10 each aggregating to ₹ 10,010,500 are "unlisted" equity shares as at 31 March 2022. Management believes the same is procedural in nature and the impact of the same on the financials results will not be material.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 17 Other equity

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Securities premium		
Balance at the beginning of the year	2,364.23	2,364.23
Less: Securities premium on treasury shares* (refer note below)	(47.41)	(64.30)
Add : Movement during the year*	29.44	-
Add : Premium on share options exercised during the year	64.28	-
Balance at the end of the year	2,410.54	2,299.93
* Movement of securities premium on treasury shares		
Balance at the beginning of the year	(64.30)	(64.30)
Add : Movement during the year	(29.44)	-
Share options exercised during the year	46.33	-
Balance at the end of the year	(47.41)	(64.30)
Employee stock options reserve		
Balance at the beginning of the year	137.34	114.51
Add : Movement during the year	113.25	22.83
Less : Premium on share options exercised during the year	(64.28)	-
Balance at the end of the year	186.31	137.34
Debenture redemption reserve		
Balance at the beginning of the year	-	-
Add : Transfer from retained earnings	550.00	-
Less : Transfer to general reserve	(550.00)	-
Balance at the end of the year	-	-
General reserve		
Balance at the beginning of the year	10.00	10.00
Add : Transfer from Debenture redemption reserve	550.00	-
Balance at the end of the year	560.00	10.00
Retained earnings		
Balance at the beginning of the year	2,714.31	2,014.04
(Loss) / Profit for the year	(886.24)	700.87
Dividend paid	(120.39)	-
Remeasurements of defined benefit plans for the year (net of tax)	2.51	(0.60)
Transfer to Debenture redemption reserve	(550.00)	-
Balance at the end of the year	1,160.19	2,714.31
Total Other equity	4,317.04	5,161.58

Note:

The treasury shares of the Company includes the shares held by the AGSTTL Employee Welfare Trust ("Trust", considered as a branch of the Company). As at 31 March 2022, the Trust held 1,231,900 shares of the Company. The amount equivalent to the face value of the treasury shares has been reduced from share capital and the excess of cost over such face value has been reduced from securities premium.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Nature and purpose of reserves

Securities premium

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

Employee stock options reserve

The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company and its subsidiaries refer note 37 for further details on these plans.

General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to General reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General reserve is not required under the Companies Act, 2013. Further transfer has been made from Debenture redemption reserve to General reserve upon redemption of Non Convertible Debentures.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

Dividend

Dividend of ₹ 120.39 million (Re. 1 per equity share), including ₹ 1.81 million on treasury shares, has been recommended by the Board of Directors for FY 2020-21 and has been approved by shareholders at the Annual General Meeting held on 21 September 2021. The same was subsequently paid on 21 October 2021. In respect of the dividend paid during the year by the Company, except for not transferring amount of dividend to separate bank account within the timeline specified in sub-section (4) of section 123 of the Act, the payment of dividend is in accordance with section 123 of the Companies Act, 2013.

Note 18 (a) Non-current financial liabilities - Borrowings

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Term loans - Secured		
Borrowings in India		
Indian rupee term loan from banks (refer note (i) and (ii) below)	2,637.12	1,453.00
Indian rupee term loan from others	-	324.97
	2,637.12	1,777.97
Borrowings outside India	1,318.04	484.77
Term loan from banks (ECB) (refer note (iii) below)	1,318.04	484.77
Non Convertible Debentures- Secured (refer note (vi) below)		
Nil (31 March 2021: 5,500 Non Convertible Debentures of face value of ₹1,000,000/- each) (refer notes 48 and 53)	-	5,468.98
	-	5,468.98
	3,955.16	7,731.72

Notes to the Standalone Financial Statements

as at 31 March 2022

Notes:

- Indian rupee term loan from banks carry an interest rate in the range of 8.45% p.a. to 10.50% p.a. The loans are repayable as per the balance amortisation schedule spread over from 4 months to 81 months. Loans are secured by charge on specific assets comprising of ATMs, specific receivables and other related equipments of assigned contract.
- Two of the Indian rupee term loan from banks carry an interest rate in the range of 8.45% p.a. to 10.50% p.a. The loans are repayable as per the balance amortisation schedule spread over from 59 months to 81 months. Loans are secured by charge on specific assets comprising of land and building, ATMs, specific receivables and other related equipments of assigned contract.
- Loan in the form of External Commercial Borrowings (ECB) from banks outside India carry an interest rate in the range of 1 month USD LIBOR plus 360 bps to 400 bps. The loans are repayable as per the balance amortization schedule spread over from 30 months to 37 months. Loans are secured by charge on specific assets comprising of ATMs and specific receivables.
- There are no material breaches of the covenants associated with the borrowings (refer to above(i) to (iii)) and none of the borrowings were called back during the year.
- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The Company had issued 12% rated, secured, Non Convertible Debentures ("NCD") on a private placement basis during the year ended 31 March 2021. The NCDs were listed on National Stock Exchange on 26 March 2021. The NCDs were redeemed prematurely on 29 January 2022. Consequent to the redemption of the NCDs, these have been de-listed from the NSE (refer note 53).

Details of the NCDs were as follows:

Name of security	Number of NCD	Date of Issue	Terms of Repayment	Amount (₹ in million)	Interest rate	Period of maturity from 31 March 2021
Non Convertible Debentures	5,500	26 March 2021	Coupon Payment - Monthly Principal repayment - Year 3: 26% Year 4: 20% Year 5: 30% Year 6: 24% (subject to any prepayment being done prior to year 6 from the Pay-in Date)	5,500	Coupon Rate: 12% p.a. p.m. (fixed) IRR: 18.75% p.a.	5 years and 7 months

Security details:

- an exclusive charge by way of hypothecation over the receivables under specified Charged Contracts with identified customers as defined under Debenture Trust Deed;
- an exclusive charge by way of hypothecation on 2,047 ATMs under specified ATM Charged Contracts;
- a first ranking charge by way of hypothecation on security deposit and termination amount recoverable under the Charged Contracts;
- a second ranking charge by way of hypothecation on all the current assets (other than the current assets exclusively charged to the Existing Lenders) and movable Property, Plant and Equipment;
- a second ranking mortgage over all the identified immovable properties as included in Property, Plant and Equipment;
- an exclusive charge over the AGS Escrow Account, Debt Service Reserve Account as defined under Debenture Trust Deed; and
- Personal Guarantee of Mr. Ravi B Goyal.

Note 18 (b) Non-current financial liabilities - Lease liabilities

Particulars	31 March 2022	31 March 2021
Unsecured		
Lease liabilities (refer note 38)	2,410.04	2,451.99
	2,410.04	2,451.99

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 19 Other non-current financial liabilities

Particulars	31 March 2022	31 March 2021
Payables related to Service Concession Arrangement projects (refer note 39)	5.04	24.48
	5.04	24.48

Note 20 Non-current - Provisions

Particulars	31 March 2022	31 March 2021
Provision for employee benefits		
Gratuity (refer note 36)	155.77	157.21
	155.77	157.21

Note 21 Other non-current liabilities

Particulars	31 March 2022	31 March 2021
Deferred revenue	16.63	16.01
	16.63	16.01

Note 22 (a) Current financial liabilities - Borrowings

Particulars	31 March 2022	31 March 2021
Secured		
From banks (refer note (ii) and (vi) below)		
Working capital loans (refer note (i) below)	600.06	745.00
Cash credit and other facilities	30.13	132.58
From others		
Working capital loans (refer note (iii) , (iv) and (vi) below)	552.32	535.33
	1,182.51	1,412.91
Current maturities of long term borrowings (refer note (v) below)	789.46	1,730.75
	1,971.97	3,143.66

Note:

- Includes interest accrued amounting to ₹ 0.06 million (31 March 2021: ₹ 0.02 million).
- Working capital loans, cash credit and other facilities from Banks are secured by hypothecation of current assets and are repayable on demand. These loans carry an interest rate as mentioned below:

Working capital loans	9.15% p.a. to 9.25% p.a.
Cash credit and other facilities	4.25% p.a. to 9.50% p.a.
- The working capital loans from others are secured by hypothecation of current assets and are repayable on demand. These loans carry an interest rate ranging from 9.50% p.a. to 11.00% p.a.
- Working capital loans from others includes factored receivables which is secured by factored invoices and second charge on current assets (refer note 47 (B)).
- Includes interest accrued amounting to ₹ 20.38 million (31 March 2021: ₹ 69.01 million).

Notes to the Standalone Financial Statements

as at 31 March 2022

(vi) The Company has availed short term borrowings from banks or financial institutions on the basis of security of current assets. The Company is required to file periodic returns with banks, including those related to current assets. The returns are extracted from audited / unaudited financial information provided by the Company, summary of which are tabulated below:

(₹ in million)

Quarter	Name of bank	Particulars	Amounts as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Q 1 – June 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	5,335.34	5,380.11	(44.77)	refer note below
Q 2 – September 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	6,345.14	6,441.11	(95.97)	refer note below
Q 3 – December 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	6,741.87	6,030.01	711.86	refer note below
Q 4 – March 2022	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd. Dhanalaxmi Bank Ltd. IDFC First Bank Ltd.	Inventories, Trade receivables and payables	6,834.36	6,849.89	(15.53)	refer note below
Q 1 – June 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,863.02	4,823.61	39.41	refer note below
Q 2 – September 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,569.98	4,513.27	56.72	refer note below

Notes to the Standalone Financial Statements

as at 31 March 2022

(₹ in million)

Quarter	Name of bank	Particulars	Amounts as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Q 3 – December 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,456.30	4,470.35	(14.05)	refer note below
Q 4 – March 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	5,397.80	5,834.46	(436.67)	refer note below

Note: Primarily due to year/ period end audit/ review adjustments.

Note 22 (b) Current financial liabilities - Lease liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Unsecured		
Lease liabilities (refer note 38)	1,226.84	1,220.13
	1,226.84	1,220.13

Note 23 Current financial liabilities - Trade payables

(₹ in million)

Particulars	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises	435.16	83.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,152.86	4,128.22
	4,588.02	4,211.52

The following disclosures are made for the amounts due to micro enterprises and small enterprises:-

(₹ in million)

Particulars	31 March 2022	31 March 2021
The principal amount remaining unpaid to any supplier as at the end of each accounting year	435.16	83.30
Interest due thereon	8.94	2.87
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Notes to the Standalone Financial Statements

as at 31 March 2022

Trade payables ageing schedule

As at 31 March 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	423.83	7.48	1.93	1.92	435.16
(ii) Others	3,906.39	53.33	88.84	90.30	4,138.86
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	14.00	14.00

As at 31 March 2021

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	79.83	3.19	0.05	0.23	83.30
(ii) Others	3,911.26	105.54	11.18	86.25	4,114.23
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	0.57	13.42	13.99

Note 24 Other current financial liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Accrued employee cost	561.45	448.28
Payable for capital goods	11.48	49.86
Security deposit from vendors	29.48	68.84
Payables related to Service Concession Arrangement projects (refer note 39)	22.30	22.30
	624.71	589.28

Note 25 Other current liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Deferred revenue	1.70	2.78
Balances due to government authorities (refer note below)	776.25	702.77
Advances from customers	-	499.70
	777.95	1,205.25

Note:

Includes dues towards Tax deduction at source, Good and service tax, Provident fund, Employee state insurance contribution and others and interest thereon.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 26 Current - Provisions

(₹ in million)

Particulars	31 March 2022	31 March 2021
Provision for employee benefits:		
Gratuity (refer note 36)	28.85	25.90
Compensated absences (refer note 36)	51.33	74.67
Other provision for:		
Warranties*	33.68	39.13
	113.86	139.70

Provision for warranties represents management's best estimate of the liability for warranties granted on products. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

*Provision for warranty is recognised for machines sold to customers:-

(₹ in million)

Particulars	31 March 2022	31 March 2021
Opening balance	39.13	37.73
Charge during the year	17.65	24.57
Utilisation during the year	(23.10)	(23.17)
Closing balance	33.68	39.13

Provision for warranties is expected to be utilised in the next twelve months.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 27 Revenue from operations

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Sale of traded goods		
Automation products	232.10	610.20
Sale of manufactured goods		
Automation products	1,245.42	1,123.66
ATM and ATM sites	322.33	509.45
	1,799.85	2,243.31
Sales of services		
ATM and management services	7,767.54	8,665.25
Less: Amortisation of one time upfront fee and premium on purchase of property, plant and equipment (refer note 44)	(42.29)	(42.29)
	7,725.25	8,622.96
AMC services and upgrades	2,458.88	1,858.08
Digital payment services	1,186.21	1,006.74
	11,370.34	11,487.78
Total revenue from operations (net) (refer note 42)	13,170.19	13,731.09

Note 28 Other income

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest income from instruments measured at amortised cost:		
Deposits with banks	24.81	21.95
Security deposits	33.78	41.37
Others	0.12	63.73
Insurance claim	29.65	53.94
Write back of lease liabilities (net) and rent concession (refer note 38)	48.56	138.29
Scrap sale	-	4.59
Corporate guarantee income	0.99	0.99
Foreign exchange gain (net)	0.78	-
Reversal of provision for warranty (net)	5.45	-
Realised gain on investment in quoted mutual fund measured at Fair Value through Profit or Loss	2.09	0.01
Gain on sale / retirement of property, plant and equipment (net)	-	11.06
Others	3.94	3.93
	150.17	339.86

Note 29 Cost of raw materials and components consumed

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Inventories at the beginning of the year	410.03	369.65
Add: Purchases during the year	2,025.27	2,160.95
Less: Inventories at the end of the year	(416.07)	(410.03)
	2,019.23	2,120.57

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 30 Purchase of traded goods

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of traded goods	186.80	525.84
	186.80	525.84

Note 31 Decrease / (Increase) in inventories of finished goods and traded goods

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
<i>Finished goods</i>		
Inventories at the beginning of the year	222.75	203.50
Inventories at the end of the year	169.34	222.75
	53.41	(19.25)
<i>Traded goods</i>		
Inventories at the beginning of the year	69.10	51.44
Inventories at the end of the year	55.06	69.10
	14.04	(17.66)
Decrease / (Increase) in inventories	67.45	(36.91)

Note 32 Employee benefit expenses

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages (refer note 41)	1,222.23	1,269.52
Employee Stock Option scheme expense (net) (refer note 37 and 49)	87.71	18.00
Contributions to provident fund and other funds (refer note 36)	36.16	38.82
Gratuity expenses (refer note 36)	31.59	31.70
Staff welfare expenses	14.20	7.18
	1,391.89	1,365.22

Note 33 Other expenses

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Cash management expenses	2,449.67	2,316.01
Rent expenses (refer note 38)	18.39	64.68
Caretaker and housekeeping expenses	567.82	701.10
Electricity expenses	313.69	318.60
Subcontracting expenses	1,127.68	1,065.64
Repairs and maintenance		
- Plant and machinery	707.72	586.62
- Others	79.29	58.10
Travelling and conveyance expenses	182.31	168.54
Communication expenses	57.19	55.94

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Corporate social responsibility expenses (refer note 45)	21.40	16.80
Foreign exchange loss (net)	-	2.06
Tools and equipments	80.80	81.29
Postage and courier	94.23	91.85
Impairment loss on trade receivables	118.76	-
Legal and professional charges	175.07	132.42
Insurance charges	82.43	92.13
Loss on sale / retirement of property, plant and equipment (net)	3.15	-
Rates and taxes	27.31	3.91
Payment to auditors (refer note 43)	7.86	9.94
Directors' sitting fees	10.90	2.70
Commission to directors	8.88	10.50
Miscellaneous expenses	154.42	193.41
	6,288.97	5,973.64

Note 34 Finance costs

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on measured at amortised cost on:		
- financial liabilities	1,676.69	549.37
- lease liabilities (refer note 38)	415.14	441.55
- Others	113.09	72.39
Other borrowing costs	104.94	74.02
Net loss on derivative contracts	-	7.12
Foreign exchange differences treated as adjustment to borrowing costs	-	(4.89)
	2,309.86	1,139.56

Note: Other borrowing costs include bill discounting charges.

Note 35 Earnings per share (EPS)

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
1 (Loss) / Profit attributable to equity shareholders		
(Loss) / Profit for the year, attributable to equity shareholders (₹ in million)	(886.24)	700.87
2 Calculation of weighted average number of equity shares - Basic		
Number of shares at the end of the year	121,403,076	120,392,576
Less: Weighted average number of treasury shares	(1,231,900)	(1,812,000)
Less: Effect of share options exercised	(1,210,616)	-
Weighted average number of equity shares for the year	118,960,560	118,580,576
3 Calculation of weighted average number of equity shares - Diluted		
Number of shares at the end of the year	121,403,076	120,392,576
Less: Weighted average number of treasury shares	(1,231,900)	(1,812,000)

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Less: Effect of share options exercised	(1,210,616)	-
Add : Effect of share options dilution	2,238,558	1,879,183
Weighted average number of equity shares for the year	121,199,118	120,459,759
4 Earning per share (* Not Annualised)		
Basic (₹) *	(7.45)	5.91
Diluted (₹) *	(7.45)	5.82
* Since the Earnings per share computation based on dilutive weighted average number of equity shares is anti-dilutive, the basic and diluted Earnings per share is the same.		
5 Nominal value of shares (₹)	10.00	10.00

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

Note 36 Employee benefits

A. Defined contribution plans

Contribution to Provident fund, Employee State Insurance and any other funds

Amount of ₹ 36.16 million (31 March 2021: ₹ 38.82 million) is recognised as an expense and included in "Employee benefit expenses" (refer note 32) in the Statement of Profit and Loss.

B. Defined benefit plans

Gratuity

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary.

The Company does not have a fund plan for gratuity liability.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) / liability and its components:

i. Reconciliation of present value of defined benefit obligation

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Defined benefit obligation at the beginning of the year	183.10	159.59
Current service cost	22.62	21.96
Interest cost	11.06	9.73
Actuarial (gains) / losses recognised in Other Comprehensive Income		
arising from changes in financial assumptions	-	0.67
arising from changes in demographic assumptions	(0.67)	(0.34)
arising on account of experience changes	(2.68)	0.48
Benefits paid directly by the Company	(28.81)	(8.99)
Defined benefit obligation at the end of the year	184.62	183.10

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

ii. Amount recognised in Balance Sheet

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Defined benefit obligation	184.62	183.10
Fair value of plan assets	-	-
Net defined benefit obligation	184.62	183.10

iii. Expense recognised in the Statement of Profit and Loss

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
(i) Expense recognised in the Statement of Profit and Loss		
Current service cost	22.62	21.96
Interest cost	11.06	9.73
	33.68	31.69
(ii) Expense recognised in the Other Comprehensive Income		
Actuarial (gains) losses on defined benefit obligations		
- arising from changes in financial assumptions	-	0.67
- arising from changes in demographic assumptions	(0.67)	(0.34)
- arising on account of experience changes	(2.68)	0.48
	(3.35)	0.81

iv. Actuarial assumptions

The principal assumptions used in determining gratuity benefit obligation for the Company's plan is shown below:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Financial assumptions		
Discount rate	6.50%	6.50%
Salary escalation	7%	7%
Attrition rate Employee Age Bracket		
21 - 30 years	25%	16%
31 - 40 years	17%	14%
41 - 50 years	10%	9%
51 - 59 years	11%	9%

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

Assumptions regarding future mortality are based on published Statistics & Mortality tables. The calculation of death benefit obligation is sensitive to the mortality assumptions.

The Company expects ₹ 28.85 million contribution to be paid to its defined benefit plan in the next year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

v. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant management assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31 March 2022		31 March 2021	
	Percentage increase	Percentage decrease	Percentage increase	Percentage decrease
Gratuity Plan				
Discount rate 50 bps on defined benefit plans	-3.19%	3.39%	-3.57%	3.81%
Future salary growth 50 bps on defined benefit plans	2.90%	-2.81%	3.27%	-3.14%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi. Compensated absences

The liability towards compensated absences at 31 March 2022 based on actuarial valuation amounted to ₹ 51.33 million (31 March 2021 : ₹ 74.67 million).

Amount of ₹ (7.22) million (31 March 2021 : ₹ (14.65) million) is released and included in "Employee benefit expenses" in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 37 Employee Stock Option Plan (ESOP)

On 29 February 2012, the Board of Directors approved the Equity-Settled Employee Stock Option Scheme (ESOS 2012) for issue of stock options to the key employees of the Company and others as approved by the Board of Directors comprising of 2,319,588 options convertible into one equity share each.

The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Particulars	ESOS 2012
Grant Date	Tranche 1: 05 March 2012 Tranche 2: 24 July 2012 Tranche 3: 01 February 2015 Tranche 4: 01 February 2015 Tranche 5: 16 August 2018 Tranche 6: 12 August 2021
Fair Value at Grant Date	₹ 39.13 to ₹ 176.10
Exercise Price	₹ 39.13 to ₹ 111.13
Vesting period	1 to 3 years from the respective date of grant
Exercise period*	5 years or 1 year from the date of listing whichever is later (to be reckoned from date of first vesting)
Expected Life	2.5 to 4.5 years

* There has been an amendment to the exercise year of the ESOP schemes in the earlier years.

The details of activity under ESOS 2012 are summarised below:-

Particulars	(₹ in million)	
	31 March 2022 (No. of options)	31 March 2021 (No. of options)
	ESOS 2012	ESOS 2012
Outstanding at the beginning of the year	1,960,000	1,960,000
Granted during the year	129,740	-
Exercised during the year	938,200	-
Lapsed during the year	156,780	-
Outstanding at the end of the year	994,760	1,960,000
Exercisable at the end of the year	881,800	1,665,560
Weighted average remaining contractual life (year)	0 to 3.50	0 to 2.51
Weighted average fair value of options granted (₹)	7.77 to 140.66	7.77 to 121.26
Weighted average exercise price (₹)	39.13 to 111.13	39.13 to 111.13

Note: The above options are after considering a bonus issue of 3:1 during the year ended 31 March 2015.

The Black and Scholes Options Pricing model had been used for computing the weighted average fair value considering the following inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%
Expected volatility	0.00%	0.00%	0.00%	0.00%	33.39%	11.20%
Risk free interest rate	8.30%	7.93%	9.05%	9.05%	7.87%	5.74%
Weighted average share price (₹)	39.13	50.00	152.46	152.46	93.00	176.10
Exercise price (₹)	39.13	39.13	39.13	111.13	39.13	39.13
Expected life of options granted in year	3.04	2.91	2.50	2.31	4.51	3.50

Notes to the Standalone Financial Statements

as at 31 March 2022

Of the ESOS 2012 above, 70,708 options are reserved for issue of equity shares of the Company, are not yet granted.

On 3 February 2015, the Board of Directors approved the Equity-Settled Employee Stock Option Scheme (ESOS 2015) for issue of stock options to the key employees of the Company and others as approved by the Board of Directors comprising of 1,216,000 options convertible into one equity share each.

On 4th August 2021, the Board of Directors increased the existing ESOP Pool by 2,200,000 options.

The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Particulars	ESOS 2015
Grant Date	Tranche 1: 16 August 2018 Tranche 2: 12 August 2021
Fair Value at Grant Date	₹ 93.00 to ₹ 176.10
Exercise Price	₹ 39.13
Vesting period	1 to 3 years from the respective date of grant
Exercise period	5 years or 1 year from the date of listing whichever is later (to be reckoned from date of first vesting)
Expected Life	3.5 to 5.5 years

The details of activity under ESOS 2015 are summarised below:-

Particulars	(₹ in million)	
	31 March 2022 (No. of options)	31 March 2021 (No. of options)
	ESOS 2015	ESOS 2015
Outstanding at the beginning of the year	1,024,500	1,110,500
Granted during the year	2,402,920	-
Exercised during the year	652,400	-
Lapsed during the year	289,360	86,000
Outstanding at the end of the year	2,485,660	1,024,500
Exercisable at the end of the year	343,100	676,170
Weighted average remaining contractual life (year)	1.51 to 3.50	2.51
Weighted average fair value of options granted (₹)	93.00 to 176.10	93.00
Weighted average exercise price (₹)	39.13	39.13

The Black and Scholes Options Pricing model had been used for computing the weighted average fair value considering the following inputs:

Particulars	Tranche 1	Tranche 2
Dividend yield	0.00%	0.57%
Expected volatility	33.39%	11.20%
Risk free interest rate	7.87%	5.74%
Weighted average share price (₹)	93.00	176.10
Exercise price (₹)	39.13	39.13
Expected life of options granted in year	4.51	3.50

Of the ESOS 2015 above, 277,940 options are reserved for issue of equity shares of the Company.

Effect of employee share based payment plans on the standalone financial statement of Profit and Loss and on its financial position.

The Company has granted options to the employees of its subsidiary companies and the related expense amounting to ₹25.54 million (31 March 2021 : ₹4.83 million) has been charged to the respective subsidiary companies (refer note 49).

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 38 Leases

Company as a Lessee

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

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

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Current lease liabilities	1,226.84	1,220.13
Non-current lease liabilities	2,410.04	2,451.99
Total	3,636.88	3,672.12

The following is the movement in lease liabilities during the year:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Opening Balance	3,672.12	4,531.71
Additions	1,126.29	527.48
Finance costs accrued during the year	415.14	441.55
Payment of lease liabilities	(1,383.94)	(1,405.93)
Write back of lease liabilities	(192.73)	(422.69)
Closing Balance (refer note 18b and 22b)	3,636.88	3,672.12

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Less than one year	1,226.84	1,220.12
One to five years	2,923.55	2,976.73
More than five years	401.73	383.51
Total	4,552.12	4,580.36

The following is the movement in Right-of-use assets during the year:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Opening Balance	3,018.29	3,812.91
Additions	1,143.16	533.14
Depreciation for the year	(986.62)	(1,043.36)
De-recognition of right-of-use asset	(144.17)	(284.40)
Closing Balance	3,030.66	3,018.29

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

The table below provides details of amounts recognised in the Statement of Profit and Loss:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Depreciation on Right-of-use assets	986.62	1,043.36
Interest on lease liabilities	415.14	441.55
Expenses related to short term leases and leases not covered under Ind AS 116	18.39	64.68
Write back of lease liabilities (net)	(48.56)	(138.29)
	1,371.59	1,411.30

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

The weighted average incremental borrowing rate applied to lease liabilities for the year ended 31 March 2022 is 9.57% (31 March 2021: 10.03%).

The average tenure of leases covered under Ind AS 116 is ranging from 1 to 8 years.

The outflow on account of lease liabilities for the year ended 31 March 2022 is ₹ 1,383.94 million (31 March 2021; ₹ 1,405.93 million).

The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 on IND AS 116 for rent concessions which are granted due to COVID-19 pandemic. Total rent concession recorded during the year ended 31 March 2022 amounted to ₹nil (31 March 2021: ₹37.90 million) has been recognised in 'other income'.

Note 39 Service concession arrangement

During the year ended 31 March 2016, the Company along with a private bank (acting in the capacity of lead bidder) and another third party jointly bid for a public private arrangement to set up an open loop, contactless, smart card based Automatic Fare Collection System (AFCS) in relation to a metro rail project. The roles, responsibilities and obligations of all the parties was agreed as part of a consortium agreement executed between the three parties.

The Company's responsibilities include supply, installation and testing of AFCS equipment and support / maintenance of such equipment for a year of 6 years. The Company is entitled to receive a specified percentage of the value of ticket sales generated by the metro rail project for a year of 10 years.

The arrangement has been identified as a service concession arrangement in accordance with Appendix A to Ind AS 11 Construction Contracts where the Company's responsibilities include supply of the specified equipment and maintenance / support in relation to the same and the consideration linked to the ticket revenue generated by the related metro rail project.

During the year ended 31 March 2017, the Company was in the process of fulfilling its supply / installation/testing obligation and hence the cost incurred in relation to the project was capitalised as Intangible Assets under Development, net of in substance reimbursements received from co-bidders. In addition, amounts payable in relation to such projects have been reflected as Other financial liabilities.

During the year ended 31 March 2021, to the extent the installation and consequent deployment equipment has been completed, related expenditure (net of in substance reimbursements received from co bidders) and corresponding revenue based on the percentage of installation and deployment is recognised in the Statement of Profit and Loss and the consequent Intangible Assets have been recognised in the Standalone Balance Sheet. The useful life is assessed based on the go live date.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 40 Contingent liabilities and commitments

(to the extent not provided for)

A. Contingent liabilities

		(₹ in million)	
Particulars		31 March 2022	31 March 2021
I	Claims against the Company not acknowledged as debts:	17.88	14.64
II	Matters in dispute under appeal		
	(i) Sales tax	73.16	103.25
	(ii) Excise duty*	5.77	5.77
	(iii) Custom duty	3.03	11.44
	(iv) Duty entitlement pass book	-	0.43
	(v) Goods and service tax	0.78	0.78
III	Other tax matters	2.90	2.90
	Total	103.52	139.21

* Excludes interest amount which would be finalised during the course of assessment.

Against the above pending tax and other litigation, the Company has paid ₹ 4.16 million under protest (31 March 2021: ₹ 10.19 million) under protest.

The Company's pending litigations comprise of claims against the Company and pertaining to proceedings pending with Indirect tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for, where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

For the Assessment Year 2017-18, the Company has received demand of ₹ 66.43 million of which ₹ 13.29 million has been adjusted againsts the refund. The Company has filed an appeal for the same.

For the Assessment Year 2016-17, the Company has received demand of ₹ 71.66 million. The Company has filed an application for rectification for the same and is in the process of filing application u/s 264 before CIT.

The Company has received a notice for the delayed payments of TDS for the financial year 2012-13 which has been closed during the year.

There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. In view of the management, the liability for the year from date of the SC order to March 31, 2019 is not significant and has been provided in the books of account. Company has incorporated the effect of changes in the books of accounts since 1 April 2019. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past year, if any, was not ascertainable and consequently no effect was given in the accounts.

The Code on Social Security, 2020 (code) relating to employee benefits received presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the code when it comes into effect and will record any related impact in the year the codes become effective.

The Company has received a show cause cum demand notice amounting to ₹ 548.33 million, excluding interest and penalty thereon, with respect to transfer of GST on services provided by the Head office to its branches. The issue is presently contentious and the amount of present obligation cannot be measured with sufficient reliability.

Notes to the Standalone Financial Statements

as at 31 March 2022

The amount of the contingent liability is based on the best possible estimate which in turn is based on likelihood of possible outcomes of proceedings by the regulators.

B. Capital and other commitments

		(₹ in million)	
Particulars		31 March 2022	31 March 2021
	Estimated amount of contracts remaining to be executed on capital account and other commitments not provided for	1,221.44	2,855.81
	Other investment commitments	-	6,500.00

C. Others

The Company had received a show cause notice dated 27 July 2020 with respect to lower deployment of White Label ATMs (WLAs) as per the RBI (Reserve Bank of India) circulars on WLAs in India issued under Payment and Settlement Systems Act, 2007. Management made submission to RBI. However, on 4 March 2021 the licence has been revoked as per the order. RBI reserves its right to take further action as it may consider necessary. Basis Management assessment, there is no material impact on account of the same. Accordingly, no provision with respect to the same is been accounted for in the standalone financial statements as at 31 March 2021 and 31 March 2022.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 41 Capitalisation of expenditure

The Company has developed certain software wherein the following development expenses have been capitalised / under development by the Company

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Salaries and wages	32.89	59.34
	32.89	59.34

The Company has capitalised the following expenses of revenue nature to the cost of property, plant and equipment / Capital work-in-progress.

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Salaries and wages	20.37	44.76
	20.37	44.76

Note 42

(A) Disclosure under Ind AS 115, Revenue from Contracts with Customers

(i) Sale of product and manufactured goods

The Company applies practical expedient in paragraph 121 of Ind AS 115 for all contract entered for sales of products and manufactured goods and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

(ii) Revenue from services

The Company applies practical expedient in paragraph 121 of Ind AS 115 for all contracts entered for revenue from services, whereby it has right to receive consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Hence, the Company does not disclose information of remaining performance obligation of such contracts.

(B) Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary business segment. Disaggregated revenue with the Company's reportable segments is given in the note 50.

(C) Reconciliation of revenue recognised with contracted price

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Contracted Price	13,527.49	14,162.49
Reduction towards service level credits, trade discounts, etc.	(357.30)	(431.40)
Revenue recognised	13,170.19	13,731.09

(D) The Company has entered into certain contract with a customer amounting to ₹ 1,599.95 million, wherein revenue amounting to ₹ 93.89 million has been recognised for the year ended 31 March 2022 (31 March 2021: ₹ 90.91 million) and balance will be recognised as and when it satisfies a performance obligation by transferring a good or service to a customer over time (Estimated remaining contract period: 5 years).

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 43 Payment to auditors (excluding tax)

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
As Auditor		
Audit fees	7.50	5.60
Certification fees and other services*	14.14	4.00
Reimbursement of expenses*	1.27	0.34
	22.92	9.94

*Out of above expenditure, ₹ 9.83 million (31 March 2021: ₹ Nil) pertaining to initial public offer is included in Legal and professional charges.

Note 44

During the year ended 31 March 2014, the Company had entered into an agreement with a customer for providing ATM Management services for 10 years. As a part of the arrangement, the Company acquired existing ATM sites at total consideration of ₹926.25 million. Further, an interest free security deposit of ₹ 880 million has been advanced towards such acquisition of the ATM network.

The property, plant and equipment acquired were capitalised at the respective fair value of ₹649.64 million and the difference of ₹ 276.61 million between the fair value of property, plant and equipment acquired and the total consideration was recognised as Premium on purchase of assets under 'Other assets'. In addition, the difference between the fair value and transaction price of the interest free security deposit referred to above has also been adjusted with premium on purchase of assets under 'Other assets'. The aggregate premium on purchase of equipment is amortised over the life of the contract with an adjustment to revenue. The charge for the current year is ₹ 58.40 million. (31 March 2021: ₹58.40 million).

The Company is depreciating the property, plant and equipment acquired over the remaining useful life.

Note 45 Corporate social responsibility expenses

a. As per Section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended 31 March 2022 is ₹ 21.40 million (31 March 2021: ₹16.8 million), computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate social responsibility (CSR).

The Company has paid amount towards CSR activities during the year ended 31 March 2022

b. Amount of expenditure incurred during the year on:

Particulars	In cash		Yet to be paid in cash	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Construction/acquisition of any asset	-	-	-	-
On purposes other than above	21.40	16.80	-	-
Total	21.40	16.80	-	-

c. Related party transaction in relation to corporate social responsibility: ₹ 21.40 million (31 March 2021: ₹16.80 million).

d. There is no shortfall in the amount required to be spent in earlier years.

e. Provision during the year ended 31 March 2022: ₹ Nil (31 March 2021: ₹ Nil).

f. The Company has transferred amounts as required under Section 135 of the Act to the implementing agency. However, the amounts so transferred in the previous year (₹ 16.80 million) and the current year (₹ 21.40 million) remain unutilised by the implementing agency as at 31 March 2022. There is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project.

There is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 46 Investment in subsidiaries

As at 31 March 2022, the Company has investment amounting to ₹ 2,661.93 million (31 March 2021: ₹2,660.94 million) in its wholly owned subsidiaries namely “Global Transact Services Pte. Ltd.”, “India Transact Services Limited” and “Securevalue India Limited”. The Company has also provided loans amounting to ₹ 0.83 million (31 March 2021: ₹ 25.88 million) to fund the operations of its subsidiaries and the loans are considered recoverable (refer note 49).

Letters of support is provided in respect of subsidiaries namely Global Transact Services Pte. Ltd. and India Transact Services Limited. The Company considers its investments in subsidiaries as strategic and long-term in nature. The Company is committed to operationally, technically and financially support the operations of its subsidiaries.

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 47 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

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

(₹ in million)

As at 31 March 2022	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Investments in subsidiaries	2,661.93	-	-	2,661.93	-	-	-	-
Loans	249.20	-	-	249.20	-	-	-	-
Other non-current financial assets	613.93	-	-	613.93	-	-	-	-
Current financial assets								
Trade receivables	7,689.97	-	-	7,689.97	-	-	-	-
Cash and cash equivalents	208.72	-	-	208.72	-	-	-	-
Bank balances other than above	269.85	-	-	269.85	-	-	-	-
Loans	110.83	-	-	110.83	-	-	-	-
Other financial assets	167.21	-	-	167.21	-	-	-	-
	11,971.64	-	-	11,971.64	-	-	-	-
Non-current financial liabilities								
Borrowings (including current maturities of long term borrowings)	4,744.62	-	-	4,744.62	-	-	-	-
Lease liabilities	2,410.04	-	-	2,410.04	-	-	-	-
Other non-current financial liabilities	5.04	-	-	5.04	-	-	-	-
Current financial liabilities								
Borrowings (excluding current maturities of long term borrowings)	1,182.51	-	-	1,182.51	-	-	-	-
Lease liabilities	1,226.84	-	-	1,226.84	-	-	-	-
Trade payables	4,588.02	-	-	4,588.02	-	-	-	-
Other financial liabilities	624.71	-	-	624.71	-	-	-	-
	14,781.78	-	-	14,781.78	-	-	-	-

(₹ in million)

As at 31 March 2021	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets								
Investments in subsidiaries	2,660.94	-	-	2,660.94	-	-	-	-
Other non-current financial assets	707.87	-	-	707.87	-	-	-	-
Current financial assets								
Investments	-	96.91	-	96.91	96.91	-	-	96.91
Trade receivables	7,069.47	-	-	7,069.47	-	-	-	-
Cash and cash equivalents	5,836.78	-	-	5,836.78	-	-	-	-
Bank balances other than above	841.63	-	-	841.63	-	-	-	-
Loans	25.88	-	-	25.88	-	-	-	-
Other financial assets	153.48	-	-	153.48	-	-	-	-
	17,296.05	96.91	-	17,392.96	96.91	-	-	96.91

Notes to the Standalone Financial Statements

as at 31 March 2022

(₹ in million)

As at 31 March 2021	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Non-current financial liabilities								
Borrowings (including current maturities of long term borrowings)	9,462.47	-	-	9,462.47	-	-	-	-
Lease liabilities	2,451.99	-	-	2,451.99	-	-	-	-
Other non-current financial liabilities	24.48	-	-	24.48	-	-	-	-
Current financial liabilities								
Borrowings (excluding current maturities of long term borrowings)	1,412.91	-	-	1,412.91	-	-	-	-
Lease liabilities	1,220.13	-	-	1,220.13	-	-	-	-
Trade payables	4,211.52	-	-	4,211.52	-	-	-	-
Other financial liabilities	589.28	-	-	589.28	-	-	-	-
	19,372.78	-	-	19,372.78	-	-	-	-

Notes:

- The fair value of cash and cash equivalents, other bank balances, current trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.
- Measurement of fair values : The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique
 - Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
 - Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
 - Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

ii. 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 customers and investments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Notes to the Standalone Financial Statements

as at 31 March 2022

a. Trade receivables

The Company has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery / service terms and conditions. The Company makes specific provisions against such trade receivables wherever required and monitors the same at periodical intervals.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. Based on prior experience, the portfolio of customers and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The following table provides information about the exposure to credit risk and expected credit loss for Trade receivables:

(₹ in million)

Particulars	Gross carrying amount	
	31 March 2022	31 March 2021
Not due / Past due 0-180 days	3,998.92	3,077.75
More than 180 days	2,433.15	1,556.95
	6,432.07	4,634.70

The carrying amounts of the trade receivables include receivables which are subject to factoring arrangement aggregating to ₹ 405.96 million (31 March 2021: ₹360.42 million). The amount repayable under the factoring arrangement is presented in secured borrowings.

Impairment loss on trade receivables of ₹ 118.76 million (31 March 2021: ₹ Nil) has been debited in the Standalone Statement of Profit and Loss.

The amounts reflected in the table above are not impaired as at the Balance Sheet date. The allowance for expected credit loss is nil and there are no trade receivables which have significant increase in credit risk.

b. Cash, cash equivalents and other bank balances

The Company held cash and cash equivalents and other bank balances of ₹ 478.46 million (31 March 2021: ₹ 6,678.41 million) The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

c. Derivatives

The derivatives are entered into with banks with good credit ratings.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and bank balances at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Notes to the Standalone Financial Statements

as at 31 March 2022

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(₹ in million)

As at 31 March 2022	Contractual Cashflows				
	Gross carrying amount	Total	Up to 1 year	1 - 5 years	More than 5 years
Non derivative financial liabilities					
Term loans from banks and others (including current maturities of long term borrowings)	4,744.62	6,141.26	1,262.65	4,090.87	787.74
Short-term loans/working capital loans	1,182.51	1,182.51	1,182.51	-	-
Lease liabilities	3,636.88	4,552.12	1,226.84	2,923.55	401.73
Trade payables	4,588.02	4,588.02	4,588.02	-	-
Other financial liabilities	629.75	630.29	624.71	5.58	-
Total	14,781.78	17,094.20	8,884.73	7,020.00	1,189.47

(₹ in million)

As at 31 March 2021	Contractual Cashflows				
	Gross carrying amount	Total	Up to 1 year	1 - 5 years	More than 5 years
Non derivative financial liabilities					
Term loans from banks and others (including current maturities of long term borrowings)	9,462.47	14,466.02	2,659.50	9,746.01	2,060.51
Short-term loans/working capital loans	1,412.91	1,412.91	1,412.91	-	-
Lease liabilities	3,672.12	4,580.36	1,220.12	2,976.73	383.51
Trade payables	4,211.52	4,211.53	4,211.53	-	-
Other financial liabilities	613.76	617.15	589.27	27.88	-
Total	19,372.78	25,287.97	10,093.33	12,750.62	2,444.02

- (i) The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.
- (ii) Guarantees issued by the Company on behalf of subsidiaries are with respect to borrowings / financial assistance by the respective subsidiaries. These amounts will be payable on default by the concerned parties. As of the reporting date, none of the subsidiary have defaulted and hence, the Company does not have any present obligation to third parties in relation to such guarantees.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates etc.- will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks.

a. Currency risk

The functional currency of the Company is Indian rupees. The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency. The Company uses forward exchange contracts to hedge its currency risk on borrowings, mostly with a maturity of less than one year from the reporting date. Exposure on trade receivables and trade payables is unhedged. The Company manages itself against currency risk of External Commercial Borrowings by entering into cross-currency swaps.

Notes to the Standalone Financial Statements

as at 31 March 2022

The summary quantitative data about the Company's exposure to currency risk is as follows (the amounts below have been presented in their respective foreign currencies):

(₹ in million)

31 March 2022	USD	EUR	SGD
Financial assets (A)			
Trade and other receivables	1.50	0.01	-
Loan to subsidiaries	-	-	0.02
	1.50	0.01	0.02
Financial liabilities (B)			
Trade and other payables	0.63	0.68	0.54
Term loan ('ECB')	23.60	-	-
Interest and other charges on term loan ('ECB')	0.05	-	-
Less : Cross currency swap	(23.65)	-	-
	0.63	0.68	0.54
Net exposure (A - B)	0.87	(0.67)	(0.52)

(₹ in million)

31 March 2021	USD	EUR	SGD	JPY
Financial assets (A)				
Trade and other receivables	1.67	0.01	-	1.06
Loan to subsidiaries	-	-	0.02	-
	1.67	0.01	0.02	1.06
Financial liabilities (B)				
Trade and other payables	0.68	0.70	0.11	-
Term loan ('ECB')	8.00	-	-	-
Interest and other charges on term loan ('ECB')	0.09	-	-	-
Less : Cross currency swap	(8.03)	-	-	-
	0.74	0.70	0.11	-
Net exposure (A - B)	0.93	(0.69)	(0.09)	1.06

The following significant exchange rates have been applied in for the year:

Currency	31 March 2022	31 March 2021
USD	75.81	73.50
EUR	84.66	86.10
SGD	56.06	54.53
JPY	0.62	0.66

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD, EUR, SGD and JPY at the reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of Profit and Loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

Effect in INR	31 March 2022		31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
5% movement				
USD	(3.30)	3.30	(3.40)	3.40
EUR	2.84	(2.84)	2.97	(2.97)
SGD	1.46	(1.46)	0.25	(0.25)
JPY	-	-	(0.04)	0.04
	1.00	(1.00)	(0.22)	0.22

Notes to the Standalone Financial Statements

as at 31 March 2022

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding. The Company uses cross-currency swaps to hedge the Interest rate of External Commercial Borrowings.

The interest rate profile of the Company's interest-bearing financial instruments as is as follows:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	-	(5,479.51)
	-	(5,479.51)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(5,927.13)	(5,395.87)
	(5,927.13)	(5,395.87)

Fair value sensitivity analysis for fixed-rate instruments

The entity does not account for any fixed-rate financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the Statement of Profit and Loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the entity by the amounts indicated in the table below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the reporting date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	(₹ in million)	
	Profit or (Loss)	
	100 bps increase	100 bps decrease
31 March 2022		
Variable rate instruments	(59.27)	59.27
Cash flow sensitivity	(59.27)	59.27
31 March 2021		
Variable rate instruments	(53.96)	53.96
Cash flow sensitivity	(53.96)	53.96

Notes to the Standalone Financial Statements

as at 31 March 2022

Note 48 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 primary objective of the Company's Capital Management is to maximise shareholders value.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined by the management as gross debt comprising of interest-bearing borrowings (including Non Convertible Debentures) and lease liabilities, less cash, cash equivalents, other bank balances and non-current margin money. Total equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Non-current borrowings	3,955.16	7,731.72
Current borrowings	1,971.97	3,143.66
Non-current lease liabilities	2,410.04	2,451.99
Current lease liabilities	1,226.84	1,220.13
Gross debt	9,564.01	14,547.50
Less - Cash, cash equivalents and Other bank balances	(478.57)	(6,678.41)
Less - Margin money (non-current)	(123.47)	(187.83)
Less - Investment in Quoted Mutual Funds	-	(96.91)
Adjusted net debt	8,961.97	7,584.35
Total equity	5,518.75	6,347.39
Adjusted net debt to equity ratio	1.62	1.19

The Company has provided the definitions of 'adjusted net debt' and 'total equity' because they are alternative performance measures and are not defined in Ind AS.

Following the adoption of Ind AS 116 - Leases, adjusted net debt to equity ratio has increased due to inclusion of lease liabilities.

The Company raised funds from outside India amounting to USD 25 million under External Commercial Borrowings (ECB) in accordance with the approval granted by Reserve Bank of India under automatic route and is in conformity with the applicable ECB Guidelines. The tenure of the facility is 4 years.

During the year ended 31 March 2021, the Company had issued 12% rated, secured, Non Convertible Debentures ("NCD") (IRR 18.75% p.a.) on a private placement basis aggregating ₹5,500 million. The NCD were listed on National Stock Exchange ("NSE") as at 26 March 2021. The NCDs were redeemed prematurely on 29 January 2022. Consequent to the redemption of the NCDs, these have been de-listed from the NSE (refer note 53).

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 49 Related party transactions

A. Related Parties and their relationship

a) Subsidiaries

Name of the subsidiaries
India Transact Services Limited
Securevalue India Limited
Global Transact Services Pte. Ltd.
Novus Technologies Pte. Ltd.
Novus Technologies (Cambodia) Company Limited
Novus Transact Philippines Corporation
Novustech Transact Lanka (Private) Limited
AGS Community Foundation

b) Name of the associates

PT.Nova Digital Perkasa

c) Key Management Personnel and relatives

Mr. Ravi B. Goyal	Executive, Chairman & Managing Director
Mr. Badrinarain K. Goyal	Non-executive Non Independent Director / Father of Mr. Ravi B. Goyal (till 9 June 2021)
Mr. Vinayak R. Goyal	Executive Director (w.e.f. 9 June 2021) / Son of Mr Ravi B. Goyal
Mrs. Anupama R. Goyal	Non-executive, Non Independent Director / Wife of Mr. Ravi B. Goyal
Mr. Sudip Bandyopadhyay	Non-executive, Independent Director
Mr. Vijay Chugh	Non-executive, Independent Director
Mr. Rahul N. Bhagat	Non-executive Independent Director
Mr. Subrata Kumar Mitra	Non-executive Independent Director (w.e.f. 20 July 2021)
Mr. Kiran B. Goyal	Brother of Mr. Ravi B. Goyal
Mr. Stanley Johnson Panacherry	Executive Director (w.e.f. 9 June 2021)

d) Enterprises owned or significantly influenced by Key Management Personnel or their relatives

Advanced Graphic Systems
Instruments Research Associates Private Limited
Fillon Technologies India Private Limited
Wow Food Brands Private Limited
Vineha Enterprises Private Limited
AGSTTL Employees Welfare Trust
Ravi Goyal Family Trust
Anupama Goyal Family Trust
Vinayak Goyal Family Trust
Kiran Goyal Family Trust

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

B. Details of transactions with related parties including disclosure required under Section 186 (4) of the Companies Act, 2013 for loans, investments and guarantees

Particulars	Transactions for the		Amount receivable / (payable)	
	year ended		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(₹ in million)			
Sales of goods, software license and services				
Instruments Research Associates Private Limited	1.50	1.50	0.45	4.64
Fillon Technologies India Private Limited	5.28	5.36	1.53	1.70
Securevalue India Limited	13.30	9.70	113.75	66.16
India Transact Services Limited	28.19	18.19	-	73.55
Novustech Transact Lanka (Private) Limited	17.74	8.07	3.17	-
Purchase of goods and services				
Instruments Research Associates Private Limited	0.39	5.64	-	-
Fillon Technologies India Private Limited	1.54	1.44	(0.19)	(0.36)
Securevalue India Limited	2,217.65	2,012.04	(894.51)	(977.97)
India Transact Services Limited	521.49	432.60	(433.28)	(57.94)
AGS Community Foundation	21.40	16.80	(38.20)	-
Dividend Paid				
Mr. Ravi B. Goyal	66.46	-	-	-
Vineha Enterprises Private Limited	51.05	-	-	-
AGSTTL Employees Welfare Trust	1.81	-	-	-
Mr. Badrinarain K. Goyal	0.75	-	-	-
Mrs. Anupama R. Goyal	0.00	-	-	-
Ravi Goyal Family Trust	0.00	-	-	-
Anupama Goyal Family Trust	0.00	-	-	-
Kiran Goyal Family Trust	0.00	-	-	-
Vinayak Goyal Family Trust	0.00	-	-	-
Re-imburements of expenses				
Securevalue India Limited	17.58	17.53	-	-
India Transact Services Limited	8.78	6.66	-	-
Fillon Technologies India Private Limited	0.06	0.07	-	-
Advanced Graphic Systems	0.24	0.47	1.63	1.39
Deposit given/(repaid)				
Mr. Ravi B. Goyal	-	-	25.00	25.00
Mrs. Anupama R. Goyal	-	-	2.00	2.00
Remuneration (refer note 1 below)				
Mr. Ravi B. Goyal	24.00	24.00	(4.96)	(0.69)
Mr. Vinayak R. Goyal	6.23	-	(4.31)	-
Mr. Stanley Johnson Panacherry	30.66	-	(10.08)	-
Director's sitting fees				
Mr. Sudip Bandyopadhyay	3.10	0.90	-	(0.43)
Mr. Vijay Chugh	2.95	0.85	-	(0.43)
Mr. Subrata Kumar Mitra	1.75	-	-	-
Mr. Rahul N. Bhagat	3.10	0.95	-	(0.48)
Commission to directors				
Mr. Sudip Bandyopadhyay	2.40	3.50	(2.40)	(3.50)
Mr. Vijay Chugh	2.40	3.50	(2.40)	(3.50)
Mr. Rahul N. Bhagat	2.40	3.50	(2.40)	(3.50)
Mr. Subrata Kumar Mitra	1.68	-	(1.68)	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable) As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Reimbursement of IPO expense				
Mr. Ravi B. Goyal	116.09	-	-	-
Other current assets				
Mr. Ravi B. Goyal	-	-	92.84	-
Rent expenses				
Mrs. Anupama R. Goyal	2.10	2.10	(0.57)	(0.58)
Interest income				
India Transact Services Limited	0.12	5.97	-	-
Professional fees				
Mr. Kiran B. Goyal	6.60	4.80	(4.33)	(1.77)
Investments purchased				
India Transact Services Limited	0.37	0.26	-	-
Securevalue India Limited	0.62	0.74	-	-
Vineha Enterprises Private Limited	6,500.00	-	-	-
Sale of investments				
Mr. Ravi B. Goyal	6,500.00	-	-	-
Loan given				
India Transact Services Limited	68.93	80.62	-	25.05
Global Transact Services Pte. Ltd.	-	-	0.83	0.83
AGSTTL Employees Welfare Trust	39.54	-	59.78	82.48
Repayment of Loan given				
India Transact Services Limited	93.98	61.09	-	-
AGSTTL Employees Welfare Trust	62.24	-	-	-
Employee Stock Option scheme expense				
India Transact Services Limited	11.92	1.88	-	-
Securevalue India Limited	12.62	1.80	-	-
Novustech Transact Lanka (Private) Limited	0.24	0.27	0.51	0.27
Novus Technologies Pte. Ltd	0.77	0.89	-	0.89

Notes:

- The above remuneration excludes gratuity, leave encashment and other benefits for which separate actuarial valuation is not available.
- Guarantees outstanding as on 31 March 2022 aggregating to ₹207.41 million (31 March 2021: ₹166.45 million) is given by the Company on behalf of subsidiaries (India Transact Services Limited and Securevalue India Limited) for acquiring property, plant and equipment and meeting the working capital requirements. While the Company has not charged any commission in relation to such guarantees, the amount represents accounting adjustments recognised in accordance with requirements of Ind AS 109 "Financial Instruments". The movement in Guarantees outstanding are as below:

(₹ in million)

Particulars	31 March 2022	31 March 2021
Guarantee outstanding at the beginning of the year	166.45	212.09
Guarantee issued during the year	100.00	150.00
Guarantee released during the year	(59.04)	(195.64)
Guarantee outstanding at the end of the year	207.41	166.45

- During the year ended 31 March 2022, the Company has received Government cashless incentive amounting to ₹712.58 million subsequently the same has been passed to one of its subsidiary India Transact Services Limited as per the contract.
- Terms and conditions of transaction with related parties- All the transactions with related parties are at the arm's length price and all the outstanding balances are unsecured.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 50 Segment reporting

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates the resources based on the analysis of various performance indicators by business segments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker (CODM). Segment results is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm length's basis.

Segment results is segment revenue less segment expenses. Segment expense is the aggregate of the expense resulting from the operating activities of a segment that is directly attributable to the segment, including expenses that can be allocated on a reasonable basis.

Operating profit is Earnings before Interest and tax excluding other income.

The Company's business segments have been divided into three business verticals - Payment Solutions, Banking Automation Solutions and Other Automation Solutions.

Payment Solutions – Comprises of ATM outsourcing and managed services, intelligent cash deposit machines (iCDs), transaction switching and fastlane and toll & transit solutions.

Banking Automation Solutions – Comprises of sale of ATM machines and cash recyclers, currency technology products, self service terminals and services related to such sales.

Other Automation Solutions - Comprises of sale of machines and related services to customers present in the Retail, Petroleum and Colour sectors.

Segment information based on business segment as at and for the year ended 31 March 2022

(₹ in million)

Particulars	31 March 2022				31 March 2021			
	Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total
Revenue								
Total Revenue	8,911.46	1,972.20	2,286.53	13,170.19	9,629.70	1,608.05	2,493.34	13,731.09
Revenue from operations (net)	8,911.46	1,972.20	2,286.53	13,170.19	9,629.70	1,608.05	2,493.34	13,731.09
Segment results	1,938.03	544.88	78.77	2,561.68	2,663.50	138.89	126.05	2,928.44
Less: unallocated expenses				1,216.52				1,117.66
Operating profit				1,345.16				1,810.78
Add: other income				150.17				339.86
Less: finance costs				2,309.86				1,139.56
(Loss) / profit before tax				(814.53)				1,011.08
Less: tax expense				71.71				310.21
(Loss) / profit for the year				(886.24)				700.87
Segment assets	12,095.58	2,189.83	1,415.87	15,701.28	11,927.79	2,078.98	1,545.91	15,552.68
Unallocated assets	-	-	-	5,663.46				11,685.66
Total assets	12,095.58	2,189.83	1,415.87	21,364.74	11,927.79	2,078.98	1,545.91	27,238.34
Segment liabilities	6,684.81	543.48	904.02	8,132.31	6,647.81	915.45	1,104.72	8,667.98
Unallocated liabilities				7,713.68				12,222.97
Total liabilities	6,684.81	543.48	904.02	15,845.99	6,647.81	915.45	1,104.72	20,890.95

Information about major customers

Revenue from two external customers based in India, covered across segments aggregating to ₹2,449.73 million (31 March 2021: ₹3,002.09 million) and ₹2,401.83 million (31 March 2021: ₹2,538.86 million) respectively represented more than 10% of the Company's total revenue.

The Company has provided the definition of "Segment results" because it is alternative performance measure and is not defined in Ind AS.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 51

The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021.

(₹ in million)				
Particulars	Note	31 March 2022	31 March 2021	Variance
Current ratio	(a) and (l)	1.2	1.7	-33.65%
Debt / Equity ratio	(b) and (m)	1.1	1.7	-37.32%
Debt Service Coverage ratio	(c) and (n)	1.1	1.9	-44.80%
Return on Equity (ROE)	(d) and (o)	-14.9%	11.7%	-227.57%
Inventory turnover ratio	(e)	19.6	20.7	-5.22%
Trade receivables turnover ratio	(f)	1.8	2.2	-19.15%
Trade payables turnover ratio	(g)	1.9	2.2	-11.04%
Net capital turnover ratio	(h)	10.0	13.3	-24.77%
Net profit ratio	(i) and (o)	-6.7%	5.0%	-233.57%
Return on capital employed (ROCE)	(j) and (o)	10.7%	17.4%	-38.27%
Return on investment (ROI)	(k)	3.4%	4.0%	-13.28%

Note:

(I) Formula used for calculation :

- Current Ratio = Current assets / (Current liabilities - Current maturities of long term borrowings)
- Debt / Equity Ratio = (Non-current borrowings + Current borrowings) / Total equity
- Debt Service Coverage Ratio (DSCR) = (EBITDA - Current taxes + non-cash items + cash and cash equivalents) / (Interest on financial liabilities + Other borrowing costs + Principal repayments of long-term borrowings + Payment of lease liabilities)
- Return of Equity (RoE) = Net profit / (loss) after taxes / Average Equity
- Inventory turnover ratio = Revenue from operations / Average Inventories
- Trade receivables turnover ratio = Revenue from operations / Average Trade and unbilled receivables
- Trade payables turnover ratio = Total expenses excluding Employee benefit expenses / Average Trade payables
- Net capital turnover ratio = Revenue from operations / Working capital where Working capital = Current Assets - amount received from issuance of Non convertible Debentures - (Current liabilities - Current maturities of long term borrowings)
- Net profit ratio = Net profit / (loss) after taxes / Total income
- Return on capital employed (ROCE) = (Earnings before interest, tax, depreciation and amortisation (EBITDA) - Depreciation and amortisation expense - Interest on lease liabilities) / Average Capital employed where Capital employed = (Total Equity - Intangible Assets - Intangible Assets under development + Net Debt) and Net Debt = (Non-current borrowings + Current borrowings - (Cash, cash equivalents and Other bank balances + Margin money (non-current) + Investment in Quoted Mutual Funds + Amount held as margin money against borrowings))
- Return on investment (ROI) = Income generated from investments / Time weighted average investments

(II) Reason for variances :

- Current Assets during the year ended 31 March 2021 includes the funds received from issuance of Listed NCDs which were utilized during the year ended 31 March 2022 for Investment in CCPS which primarily lead to movement in Current Ratio
- Repayment of Listed NCDs has resulted in an improvement in the Debt / Equity Ratio
- Movement in Debt Service Coverage Ratio during the year ended 31 March 2022 was primarily due to repayment of long-term borrowings
- Company has reported loss during the year ended 31 March 2022 which has lead to the variance in Return on Equity (ROE), Net Profit ratio and Return on Capital Employed (ROCE)

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 52

The uncertainty on account of Covid - 19 outbreak continued to have adverse effect across the world economies including India in first half of this financial year. The second wave started tapering off towards the end of June/beginning of July 2021. The third wave which was due to Omicron, a new variant of Covid, was the shortest as compared to the previous two waves. It started during the last week of December 2021 and lasted till the first week of February 22. This disruption has impacted performance during the year. However, considering the Company's activities are classified as 'essential services', management does not anticipate material risk to business prospects over the medium to long term. As of today, services remain operational, following enhanced internal safety guidelines. The Company has incurred losses for the year ended 31 March 2022 of ₹ 886.24 million. The Company has noted drop primarily in transaction revenue related to ATM outsourcing business as compared to previous periods due to the Omicron pandemic lockdown, delayed collections from customers and higher interest outgo on borrowings resulting in delays in payment of dues to various parties including statutory dues and consequential impact. Management assessed its business forecasts and cash forecasts and do not expect a material impact in the long term based on the increase in transaction levels currently anticipated and new services contracted with customers are in the pipeline. The Company expects it will generate sufficient cashflows from operating activities including through reduction in receivables outstanding days and also has undrawn facilities which will enable it to meet its liabilities as and when they fall due for repayment in the foreseeable future. The Company also expects to finance its acquisition of fixed assets through debt financing as has been the case in past years. Management have thus concluded that the Company has sufficient resources to continue as a going concern. The Company has considered internal and external information while assessing recoverability of its assets disclosed in these standalone financial statements up to the date of approval of these standalone financial statements by the Board of Directors. The impact of the global health pandemic may be different from that estimated in the going concern assessment as at the date of approval of these standalone financial statements and the Company continues to closely monitor any material changes in future economic conditions.

Note 53

The Company had issued listed NCDs during the year ended 31 March 2021 and the proceeds thereof were utilized towards purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited. On 31 January 2022, the Company has completed its Initial Public offer ("IPO"), comprising of an offer for sale of 38,857,141 equity shares of face value of ₹10 each at an issue price of ₹ 175 per share by the Selling Shareholders. As per the objects of the issue defined in RHP and the terms of the Share Purchase Agreement, the offer proceeds received by Mr Ravi B. Goyal for the sale of his portion of the offered shares has been utilized for the purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited held by the Company for a consideration of ₹ 6,500 million on 28 January 2022, upon receipt of the listing and trading approvals from the Stock exchange. Such amount received by the Company has been utilized to redeem the listed NCDs on 29 January 2022. Also, consequent to the redemption of the NCDs, these have been de-listed from the NSE. Pursuant to the IPO, the equity shares of the Company were listed on NSE and BSE on 31 January 2022.

Note 54

There are no significant events subsequent to 31 March 2022 and upto 27 May 2022 that would require adjustment or disclosures in the standalone financial statements.

Note 55

Previous year's figures have been regrouped/ reclassified to conform to classification as prescribed by the revised Schedule III to the Companies Act, 2013.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Note 56

Other matters

- a. No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- b. The Company has not been declared wilful defaulter (in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India) by any bank or financial Institution or other lender.
- c. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- e. 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 (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.

The Company has not received any funds from any persons or entities, including foreign entities (“Funding Parties”), 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 (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - (ii) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries, other than those disclosed in notes to the Standalone Financial Statements.
- f. The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and and there is no previously unrecorded income and related assets that are required to be recorded in the books of account during the year.
- g. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- h. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm’s Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date : 27 May 2022

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Place: Mumbai
Date : 27 May 2022

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Independent Auditor’s Report

To the Members of AGS Transact Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of AGS Transact Technologies Limited (hereinafter referred to as the “Holding Company”) (in which is included financial information from an Employee Stock Option plan (ESOP) trust) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), and its associate, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), 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 (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements/ financial information of such subsidiaries as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate, as at

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
See Note 52 to the consolidated financial statements Impact of Covid-19 on going concern assessment – With outbreak of Covid-19 pandemic during the previous years, the operations of the Group are impacted and this necessitates the evaluation of the Group’s ability to continue as a Going concern and meeting its obligations to the stakeholders, creditors, employees and lenders.	Our audit procedures included the following: <ul style="list-style-type: none"> Gaining an understanding of the Group’s business planning process and assessing the design, implementation and operating effectiveness of management’s key internal controls over preparation of cash flow forecasts to assess its liquidity. Evaluating the key assumptions in the cash flow forecasts (including future revenue, profitability and cash flows) with reference to historical information, current performance, future plans, and market and other external available information. Performed a retrospective analysis to assess the reasonableness of Group’s past projections by comparing historical forecast to actual results.

31 March 2022, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those 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 and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the “Other Matters” section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. 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.

The key audit matter	How the matter was addressed in our audit
<p>See note 27 to the consolidated financial statements</p> <p>Revenue recognition –</p> <p>Revenue from rendering of services net of service level agreement adjustments/credits is recognised when the Group satisfies performance obligation by transferring the services to the customers.</p> <p>The revenue from ATM management services is disclosed net of service level agreement adjustments/credits, one-time upfront fees and premium on purchase of property, plant and equipment. Revenue from maintenance contracts is recognised pro-rata over the period of the contract as and when services are rendered.</p> <p>Revenue from sales of goods is measured at fair value of the consideration received or receivable, net of returns, service level agreement adjustments/credits, non-current warranties, trade discounts, goods and service tax and volume rebates, where applicable.</p> <p>Revenue is recognised when the Group satisfies performance obligation by transferring the goods to the customers. The Group 'transfers' goods to the customers when the customers obtains control of that goods, which may be transferred either at a point in time or over time.</p> <p>We identified revenue recognition as a Key Audit Matter since there is an element of inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised. Further, overstatement of revenue is considered to be a significant audit risk as it is the key driver of returns to investors and incentives linked to performance for a reporting period.</p> <p>Due to judgments involved in the estimate of total revenue and significant audit risk of overstatement, we have considered measurement of revenue as a key audit matter.</p>	<ul style="list-style-type: none"> Assessing the availability of undrawn banking and other financing facilities and history of actual rollover of facilities by inspecting underlying documentation. We also considered the adequacy of the required disclosure in the Consolidated financial statements. <p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> Obtaining and understanding of the systems, processes and controls implemented by the Group for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances. Evaluating the design, implementation and operating effectiveness of Group's general IT controls, key manual and application controls over the Group's IT systems. Evaluating the accounting policies adopted by the Group for revenue recognition to check those are in line with the applicable accounting standards and their consistent application to the significant sales contracts. Inspecting on a sample basis, key customer contracts. Based on the terms and conditions defined in the contracts, we assessed the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards. Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts. Performing substantive testing by selecting samples of revenue transactions recorded during the year and matching the parameters used in the computation with the relevant source documents. Scrutinising the revenue journal entries raised throughout the reporting period and comparing details of sample of these journals, which met certain risk-based criteria, with relevant underlying documentation. Checking completeness and accuracy of the data used by the Group for revenue recognition by performing specific cut off procedures on revenue. On a sample basis, we evaluated the revenue being recognized in the correct accounting period. Considering the adequacy of the disclosures in the consolidated financial statements in accordance with Ind AS 115 - Revenue from Contracts with Customers.

Other Information

The Holding Company's Management and Board of Directors are 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 auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/ Board of Trustees Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate 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 Management and Board of Directors of the companies/Board of Trustees of the Employee Stock Option plan (ESOP) trust ("Trust") included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/trust 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/Board of Trustees included in the Group and of its associate are responsible for assessing the ability of each company/trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company/trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Board of Trustees included in the Group and of its associate are responsible for overseeing the financial reporting process of each company/trust.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with

reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 period 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

- (a) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 902.16 million as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ 760.20 million and net cash outflows (before consolidation adjustments) amounting to ₹ 10.01 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹ 7.94 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements/financial information 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 associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements/financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) 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.
2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

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

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- B. 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:

- a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its associate. Refer Note 40 to the consolidated financial statements.

- b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20 and 26 to the consolidated financial statements in respect of such items as it relates to the Group and its associate.

- c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.
- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) Attention is drawn to Note 17 to the consolidated financial statements regarding declaration of proposed final dividend for the previous year. In respect of the said dividend paid during the year by the Holding Company, except for not transferring amount of dividend to separate bank account within the timeline specified in sub-section (4) of Section 123 of the Act, the payment of dividend is in accordance with Section 123 of the Companies Act, 2013. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN : 22103145AJTWJV2702

Place: Mumbai
Date: 27 May 2022

Annexure A to the Independent Auditor’s Report

on Consolidated Financial Statements of AGS Transact Technologies Limited for the year ended 31 March 2022

(Referred to in our report of even date)

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

(xxi) According to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under the Companies (Auditor’s Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	AGS Transact Technologies Limited	L72200MH2002PLC138213	Holding Company	Clause (ii), (vii), (xi), (xix), (xx)
2	Securevalue India Limited	U74120MH2012PLC230193	Subsidiary	Clause (ii), (vii), (xi), (xx)
3	India Transact Services Limited	U72900MH2007PLC172249	Subsidiary	Clause (vii), (xi), (xix)

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN : 22103145AJTWJV2702

Place: Mumbai
Date: 27 May 2022

Annexure B to the Independent Auditors' Report

on the consolidated financial statements of AGS Transact Technologies Limited for the year ended 31 March 2022

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of AGS Transact Technologies Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such 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

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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.

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 consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference

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

Place: Mumbai
Date: 27 May 2022

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145
UDIN : 22103145AJTWJV2702

Consolidated Balance sheet

as at March 31, 2022

Particulars	Note	31 March 2022	31 March 2021
(₹ in million)			
Assets			
Non-current assets			
Property, plant and equipment	3 (a)	5,424.69	6,032.01
Right-of-use assets	3 (b)	3,210.16	3,207.03
Capital work-in-progress	3 (c)	434.52	468.57
Goodwill	4 (a)	26.58	25.20
Other intangible assets	4 (b)	439.05	383.24
Intangible assets under development	4 (c)	3.38	113.17
Financial assets			
Investments	5(a)	0.08	7.93
Loans	6	249.20	-
Other financial assets	7	698.32	769.22
Deferred tax assets (net)	8 (d)	550.55	558.82
Other non-current assets	9	219.32	614.61
Other non-current tax assets (net)	8 (e)	431.40	174.93
Total non-current assets		11,687.25	12,354.73
Current assets			
Inventories	10	648.90	720.07
Financial assets			
Investments	5 (b)	-	96.91
Trade receivables	11	7,223.82	4,905.29
Billed receivables		1,923.41	3,182.95
Unbilled receivables		300.16	5,923.23
Cash and cash equivalents	12(a)	506.33	1,018.87
Bank balances other than 12(a) above	12(b)	110.00	-
Loans	13	201.90	244.10
Other financial assets	14	925.25	643.69
Other current assets	15	-	48.48
Other current tax assets (net)	8 (f)	-	-
Total current assets		11,839.77	16,783.59
Total assets		23,527.02	29,138.32
Equity and liabilities			
Equity			
Equity share capital	16	1,201.71	1,185.81
Other equity	17	3,615.97	4,400.81
Equity attributable to owners of the Company		4,817.68	5,586.62
Non-controlling interests		-	-
Total equity		4,817.68	5,586.62
Non-current liabilities			
Financial liabilities			
Borrowings	18 (a)	4,596.76	8,661.83
Lease liabilities	18 (b)	2,575.85	2,587.51
Other financial liabilities	19	5.04	32.46
Provisions	20	264.77	261.75
Other non-current liabilities	21	26.14	60.66
Total non-current liabilities		7,468.56	11,604.21
Current liabilities			
Financial liabilities			
Borrowings	22 (a)	2,523.27	3,668.20
Lease liabilities	22 (b)	1,344.93	1,305.87
Trade payables	23	497.18	92.17
Total outstanding dues of micro enterprises and small enterprises		4,605.27	4,176.02
Other financial liabilities	24	910.33	809.50
Other current liabilities	25	1,192.51	1,688.86
Provisions	26	167.29	206.87
Total current liabilities		11,240.78	11,947.49
Total equity and liabilities		23,527.02	29,138.32

Significant accounting policies 2
The accompanying notes are an integral part of the consolidated financial statements. 1-56

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288

Stanley Johnson P.
Executive Director
DIN: 08914900

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Sneha Kadam
Company Secretary
Membership No.: 31215

Place: Mumbai
Date : 27 May 2022

Place: Mumbai
Date : 27 May 2022

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
(₹ in million)			
Revenue			
Revenue from operations	27	17,718.72	17,589.44
Other income	28	253.93	382.08
Total income		17,972.65	17,971.52
Expenses			
Cost of raw materials and components consumed	29	2,013.75	2,133.91
Purchase of traded goods	30	195.69	535.80
Decrease / (Increase) in inventories of finished goods and traded goods	31	70.48	(39.62)
Employee benefit expenses	32	2,660.24	2,771.66
Other expenses	33	8,669.50	7,802.17
Total expenses before interest, depreciation and amortisation and tax		13,609.66	13,203.92
Earnings before interest, tax, depreciation and amortisation (EBITDA)		4,362.99	4,767.60
Finance costs	34	2,502.09	1,330.62
Depreciation and amortisation expense	3&4	2,518.73	2,596.48
(Loss) / profit for the year before share of profit/(loss) of associate		(657.83)	840.50
Share of net loss of associate (net of income tax)		(7.94)	(16.23)
(Loss) / profit before tax		(665.77)	824.27
Tax expense:			
Current tax			
-For the Year	8 (d)	154.25	252.19
-Adjustment of tax relating to previous year		-	43.19
Deferred tax expense / (credit)	8 (d)	4.66	(19.03)
Total tax expense		158.91	276.35
(Loss) / profit for the year		(824.68)	547.92
Other comprehensive income			
Items that will not be reclassified to Consolidated Statement of Profit and Loss in subsequent year (net of tax)			
Remeasurements gain / (loss) of defined benefit plans	36	14.30	(1.29)
Income tax relating to the above	8	(3.60)	0.36
Items that will be reclassified to Consolidated Statement of Profit and Loss in subsequent year			
Exchange differences in translation of financial statements of foreign operations		(10.05)	28.04
Other comprehensive income / (loss) (net of tax) for the year		0.65	27.11
Total comprehensive (loss) / income for the year		(824.03)	575.03
(Loss) / profit for the period / year attributable to :			
Equity holders of the parent		(824.68)	547.92
Non-controlling interests		-	-
Other comprehensive income attributable to :			
Equity holders of the parent		0.65	27.11
Non-controlling interests		-	-
Total comprehensive (loss) / income attributable to :			
Equity holders of the parent		(824.03)	575.03
Non-controlling interests		-	-
Earnings per equity share (Nominal value of equity shares of ₹ 10 each, fully paid up)			
Basic earnings per share (₹)	35	(6.93)	4.62
Diluted earnings per share (₹)	35	(6.93)	4.55

Significant accounting policies 2
The accompanying notes are an integral part of the consolidated financial statements. 1-56
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

For and on behalf of the Board of Directors of
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Managing Director
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Stanley Johnson P.
Executive Director
DIN: 08914900

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Sneha Kadam
Company Secretary
Membership No.: 31215

Place: Mumbai
Date : 27 May 2022

Place: Mumbai
Date : 27 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

Equity share capital

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Balance at the beginning of the year	1,203.93	1,203.93
Add: Shares issued during the year*	10.10	-
Less: Treasury shares*	(12.32)	(18.12)
Balance at the end of the year	1,201.71	1,185.81
* Movement of treasury shares		
Balance at the beginning of the year	(18.12)	(18.12)
Add: Treasury shares issued during the year	(10.10)	-
Share options exercised during the year	15.90	-
Balance at the end of the year	(12.32)	(18.12)

Other equity

Particulars	(₹ in million)								
	Securities premium	Employee stock options reserve	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Total attributable to owners of the Company	Attributable to NCI	Total
Balance at 1 April 2020	2,299.93	114.51	-	10.00	1,327.78	51.52	3,803.74	-	3,803.74
Profit for the year	-	-	-	-	547.92	-	547.92	-	547.92
Other comprehensive income / (loss) for the year	-	-	-	-	(0.93)	27.25	26.32	-	26.32
Employee compensation expenses recognised during the year	-	22.83	-	-	-	-	22.83	-	22.83
Balance at 1 April 2021	2,299.93	137.34	-	10.00	1,874.77	78.77	4,400.81	-	4,400.81
Loss for the year	-	-	-	-	(824.68)	-	(824.68)	-	(824.68)
Other comprehensive income for the year	-	-	-	-	10.70	(10.05)	0.65	-	0.65
Dividend paid	-	-	-	-	(120.39)	-	(120.39)	-	(120.39)
Employee compensation expenses recognised during the year	-	113.25	-	-	-	-	113.25	-	113.25
ESOP cost on share options exercised during the year	64.28	(64.28)	-	-	-	-	-	-	-
Transfers from retained earnings	-	-	550.00	-	(550.00)	-	-	-	-
Transfer to general reserve	-	-	(550.00)	550.00	-	-	-	-	-
Premium on share options exercised during the year	46.33	-	-	-	-	-	46.33	-	46.33
Balance as at 31 March 2022	2,410.54	186.31	-	560.00	390.40	68.72	3,615.97	-	3,615.97

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

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Managing Director
DIN: 01374288

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Place: Mumbai
Date : 27 May 2022

Place: Mumbai
Date : 27 May 2022

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
A Cash flows from operating activities		
Net (Loss) / Profit before tax	(665.77)	824.27
Adjustments for:		
Finance cost	2,502.09	1,330.62
Interest income	(74.77)	(136.39)
Write back of lease liabilities (net) and rent concession (refer note 38)	(53.47)	(139.79)
Share of loss of associate	7.94	15.62
Depreciation and amortisation expense	2,518.73	2,596.48
Loss / (gain) on sale / retirement of Property, plant and equipment (net)	10.32	(5.84)
Fair value gain on financial assets measured at Fair Value through Profit or Loss (net)	(2.09)	0.01
Provision for warranty (net)	(5.45)	1.40
Employee stock option scheme expense	113.25	22.83
Inventories written off	23.32	-
Impairment loss on trade receivables	118.76	-
Unrealised foreign exchange loss	0.80	2.18
	4,493.66	4,511.39
Changes in working capital :		
Decrease / (Increase) in inventories	47.78	(80.82)
Increase in trade receivables	(1,174.52)	(1,925.14)
Decrease in loans and other financial assets	55.56	35.77
(Increase) / Decrease in other current assets	(268.78)	96.99
Decrease in other non-current assets	22.24	98.74
Increase in trade payables	828.00	644.13
(Decrease) / Increase in other current liabilities	(317.56)	946.09
Decrease in other non-current liabilities	(61.94)	(87.83)
(Decrease) / Increase in provisions	(16.80)	11.30
Cash generated from operations	3,607.64	4,250.62
Direct taxes paid (net)	(362.24)	(74.98)
Net cash flows from operating activities (A)	3,245.40	4,175.64
B Cash flows from investing activities		
Purchase of property, plant and equipment including capital advances and work-in-progress	(866.26)	(1,352.05)
Proceeds from sale of property, plant and equipment	33.68	140.72
Investment in compulsorily convertible preference shares	(6,500.00)	-
Proceeds from sale of investments in compulsorily convertible preference shares	6,500.00	-
Purchase of current investments	-	(96.90)
Proceeds from sale of current investments	99.00	-
Interest received	27.00	95.23
Fixed deposits placed during the year	(327.74)	(878.42)
Proceeds from maturity of fixed deposits	913.57	527.98
Net cash used in investing activities (B)	(120.75)	(1,563.44)
C Cash flows from financing activities		
Proceeds from issuance of equity share capital (face value)	15.91	-
Proceeds from issuance of equity share securities premium	46.33	-
Proceeds from issuance of non convertible debentures	-	5,500.00
Redemption of non convertible debentures (refer note 5 below)	(5,500.00)	-
Proceeds from long-term borrowings	4,385.48	1,795.41
Repayment of long-term borrowings (refer note 5 below)	(3,842.48)	(1,163.17)
Repayment from short-term borrowings - secured (net)	(187.32)	(587.64)
Proceeds from sale and lease back transaction	94.50	-
Dividend paid	(120.39)	-
Payment of lease liabilities	(1,502.69)	(1,499.24)
Interest paid	(1,863.57)	(707.29)
Other finance charges paid	(273.49)	(133.15)
Net cash (used in) / generated from financing activities (C)	(8,747.72)	3,204.92
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)	(5,623.07)	5,817.12
Cash and cash equivalents at the beginning of the year	5,923.23	106.11
Effect of Exchange rate fluctuations on cash held*	0.00*	0.00*
Cash and cash equivalents at the end of the year (refer note 12(a))	300.16	5,923.23

* Exchange differences on translation of foreign currency cash and cash equivalents is less than ₹ 0.01 million.

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

Notes:

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Statement of Cash flows".

2. The movement of borrowings as per Ind AS 7 is as follows:

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Opening borrowings	12,330.03	6,788.88
Proceeds from issuance of Non Convertible Debentures	-	5,500.00
Redemption of Non Convertible Debentures	(5,500.00)	-
Proceeds from long-term borrowings	4,385.48	1,795.41
Repayment of long-term borrowings	(3,842.48)	(1,163.17)
Repayment of short-term borrowings (net)	(187.32)	(587.64)
Non-cash adjustments	(65.68)	(3.45)
Effect of Exchange rate fluctuations on cash held*	0.00*	0.00*
Closing borrowings	7,120.03	12,330.03

* Exchange differences on translation of foreign currency cash and cash equivalents is less than ₹ 0.01 million.

3 Reconciliation of cash and cash equivalents

Particulars	₹ in million	
	Year ended 31 March 2022	Year ended 31 March 2021
Cash on hand	29.33	36.02
Balance with banks		
- Current accounts	270.83	5,887.21
Less : current account balances held in trust for customers	-	-
Cash and cash equivalents as per consolidated statement of cash flows (refer note 12 (a))	300.16	5,923.23

4 Cash credit is treated as a borrowings and hence not included as a part of cash and cash equivalent for the purpose of the consolidated statement of cash flows.

5 This includes pre-payment of long-term borrowings including NCDs amounting to ₹6,705.70 million (31 March 2021: Nil).

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date : 27 May 2022

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288
Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Place: Mumbai
Date : 27 May 2022

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

1 Group overview

AGS Transact Technologies Limited (the 'Company') is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company along with its subsidiaries including step-down subsidiaries and associate namely Securevalue India Limited ('SVIL'), India Transact Services Limited ('ITSL'), Global Transact Services Pte. Ltd. ('GTSL'), Novus Technologies Pte. Ltd., Novus Technologies (Cambodia) Company Limited, Novus Transact Philippines Corporation, Novustech Transact Lanka (Private) Limited (together 'the Group') and its associate, PT Nova Digital Perkasa is in the business of supplying, installing and managing technology-based payment solutions, automation products and providing related services to its customers present in the Banking, Petroleum, Colour and Retail sectors. The Group is also engaged in the business of providing ATM outsourcing, ATM Managed Services, Intelligent Cash deposit (ICD), cash management, cash replenishment, door step banking to various banks, White Label ATM Operators and other service providers and supplying of self-service terminals and related software to financial institutions, Digital payment services which includes toll and transit solutions, transaction switching service, services through point of sale (POS) machine and other payment channels.

The Non-Convertible Debentures ('NCD') of the Company were listed on National Stock Exchange ('NSE') on 26 March 2021 and have been delisted on 5 February 2022.

The Equity Shares of the Company are listed on National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE') from 31 Jan 2022.

2 Basis of preparation and Significant Accounting Policies

A. Basis of preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards)

Rules, 2015 and relevant amendment rules issued thereafter and relevant provisions of the Act.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated financial statements')

The Consolidated Financial Statements relates to the Group. The Group does not have investments in joint ventures.

The Consolidated Financial Statements have been prepared on accrual and going concern basis.

The Board of Directors approved and adopted the Consolidated Financial Statements of the Group for the ended 31 March 2022 in their meeting held on 27 May 2022.

B. Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the entity's functional currency.

All amounts have been rounded off to the nearest Rupee in millions with two decimals, unless otherwise indicated.

C. Basis of measurement

The Consolidated Financial Statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial instruments (assets and liabilities) measured at fair value (refer accounting policy regarding financial instruments)
- Net defined benefit (asset) / liability – fair value of plan assets less present value of defined benefit obligations

D. Key estimates and assumptions

While preparing the Consolidated Financial Statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, disclosure of contingent liabilities at the Balance

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Judgment is required to determine the transaction price for the contract. The transaction price could be variable consideration with elements such as net of returns, service level agreement adjustments / credits, non-current warranties, trade discounts, volume rebates, where applicable.

Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. All useful lives are reviewed at each reporting period and revised if required.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term

nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

Further information about the assumptions made in measuring fair values is included in the following note:

- Impairment test of financial assets: key assumptions underlying recoverable amounts.

Certain unquoted investments are carried at fair value. The fair value of these instruments is measured using

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

valuation techniques such as discounted cash flows and information from other comparable companies in the market. The information about the assumptions made in measuring the fair values is included in the note on financial instruments.

Taxes

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in the jurisdiction and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

E. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The Group has recognised certain assets at fair value and further information is included in the relevant notes.

F. Basis of consolidation

The Consolidated Financial Statements ('CFS') has been prepared in accordance with the requirements of Ind AS 110 – 'Consolidated Financial Statements'.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the Consolidated Financial Statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements. In case of acquisition of additional stake in the existing subsidiary, the excess of purchase consideration over the Group's portion of equity of the subsidiary on the date on which the additional investment is made, is adjusted in equity.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- The non-controlling interest's share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown

separately in the Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity.

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

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

The subsidiaries considered in the preparation of the consolidated financial statements and the shareholding of the Group in these companies as of 31 March 2022 is as follows:

Subsidiaries	Holding Company	Country of Incorporation	Ownership interest
India Transact Services Limited (w.e.f. 1 April 2010)	Company	India	100%
Securevalue India Limited (w.e.f. 24 April 2012)	Company	India	100%
Global Transact Services Pte. Ltd. ('GTSL') (w.e.f. 6 March 2009)	Company	Singapore	100%
Novus Technologies Pte. Ltd. ('NTPL') (w.e.f. 28 November 2013)	GTSL	Singapore	90%
Novus Technologies (Cambodia) Company Limited (w.e.f. 29 August 2014)	NTPL	Cambodia	90%
Novus Transact Philippines Corporation (w.e.f. 15 September 2014)	NTPL	Philippines	90%
Novustech Transact Lanka (Private) Limited (w.e.f. 23 September 2016)	NTPL	Sri Lanka	90%
AGS Community Foundation (w.e.f. 24 September 2019)*	Company	India	60%

* Not considered for consolidation purposes.

Associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognized at cost which includes transaction cost. Subsequent to initial recognition the consolidated financial statements include the Group's share of profit and loss and OCI of equity accounted investees until the date on which significant influence ceases.

Associates	Country of Incorporation	Ownership interest
PT.Nova Digital Perkasa	Indonesia	45%

G. Financial assets

(i) Initial recognition and measurement

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the Consolidated Statement of Profit and Loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

The Group classifies its financial assets into a) financial assets measured at amortised cost, b) financial assets measured at fair value through other comprehensive income (FVOCI), and c) financial assets measured at fair value through profit and loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

a) Financial assets measured at amortised cost

A financial asset is classified as measured at amortised cost if it is held within a business model whose objective is to;

- hold financial asset in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interest forms part of finance income in the Consolidated Statement of Profit and Loss. Any impairment loss arising from these assets is recognised in the Consolidated Statement of Profit and Loss.

b) Financial assets measured at fair value through other comprehensive income (FVOCI)

- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest

method, foreign exchange gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Consolidated Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

c) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which does not meet the criteria for classification as at amortised cost or FVOCI, is classified as FVTPL. Financial assets at fair value through profit and loss are measured at fair value, and changes therein are recognised in the Consolidated Statement of Profit and Loss. On derecognition, gains and losses accumulated in OCI are reclassified to Consolidated Statement of Profit and Loss.

(iii) Trade receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, prior experience, customer profile and expectations about future cash flows.

(iv) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

(v) Impairment of financial asset

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

For trade receivables, the Group applies a simplified approach. It recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits and expectations about future cash flows.

The impairment losses and reversals are recognised in Consolidated Statement of Profit and Loss.

H. Financial liabilities

(i) Initial recognition and measurement

A financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value less any directly attributable transaction costs unless at initial recognition, they are classified as fair value through profit and loss. A financial liability is classified as at FVTPL if it is held for trading, or it is a derivative or it is designated as such on initial recognition.

(ii) Subsequent measurement

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement in Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using EIR. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss.

(iii) Derecognition

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

I. Offsetting of financial instruments

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

J. Derivative financial instruments

The Group holds derivative financial instruments (forward contracts) to hedge its foreign currency exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in Consolidated Statement of Profit and Loss. The gain or loss on such derivative is presented in the Consolidated Statement of Profit and Loss in the same line item as the corresponding foreign exchange loss or gain arising from the hedged transaction.

K. Share capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

Treasury shares

The Company has created an AGSTTL Employees Welfare Trust ("Trust") for providing share-based payment to its employees. The Trust is used as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company for giving shares to employees. The Company treats Trust as its extension and shares held by Trust are treated as treasury shares. Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

L. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, after deducting trade discounts and rebates, if any.

Pre-operative expenses such as salaries,, brokerage, legal and professional fees, etc. incurred during installation period are capitalised under the respective asset head as part of the indirect installation cost, to the extent to which the expenditure is allocable / apportioned to the asset-head. In case of composite contract involving acquisition of property, plant and equipment and providing services, the property, plant and equipment are capitalised at the respective fair value of the asset acquired.

Stores and spares includes tangible items used as rotables in supply of goods or services and are expected to be used for a period more than 1 year.

Demo assets includes assets which are given for training, testing and demonstration to various current and prospective customers for supply of goods or services and are expected to be used for a period more than 1 year.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

Property plant and equipment which are not ready for intended use as on the reporting date are disclosed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are classified as Capital advances.

POS machines which are removed/de-installed from a particular location are included under 'Deletions'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the entity.

(iii) Depreciation

Depreciation on property, plant and equipment

Depreciation is provided on the Written Down Value ('WDV') method, except in the case of Building, ATM, ATM sites, Demo assets and stores and spares where the Straight-Line Method ('SLM') is used, over the estimated useful life of each asset as determined by the management. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is put to use.

The estimated useful lives and method of depreciation of items of property, plant and equipment are as follows:

Asset	Method of Depreciation	Useful life (years)
Buildings	SLM	30 - 60
ATM/CRM machines*^	SLM	5 - 10
Others assets at ATM Sites*^	SLM	7
POS machines*^	SLM	3 - 5
Demo assets#	SLM	2 - 5
Stores and spares#	SLM	5
Plant and machinery*	WDV	10 - 15
Furniture and fixtures^	WDV	2 - 10
Office equipment, electrical installation and air conditioners^	WDV	2 - 10
Computers^	WDV	1 - 6
Vehicles for office purposes	WDV	8
Vehicles for cash management*	SLM	7

* ATM/CRM machines, other assets at ATM sites, POS machines, Vehicles for cash management business and Plant and machinery are depreciated over the estimated useful lives, which is lower than the useful life indicated in Schedule II of the Act. The management has estimated, supported by independent assessment by professionals, the useful lives of the classes of assets.

Management has estimated, supported by independent assessment by professionals, the useful lives of the classes of assets.

^ Foreign subsidiaries are depreciating assets on SLM basis. The useful life for ATM machines, POS machines, furniture and fixtures, office equipment; electrical installation and air conditioner and computers have been estimated to be 5 years, 3-5 years, 2 years, 2 to 3 years and 1 year respectively.

Leasehold improvements are amortised over the primary period of lease i.e. lease period which ranges from 3 to 10 years as per the agreement or the life of respective assets, whichever is lower.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

M. Asset held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell.

N. Intangible assets

(i) Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Consolidated Statement of Profit and Loss in the year in which the expenditure is incurred.

Intangibles which are not ready for intended use as on the reporting date are disclosed as "Intangible under development".

(ii) Subsequent expenditure

After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Service concession arrangements

The Group recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses, if any.

(iv) Amortisation of intangible assets

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The estimated useful lives are as follows:

Asset	Useful life (years)
Technical know-how	7
Software	4

The estimated useful life of an intangible asset in a service concession arrangement is the period of contract.

The amortisation period and the amortisation method are reviewed at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

(v) Expenditure on research and development

Expenditure on research activities is recognised in Consolidated Statement of Profit and Loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in Consolidated Statement of Profit and Loss as incurred.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project. Amortisation is recognised in the Consolidated Statement of Profit and Loss.

During the period of development, the asset is tested for impairment annually.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

O. Government Grants

Government grants including non-monetary grants at fair value are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the consolidated statement of profit and loss as other income on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

P. Impairment of non-financial assets

The Groups' non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to the carrying amounts of the other assets of the CGU on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have

been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill on business combinations is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

Q. Inventories

Raw materials, finished goods, stores, spares (other than those capitalised in property, plant and equipment), traded items and consumables are carried at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.

In determining cost of raw materials, finished goods, traded items, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

R. Revenue

(i) Sale of goods

Revenue from contracts with customers is measured at fair value of the consideration received or receivable, is net of returns, service level adjustment/credits, non-current warranties, trade discounts, goods and service tax and volume rebates, where applicable.

Revenue is recognised when the Group satisfies performance obligation by transferring the goods to the customers. The Group 'transfers' goods to the

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

customers when the customer obtains control of the goods. Control may be transferred either at a point in time or over time. The amount of revenue recognised is adjusted for expected returns, which are estimated based on historical data.

(ii) Rendering of services

Revenue from contracts with customers, net of service level adjustment/credits is recognised when the Group satisfies performance obligation by transferring the services to the customers and recognises unclaimed amounts when no pending performance obligation exists.

The revenue from ATM and management services is disclosed net of service level adjustment/credits, one-time upfront fees and premium on purchase of property, plant and equipment. One-time upfront fees and premium on purchase of property, plant and equipment is amortised over the period of the respective contract.

Revenue from maintenance contracts is recognised pro-rata over the period of the contract as and when services are rendered. Revenue from upgrades and digital payment services is recognised as and when services are rendered.

Revenue from one time set up fees is recognised over the expected contractual term with the customers. Servicing fees for POS machine is recognised on monthly basis based on certainty of collection and transaction fees on the basis of transactions settled using POS machines.

The Group collects goods and service tax on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

(iii) Service concession arrangements

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the Group.

(iv) Multiple deliverable arrangements

At contract inception, the Group assesses the goods or services explicitly or implicitly promised in a contract and identifies as a performance obligation each promise to transfer a distinct good or service. A good or service that is promised in a contract is 'distinct' if both of the following criteria are met:

- The customer can benefit from the good or service either on its own or together with other resources that are 'readily available' to the customer.
- The entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

The Group, at contract inception, allocates the transaction price to each performance obligation on the basis of relative stand-alone selling price.

S. Recognition of insurance claim, dividend income, interest income or expense

The Group recognises the claims in the books, when the amount thereof can be measured reliably and ultimate collection is reasonably certain. As and when claims are finally received from the Insurance Company, the difference, if any, between the claim receivable from insurance company and the claims received is adjusted to the Consolidated Statement of Profit and Loss. All other claims and provisions are accounted on the merits of each case.

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date on which the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net Consolidated Statement carrying amount of the financial asset or liability. Interest income is included in Other income in the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Lease interest expense is recognised upon commencement of the lease agreement using constant periodic rate of return over the period of the agreement.

T. Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(ii) Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

(iii) Foreign operations

In case of foreign operations whose functional currency is different from the parent's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the period. Resulting foreign currency differences are recognised in other comprehensive income / (loss) and presented within equity as part of Foreign Currency Translation Reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Consolidated Statement of Profit and Loss.

(iv) Fair value gain / (loss) of derivative contracts

Foreign exchange difference on foreign currency borrowings, settlement gain/ (loss) and fair value gain/

(loss) on derivative contracts relating to borrowings are accounted and disclosed under Finance cost.

U. Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified short-term employee benefits and they are recognised in the year in which the employee renders the related services. For the amount expected to be paid, the Group recognises an undiscounted liability if they have a present legal or constructive obligation to pay the amount as a result of past service provided by employees, and the obligation can be estimated reliably.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered Provident Fund Scheme and Employee State Insurance Corporations. The Group has no further legal or constructive obligation to pay once contributions are made. Contributions made are charged to employee benefit expenses in the year in which the employment services qualifying for the benefit are provided. Some of the foreign subsidiaries of the Group makes specified contributions towards pension scheme. These contributions are recognised as an expense in the Consolidated Statement of Profit and Loss, during the period in which the employee renders the related services.

(iii) Gratuity - Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary and the tenure of employment with the Group.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ("the asset ceiling").

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

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

(iv) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the estimated liability for leave as a result of services rendered by employees, which is determined at each reporting date based on an actuarial valuation by an independent actuary using the projected unit credit method. The discount rates used for determining the present value of the obligation under other long term employee benefits, are based on the market yields on Government of India securities as at the reporting date. Re-measurement gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

The Group presents the above liability as current in the Balance Sheet.

(v) Employee stock compensation cost

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

V. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for warranties

Provision for current warranty-related costs is recognised when the related product is sold. Provision is based on technical estimates which are based on historical experience. The estimates of such warranty-related costs are reviewed and revised annually.

W. Contingent liabilities and contingent assets

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

in the Consolidated Financial Statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

A contingent asset is not recognised but disclosed in the Consolidated Financial Statements where an inflow of economic benefit is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date.

X. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. 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 substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee

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.

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 fixed payments, including in-substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right of use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Under Ind AS 116, the Group recognised a right-of-use asset and a lease liability for the sale and leaseback transaction, measured in the same way as other right-of-use assets and lease liabilities at that date and adjusted the leaseback right-of-use of asset for proportionate gains and losses recognised in statement of profit and loss.

The Group applies the requirements of Ind AS 115 for determining whether the transfer of an asset should be accounted as a sale of that asset. If control of underlying asset passes to the buyer-lessor, the transaction is accounted for as a sale of the asset and a lease. However, if control is not transferred, then both seller-lessee and buyer-lessor account for the transaction as a financing transaction. The Group uses judgement to determine whether the transferred asset to buyer-lessor constitutes sale (i.e., transfer of control) or not. Management considers the nature and commercial substance of the arrangement, option to extend a lease for substantially all of the remaining economic life of the underlying asset or option to repurchase the asset after end of the lease term at nominal value, if any and other parameters of determining control in applying judgement.

The Group has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases 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 expense on a straight-line basis over the lease term. The Group applied a single discount rate to a

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

portfolio of leases of similar assets in similar economic environment with a similar end date. The Group has used hindsight when determining the lease term and did not recognise right of use asset for leases to which the lease term end within 12 months of date of initial application.

Lease liability and ROU assets have been separately presented in Balance Sheet and lease payments have been classified as financing cash flows.

Leases where the Group is lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Consolidated Statement of Profit and Loss.

Y. Income tax

Income tax comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax 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 realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Z. Finance cost

Finance costs includes interest and other borrowing costs incurred in connection with the borrowing of funds. Interest cost on financial liabilities are measured at amortized cost such as borrowings from banks and others or bonds or similar instruments etc. calculated as per

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

the effective interest method. Interest and other dues on statutory liabilities that are compensatory in nature are measured at the interest rates as applicable under the statute. Other borrowing cost includes processing fees, commission or charges paid for letter of credit and bank guarantees, exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs etc.

AA. Operating segments

(i) Basis for segmentation

An operating segment is a component of the entity that engages in business activities from which it may earn and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. Such decision is taken by chief operating decision maker (CODM). Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

(ii) Business segment

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets. Accordingly, the Group has identified 'Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

(iii) Geographical segment

The Group's business is primarily within India. Hence no separate geographical disclosure is considered necessary.

(iv) Segment information

- Inter-segment transfers: The Group generally accounts for inter-segment sales and transfers at cost plus appropriate margins.
- Allocation of common costs: Common allocable costs are allocated to each segment according to

the relative contribution of each segment to the total common costs.

- Unallocated items: Unallocated items include general corporate income and expense items which are not allocated to any business segment.
- Segment accounting policies: The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

AB. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

AC. Dividend

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. A corresponding amount is recognised directly in equity.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

AD. Measurement of earnings before interest, tax, depreciation and amortisation (EBITDA)

The Group has opted to present earnings before interest (Finance Cost), tax, depreciation and amortisation, share of Profit/ (Loss) of associate (EBITDA) as a separate line item on the face of the Consolidated Statement of Profit and Loss for the year. The Group measures EBITDA on the basis of profit/ loss from continuing operations including other income.

AE. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, unrestricted bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

AF. Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

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 entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the Balance Sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the Balance Sheet date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

AG. Recent amendments/ pronouncements (standards issued but not effective)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Consolidated Financial Statements is required to be disclosed.

Ind AS 103 – Reference to Conceptual Framework: The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its Consolidated financial statements.

Ind AS 16 – Proceeds before intended use: The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its Consolidated financial statements.

Ind AS 37 – Onerous Contracts -Cost of Fulfilling a Contract: The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its Consolidated financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021): The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does

not expect the amendment to have any significant impact in its Consolidated financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its Consolidated financial statements.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 3 (a) Property, plant and equipment Reconciliation of carrying amount

Description	₹ in million											Total	
	Freehold land	Building	Leasehold improvements	Plant and machinery	ATM sites	POS machines/ terminals*	Vehicles	Furniture and fixtures	Electrical installations and equipments	Stores and spares	Demo assets		Computers
Gross carrying amount as at 1 April 2020	53.75	503.06	159.24	321.09	5,685.12	529.59	1,155.73	149.52	267.00	759.08	83.69	217.37	9,884.24
Additions	-	-	4.66	75.78	934.44	260.30	306.51	1.29	25.90	54.93	2.53	30.66	1,697.00
Disposals	-	3.33	0.51	4.85	523.47	102.67	7.30	1.11	1.15	-	-	0.62	645.01
Gross carrying amount as at 31 March 2021	53.75	499.73	163.39	392.02	6,096.09	687.22	1,454.94	149.70	291.75	814.01	86.22	247.41	10,936.23
Accumulated depreciation as at 1 April 2020	-	39.38	60.92	77.61	2,203.31	92.79	505.55	92.36	170.30	425.26	66.30	153.40	3,887.18
Depreciation for the year	-	9.97	21.72	40.77	690.00	156.19	195.35	14.65	41.35	134.63	10.72	36.48	1,351.83
Disposals	-	0.98	0.26	1.78	297.64	25.07	6.76	0.76	0.96	-	-	0.58	334.79
Accumulated depreciation as at 31 March 2021	-	48.37	82.38	116.60	2,595.67	223.91	694.14	106.25	210.69	559.89	77.02	189.30	4,904.22
Net carrying amount as at 31 March 2021	53.75	451.36	81.01	275.42	3,500.42	463.31	760.80	43.45	81.06	254.12	9.20	58.11	6,032.01
Gross carrying amount as at 1 April 2021	53.75	499.73	163.39	392.02	6,096.09	687.22	1,454.94	149.70	291.75	814.01	86.22	247.41	10,936.23
Additions	-	-	10.69	22.54	380.00	286.13	122.81	2.77	15.41	50.66	1.74	20.62	913.37
Disposals	-	-	1.09	36.21	242.42	104.07	53.61	7.71	16.47	-	-	16.68	478.26
Gross carrying amount as at 31 March 2022	53.75	499.73	172.99	378.35	6,233.67	869.28	1,524.14	144.76	290.69	864.67	87.96	251.35	11,371.34
Accumulated depreciation as at 1 April 2021	-	48.37	82.38	116.60	2,595.67	223.91	694.14	106.25	210.69	559.89	77.02	189.30	4,904.22
Depreciation for the year	-	9.11	22.42	44.04	698.12	166.57	192.50	11.21	32.11	114.34	5.90	29.45	1,325.77
Disposals	-	-	0.52	12.62	138.24	44.55	49.97	6.09	14.92	-	-	16.43	283.34
Accumulated depreciation as at 31 March 2022	-	57.48	104.28	148.02	3,155.55	345.93	836.67	111.37	227.88	674.23	82.92	202.32	5,946.65
Net carrying amount as at 31 March 2022	53.75	442.25	68.71	230.33	3,078.12	523.35	687.47	33.39	62.81	190.44	5.04	49.03	5,424.69

* Includes Demo assets of WDV amounting to ₹ 0.48 million. (31 March 2021: ₹ 0.83 million)

- Refer note 41 for expenses capitalised as part of the cost of the property, plant and equipment.
- During the year ended 31 March 2022, assets having a written down value of ₹ 95.35 million (31 March 2021: ₹ 87.38 million) included in disposals and subsequently added to inventory.
- Certain property, plant and equipment are hypothecated against borrowings, the details relating to which have been described in Note 18(a).
- The Group has followed the cost model for accounting for its property, plant and equipment and accordingly no revaluation of the assets has been carried out.
- No impairment loss or reversal of impairment loss in respect of any property, plant and equipment was recognised in the consolidated financial statements during the year.
- The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group. In respect of immovable properties where the Group is the lessee, the lease agreements are duly executed in favour of the lessee (including cases where the lease contract is in the process of being renewed).
- Effect of exchange differences on translation of foreign operations is less than ₹ 0.01 million.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 3 (b) Right-of-use asset

Following are the changes in the carrying value of right-of-use asset:

Particulars	₹ in million		
	Building	Plant and Machinery	Total
Balance as at 1 April 2020	3,871.25	182.97	4,054.22
Additions	562.03	-	562.03
Depreciation for the year	(1,119.26)	-	(1,119.26)
De-recognition of right-of-use asset (refer note 38)	(289.96)	-	(289.96)
Balance as at 31 March 2021	3,024.06	182.97	3,207.03
Balance as at 1 April 2021	3,024.06	182.97	3,207.03
Additions	1,149.21	72.95	1,222.16
Depreciation for the year	(1,028.84)	(36.43)	(1,065.27)
De-recognition of right-of-use asset (refer note 38)	(153.76)	-	(153.76)
Balance as at 31 March 2022	2,990.67	219.49	3,210.16

The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Consolidated Statement of Profit and Loss.

Note 3 (c) Capital work-in-progress

i. CWIP Schedule

Particulars	₹ in million				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Progress					
31 March 2021	468.57	-	-	-	468.57
31 March 2022	403.69	30.83	-	-	434.52
Project temporary suspended					
31 March 2021	-	-	-	-	-
31 March 2022	-	-	-	-	-

- There are no material capital-work-in progress for the which the completion is overdue or has exceeded its cost compared to its original budget.

Note 4 (a) Goodwill

Reconciliation of carrying amount

Goodwill on consolidation amounting to ₹ 26.58 million (31 March 2021: ₹ 25.20 million) pertains to acquisition of Novus Technologies Pte. Ltd ('NTPL').

The goodwill on consolidation is not amortised and accordingly is tested for impairment annually. No impairment charges were identified for the year ended 31 March 2022.

Description	₹ in million
Carrying amount as at 1 April 2020	24.49
Exchange differences on translation of foreign operations	0.71
Carrying amount as at 1 April 2021	25.20
Exchange differences on translation	1.38
Carrying amount as at 31 March 2022	26.58

Notes to the Consolidated Financial Statements

as at 31 March 2022

The recoverable amount of NTPL is based on value in use. The value in use is estimated using discounted cash flows over a year of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using pre-tax discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	31 March 2022	31 March 2021
Discount rate	18.00%	18.00%
Long-term growth rate beyond 5 years	3%	3%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of NTPL.

Note 4 (b) Other intangible assets

Reconciliation of carrying amount

Description	(₹ in million)			
	Licenses and technical knowhow fees	Software	Other intangible assets*	Total
Deemed cost as at 1 April 2020	90.30	524.11	254.82	869.23
Additions	-	42.89	25.09	67.98
Ind As Adjustment	-	-	-	-
Disposals	-	-	-	-
Gross carrying amount as at 31 March 2021	90.30	567.00	279.91	937.21
Accumulated amortisation as at 1 April 2020	65.87	313.29	49.42	428.58
Amortisation for the year	8.15	90.35	26.89	125.39
Disposals	-	-	-	-
Accumulated amortisation as at 31 March 2021	74.02	403.64	76.31	553.97
Net carrying amount as at 31 March 2021	16.28	163.36	203.60	383.24
Gross carrying amount as at 1 April 2021	90.30	567.00	279.91	937.21
Additions	-	183.50	-	183.50
Disposals	-	-	-	-
Gross carrying amount as at 31 March 2022	90.30	750.50	279.91	1,120.71
Accumulated amortisation as at 1 April 2021	74.02	403.64	76.31	553.97
Amortisation for the year	8.15	91.55	27.99	127.69
Disposals	-	-	-	-
Accumulated amortisation as at 31 March 2022	82.17	495.19	104.30	681.66
Net carrying amount as at 31 March 2022	8.13	255.31	175.61	439.05

* The Group had entered into a public private arrangement which meets the definition of a Service Concession Arrangement (SCA) as per Appendix C to Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115). Based on the requirements of Appendix C to Ind AS 115, the consideration in relation to such arrangement has been recognised as other intangible assets - refer note 39.

The Service Concession Arrangement (SCA) with the carrying value of ₹ 175.61 million as at 31 March 2022 (31 March 2021: ₹ 203.60 million) have a remaining estimated amortisation period of 5 to 8 years.

The Software with the carrying value of ₹ 255.31 million as at 31 March 2022 (31 March 2021: ₹ 163.36 million) have a remaining estimated amortisation period of 1 to 3 years.

Notes to the Consolidated Financial Statements

as at 31 March 2022

- The Group has followed the cost model for accounting for its other intangible assets and accordingly no revaluation of the assets has been carried out.
- No impairment loss or reversal of impairment loss in respect of items of other intangible assets was recognised in the consolidated financial statements during the year.

Note:

Refer note 41 for expenses capitalised as part of the cost of the intangible assets.

Note 4 (c) Intangible assets under development

i. Intangible under development ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Progress					
31 March 2021	100.91	8.06	4.20	-	113.17
31 March 2022	3.38	-	-	-	3.38
Project temporary suspended					
31 March 2021	-	-	-	-	-
31 March 2022	-	-	-	-	-

- There are no material Intangible assets under development for which the completion is overdue or has exceeded its cost compared to its original budget.

Note 5 (a) Non-current Investments

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
<i>(At cost or deemed cost)</i>		
8,000 equity shares (31 March 2021: 8,000 equity shares) ₹ 10 each of AGS Community Foundation (refer note 50)	0.08	0.08
450,000 equity shares (31 March 2021: 450,000 equity shares) IDR 13,995 each of PT Nova Digital Perkasa, associate (refer note 50)*	-	7.85
	0.08	7.93
Aggregate book value of unquoted non-current investments	0.08	7.93
Aggregate value of impairment of investment	Nil	Nil

* The Group has ceased recognising share of losses in equity accounted associate. The unrecognised share of losses of the Group amount to ₹ 10.99 million (31 March 2021: Nil). There are no investments in Associate that are individually material.

Note 5 (b) Current investments

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Investments in Quoted Mutual Funds carried at Fair Value through Profit or Loss		
Nil units (31 March 2021 : 292,295.282 units) of Aditya Birla Sun Life Liquid Fund - Growth Direct Plan (refer note below)	-	96.91
	-	96.91
Aggregate book value of quoted investments	-	96.90
Market value of quoted investments	-	96.91

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 6 Non-current financial assets - Loans

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Unsecured		
Loans and advances to other than related parties (refer note below (i))	249.20	-
	249.20	-

Note:

- (i) The Group had entered into a contract for purchase of certain technology assets pursuant to which an advance aggregating ₹ 359.00 million (net) was given. The parties subsequently mutually agreed to terminate the contract and the Company agreed to receive the refund of the Advance Purchase Price along with interest at the rate of 11% per annum as per the repayment schedule. Management has assessed this amount as fully recoverable and concluded that the refund is not prejudicial to the interest of the Group.

Note 7 Other non-current financial assets

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
<i>Unsecured, considered good</i>		
Margin money with maturity of more than twelve months (refer notes (i) and (ii) below)	149.83	211.80
Security deposits	308.14	290.86
Deposit given for acquisition of ATMs and ATM Sites (refer note 44)	240.35	266.56
	698.32	769.22

Note:

- (i) Includes interest accrued amounting to ₹ 17.17 million (31 March 2021: ₹ 10.23 million) on margin money with maturity more than twelve months.
- (ii) Includes fixed deposits placed as lien towards term loans.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 8 Taxes

(a) Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Current tax expense		
Current year	154.25	252.19
Changes in estimates related to prior year	-	43.19
	154.25	295.38
Deferred tax expense/credit		
Origination and reversal of temporary differences	4.66	(19.03)
	4.66	(19.03)
Tax expense for the year	158.91	276.35

(b) Amounts recognised in other comprehensive income

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Items that will not be reclassified to Consolidated Statement Profit and Loss		
Tax effect on remeasurements of the defined benefit plans	(3.60)	0.36
	(3.60)	0.36

(c) Reconciliation of effective tax rate

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
(Loss) / profit before tax and share of loss of associate	(657.83)	840.50
Statutory income tax rate in India	25.17%	25.17%
Tax using the statutory tax rate in India	(165.56)	211.54
Tax effect of:		
Differences in tax rates in subsidiaries	(5.73)	(12.46)
Expenses not allowed under tax	288.09	43.19
Deferred tax assets not recognised because realisation is not probable	-	11.31
Deferred tax recognised on unabsorbed losses and depreciation of subsidiary	28.40	-
Changes in estimates related to prior years	-	(13.22)
Others	13.71	(7.20)
Tax relating to previous years	-	43.19
Total tax expense	158.91	276.35

Note:

On 20 September 2019, the Government has brought in the Taxation Laws (Amendment) Ordinance 2019 to make certain amendments in the Income tax Act 1961 and the Finance (No.2) Act 2019. The ordinance is promulgated by the President of India to effect tax reforms announced by the government. One such amendment includes to provide an option for a concessional tax at the rate of 22 percent in case of a domestic company subject to prescribed conditions with effect from Financial year 2019-20 (Assessment year 2020-21). In this case, the Company and one of its Indian subsidiary would continue to avail the option for concessional tax rate for financial year 2021-22 (Assessment year 2022-23).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(d) Movement in deferred tax balances

Movement in deferred tax balances for the year ended 31 March 2022

(₹ in million)

Particulars	Net asset / (liability) 1 April 2021	Recognised in profit or loss - credit / (charge)	Recognised in OCI	Net asset / (liability) 31 March 2022
Property, plant and equipment	27.01	4.99	-	32.00
Impact of Ind AS 116 (refer note 38)	205.73	(8.82)	-	196.91
Employee benefits	108.89	(3.71)	(3.60)	101.58
Trade receivables	(6.74)	16.99	-	10.25
Borrowings	5.35	(1.63)	-	3.72
Provision for warranties	13.87	(1.21)	-	12.66
Loans	(42.10)	(8.71)	-	(50.81)
Derivative contracts	(0.21)	0.21	-	-
Brought forward loss	247.21	(2.53)	-	244.68
Others	(0.18)	(0.24)	-	(0.44)
Deferred tax credit	558.82	(4.66)	(3.60)	550.55

Movement in deferred tax balances for the year ended 31 March 2021

(₹ in million)

Particulars	Net asset / (liability) 1 April 2020	Recognised in profit or loss - credit/(charge)	Recognised in OCI	Net asset / liability 31 March 2021
Property, plant and equipment	48.66	(21.65)	-	27.01
Impact of Ind AS 116 (refer note 38)	220.10	(14.37)	-	205.73
Employee benefits	104.93	3.60	0.36	108.89
Trade receivables	(3.20)	(3.54)	-	(6.74)
Borrowings	4.62	0.73	-	5.35
Provision for warranties	13.10	0.77	-	13.87
Loans	(32.35)	(9.75)	-	(42.10)
Derivative contracts	0.15	(0.36)	-	(0.21)
Brought forward loss	183.43	63.78	-	247.21
Others	-	(0.18)	-	(0.18)
Deferred tax asset / (liability)	539.44	19.03	0.36	558.82

1. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the year over which deferred income tax assets will be recovered.
2. Deferred tax liability on undistributed earnings of subsidiaries was not recognised because the Holding Company is able to control the timing of the reversal of temporary differences associated with such undistributed profits and is probable that such differences will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Carried Forward Losses of India Transact Services Limited

(₹ in million)

Assessment Year	Business Loss	Unabsorbed Depreciation
2014-15	-	0.51
2015-16	51.81	0.50
2016-17	159.49	7.82
2017-18	146.29	19.04
2018-19	131.04	20.68
2020-21	97.89	74.32
2021-22	86.58	95.66
2022-23	-	72.90
Total	673.10	291.43

(e) Other non-current tax assets

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Advance tax paid (net of provision for tax)*	431.40	174.93

* Net of provision for tax ₹ 154.25 million (31 March 2021: ₹ 252.19 million)

(f) Other current tax assets

(₹ in million)

Particulars	31 March 2022	31 March 2021
Advance tax paid (net of provision for tax)	-	48.48

Note 9 Other non-current assets

(₹ in million)

Particulars	31 March 2022	31 March 2021
<i>Unsecured, considered good</i>		
Balances with government authorities	79.76	78.55
One time upfront fees	9.09	23.99
Capital advances	56.49	374.80
Premium on purchase of property, plant and equipment (refer note 44)	50.53	108.93
Other prepaid expenses	23.45	28.34
	219.32	614.61

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 10 Inventories

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
<i>(valued at lower of cost and net realisable value)</i>		
Raw materials and components (refer note (i) below)	416.07	410.03
Finished goods	169.34	222.75
Stock-in-trade	60.64	77.71
Stores and spares	2.85	9.58
	648.90	720.07

Notes:

- (i) Inventories includes goods in transit ₹ 8.89 million (31 March 2021: ₹ 88.90 million)
- (ii) Inventories are hypothecated against borrowings, the details relating to which have been described in Note 22 (a).

Note 11 Current financial assets - Trade receivables

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Billed receivables - Unsecured, considered good (refer note 18 (a), 47 (B) and 49)	7,223.82	4,905.29
Unbilled receivables (refer note 47 (B) and 49)	1,923.41	3,182.95
	9,147.23	8,088.24

Billed receivables ageing schedule

As at 31 March 2022

Particulars	(₹ in million)					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,459.81	1,563.80	717.43	253.57	212.31	7,206.92
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	16.90	-	-	-	16.90
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Notes to the Consolidated Financial Statements

as at 31 March 2022

Unbilled receivables ageing schedule

As at 31 March 2022

Particulars	(₹ in million)	
	Unbilled receivables not due	
(i) Undisputed Unbilled receivables – considered good	1,923.41	
(ii) Undisputed Unbilled receivables – which have significant increase in credit risk	-	
(iii) Undisputed Unbilled receivables – credit impaired	-	
(iv) Disputed Unbilled receivables–considered good	-	
(v) Disputed Unbilled receivables – which have significant increase in credit risk	-	
(vi) Disputed Unbilled receivables– credit impaired	-	

Billed receivables ageing schedule

As at 31 March 2021

Particulars	(₹ in million)					Total
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,272.48	371.96	867.78	109.85	249.35	4,871.42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	24.15	5.80	3.92	-	-	33.87
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Unbilled receivables ageing schedule

As at 31 March 2021

Particulars	(₹ in million)	
	Unbilled receivables not due	
(i) Undisputed Unbilled receivables – considered good	3,182.95	
(ii) Undisputed Unbilled receivables – which have significant increase in credit risk	-	
(iii) Undisputed Unbilled receivables – credit impaired	-	
(iv) Disputed Unbilled receivables–considered good	-	
(v) Disputed Unbilled receivables – which have significant increase in credit risk	-	
(vi) Disputed Unbilled receivables– credit impaired	-	

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 12 (a) Current financial assets - Cash and cash equivalents

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Cash on hand (refer note (i) below)	29.33	36.02
Current accounts	270.83	5,887.21
	300.16	5,923.23

Notes:

- (i) Cash on hand as at 31 March 2022 includes ₹ 15.98 million (31 March 2021: ₹33.57 million) held by the Group at locations and includes ₹0.25 million (31 March 2021: ₹1.50 million) lying in vaults on behalf of Toll and Transit business and ₹11.97 million (31 March 2021: ₹ Nil) lying in vaults for cash burial business.
- (ii) One of the subsidiary has nodal accounts with RBL Bank, IndusInd Bank and Axis Bank having a balance of ₹ 27.66 million (31 March 2021: ₹ 62.15 million) which is used for merchant payment for transactions done on POS machines. Hence, the same is not considered as part of cash and bank balances.

Note 12 (b) Current financial assets - Bank balances other than 12 (a) above

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Margin money with maturity of less than three months (refer note (i) below)	163.04	747.72
Margin money with maturity of more than three months but less than twelve months of reporting date (refer note (ii) and (iii) below)	334.50	268.24
Balance with banks - On escrow account (refer note (iv) below)	8.79	2.91
	506.33	1,018.87

Notes:

- (i) Includes interest accrued amounting to ₹6.03 million (31 March 2021 : ₹ 3.43 million) on margin money with original maturity of less than three months.
- (ii) Includes interest accrued of ₹ 6.26 million (31 March 2021 : ₹ 4.65 million) on margin money with maturity more than three months but less than twelve months.
- (iii) Margin money includes amount of ₹ 9.81 million (31 March 2021: ₹9.27 million) given as security to banks for electronic payment services business carried out by one of the subsidiary.
- (iv) Balance in escrow account represents outstanding balance of prepaid instruments issued by the Group. Balance in escrow account is restricted accounts as per the RBI guidelines and the Group cannot withdraw any amount from these accounts.

Note 13 Current financial assets - Loans

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Unsecured, considered good		
Loans and advances to other than related parties (refer note 6 (i))	110.00	-
	110.00	-

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 14 Other current financial assets

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Deposit given for acquisition of ATMs and ATM sites (refer note 44)	60.97	60.97
Security deposits	116.92	70.66
Insurance claim receivable	13.74	50.33
Amount held as margin money against borrowings	-	35.88
Other receivable	10.27	26.26
	201.90	244.10

Note 15 Other current assets

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
<i>Unsecured, considered good</i>		
Premium on purchase of property, plant and equipment (refer note 44)	58.40	58.40
Prepaid rent	0.14	0.98
Other prepaid expenses	116.69	176.58
One time upfront fees	14.91	14.63
Balances with government authorities	74.23	25.91
Accrued interest on fixed deposits and others	-	0.14
Advance to employees	14.17	21.62
Other advances (also refer note 50)	646.71	345.43
	925.25	643.69

Note 16 Equity share capital

a. Details of authorised, issued and subscribed and fully paid up share capital are as follows:

Particulars	(₹ in million)			
	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Authorised capital				
Equity Shares of ₹ 10/- each	160,000,000	1,600.00	160,000,000	1,600.00
Issued, subscribed and fully paid up				
Equity Shares of ₹ 10/- each fully paid up	121,403,076	1,214.03	120,392,576	1,203.93
Less: Treasury shares*	(1,231,900)	(12.32)	(1,812,000)	(18.12)
	120,171,176	1,201.71	118,580,576	1,185.81

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

b. Reconciliation of number of shares at the beginning and at the end of the year

(₹ in million)

Particulars	31 March 2022		31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	120,392,576	1,203.93	120,392,576	1,203.93
Add: Shares issued during the year	1,010,500	10.10	-	-
Less: Treasury shares* (refer note (g) below)	(1,231,900)	(12.32)	(1,812,000)	(18.12)
Shares outstanding at the end of the year	120,171,176	1,201.71	118,580,576	1,185.81

* The treasury shares of the Company includes the shares held by the AGSTTL Employees Welfare Trust ("Trust", considered as a branch of the Company). As at 31 March 2022, the Trust held 1,231,900 shares (31 March 2021: 1,812,000) of the Company.

c. Particulars of shareholders holding more than 5% of shares

(₹ in million)

Particulars	31 March 2022		31 March 2021	
	No. of shares	Percentage	No. of shares	Percentage
Ravi B. Goyal*	27,741,455	22.85%	66,460,312	55.20%
Vineha Enterprises Private Limited*	51,054,264	42.05%	51,054,264	42.41%

* As at 1 April 2021, 117,514,576 Equity Shares held by the Promoters, were pledged with Catalyst Trusteeship Limited as security in respect of secured redeemable non-convertible debentures issued by Vineha Enterprises Private Limited (Vineha NCDs). The Vineha NCDs were redeemed on 3 April 2021 and pledge on the Equity Shares of the Company held by the Promoters was released on 5 April 2021.

d. Terms / rights attached to equity shares

The Company has equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors, will be subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend.

The holders of equity shares will be entitled to receive remaining assets of the Company in the event of liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Scheme (ESOS) of the Company, refer note 37.

f. Shareholding of Promoters

(₹ in million)

Name of Promoter	31 March 2022			31 March 2021		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Ravi B. Goyal	27,741,455	22.85%	58%	66,460,312	55.20%	Nil
Vineha Enterprises Private Limited	51,054,264	42.05%	Nil	51,054,264	42.41%	Nil
	78,795,719			117,514,576		

Note:

- Promoter means promoter as defined in Section 2 (69) of the Companies Act, 2013
 - Percentage change shall be computed with respect to the number at the beginning of the year (also refer note 53).
- g.** On 29 March 2022, the Company has issued 1,010,500 equity shares to AGSTTL Employees Welfare Trust under the approved ESOP schemes and the same are disclosed as treasury shares. The Company was required to obtain prior in-principle approval from Stock Exchanges, which was not complied with and the shares were allotted. The Company is in the process of seeking condonation from SEBI in this regard and submission of the related documents to Stock Exchanges. Accordingly, 1,010,500 shares of ₹ 10 each aggregating to ₹ 10,010,500 are "unlisted" equity shares as at 31 March 2022. Management believes the same is procedural in nature and the impact of the same on the financials statements will not be material.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 17 Other equity

(₹ in million)

Particulars	31 March 2022	31 March 2021
Securities premium		
Balance at the beginning of the year	2,364.23	2,364.23
Less: Securities premium on treasury shares* (refer note below)	(47.41)	(64.30)
Add : Movement during the year*	29.44	-
Add : Premium on share options exercised during the year	64.28	-
Balance at the end of the year	2,410.54	2,299.93
* Movement of securities premium on treasury shares		
Balance at the beginning of the year	(64.30)	(64.30)
Add : Movement during the year	(29.44)	-
Share options exercised during the year	46.33	-
Balance at the end of the year	(47.41)	(64.30)
General reserve		
Balance at the beginning of the year	10.00	10.00
Add: Transfer from Debenture redemption reserve	550.00	-
Balance at the end of the year	560.00	10.00
Employee stock options reserve (refer note 37)		
Balance at the beginning of the year	137.34	114.51
Add : Movement during the year	113.25	22.83
Less : Premium on share options exercised during the year	(64.28)	-
Balance at the end of the year	186.31	137.34
Debenture redemption reserve		
Balance at the beginning of the year	-	-
Add : Transfer from retained earnings	550.00	-
Less : Transfer to general reserve	(550.00)	-
Balance at the end of the year	-	-
Foreign currency translation reserve		
Balance at the beginning of the year	78.77	51.52
Add : Movement during the year	(10.05)	27.25
Balance at the end of the year	68.72	78.77
Retained earnings		
Balance at the beginning of the year	1,874.77	1,327.78
(Loss) / profit for the year	(824.68)	547.92
Dividend paid	(120.39)	-
Remeasurements of defined benefit plans for the year (net of tax)	10.70	(0.93)
Transfer to Debenture redemption reserve	(550.00)	-
Balance at the end of the year	390.40	1,874.77
Total other equity	3,615.97	4,400.81

Note:

The treasury shares of the Company includes the shares held by the AGSTTL Employee Welfare Trust ("Trust", considered as a branch of the Company). As at 31 March 2022, the Trust held 1,812,000 shares (31 March 2021: 1,812,000) of the Company. This is inclusive of 1,359,000 bonus shares allotted by capitalisation of reserves. The amount equivalent to the face value of the treasury shares has been reduced from share capital and the excess of cost over such face value has been reduced from securities premium.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Nature and purpose of reserves

Securities premium

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

General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General reserve is not required under the Companies Act, 2013. Further transfer has been made from Debenture redemption reserve to General reserve upon redemption of Non Convertible Debentures.

Employee stock options reserve

The Group has established various equity-settled share-based payment plans for certain categories of employees of the Company and its subsidiaries. Refer note 37 for further details on these plans.

Debenture redemption reserve

Debenture redemption reserve is a statutory reserve (as per Companies Act, 2013) created out of profits of the Company available for payment of dividend for the purpose of redemption of Debentures issued by the Company. On completion of redemption, the reserve is transferred to retained earnings.

Foreign currency translation reserve

Foreign currency translation reserve comprises of all foreign currency differences arising from the translation of the financial statements of foreign entities.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

Dividend

Dividend of ₹ 120.39 million (Re. 1 per equity share), including ₹ 1.81 million on treasury shares, has been recommended by the Board of Directors for FY 2020-21 and the same has been approved by shareholders at the Annual General Meeting held on 21 September 2021. The same was subsequently paid on 21 October 2021. In respect of the dividend paid during the year by the Company, except for not transferring amount of dividend to separate bank account within the timeline specified in sub-section (4) of section 123 of the Act, the payment of dividend is in accordance with section 123 of the Companies Act, 2013.

Note 18 (a) Non-current financial liabilities - Borrowings

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Term loans - Secured		
Borrowings In India		
Foreign currency term loan from banks (refer note (i) below)	18.07	97.52
Indian rupee term loan from banks (refer note (ii) and (iii) below)	2,739.75	1,538.78
Indian rupee vehicle loan from banks (refer note (iv) below)	266.66	361.75
Indian rupee vehicle loan from others (refer note (v) below)	191.70	280.17
Indian rupee term loan from others (refer note (vi) below)	62.54	429.86
	3,278.72	2,708.08

Notes to the Consolidated Financial Statements

as at 31 March 2022

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Borrowings outside India	1,318.04	484.77
Term loan from banks (ECB) (refer note (vii) below)	1,318.04	484.77
Non Convertible Debentures (refer note (x) below)		
Nil (31 March 2021: 5,500 Non Convertible Debentures of face value of ₹1,000,000/- each (refer notes 48 and 53))	-	5,468.98
	-	5,468.98
	4,596.76	8,661.83

Notes:

- Foreign currency term loan from bank carry an interest rate of 9.25% p.a. to 10.96% p.a. The loans are repayable as per the amortisation schedule spread over from 8 months to 35 months. Loans are secured by charge on specific assets comprising of ATMs, specific receivables and other related equipments of assigned contract.
- Indian rupee term loan from banks carry an interest rate in the range of 7.95% p.a. to 10.50% p.a. The loans are repayable as per the balance amortisation schedule spread over from 4 months to 81 months. Loans are secured by charge on specific assets comprising of ATMs, specific receivables and other related equipments of assigned contract. Further, few of the term loans from banks availed by one of the subsidiary company are secured by way of second charge on the vehicles funded by respective lenders.
- Two of the Indian rupee term loan from banks carry an interest rate in the range of 8.45% p.a. to 10.50% p.a. The loans is repayable as per the balance amortisation schedule spread over from 59 months to 81 months. Loans are secured by charge on specific assets comprising of land and building, ATMs, specific receivables and other related equipments of assigned contract.
- Indian rupee vehicle loan from banks for purchase of vehicles carries a rate of interest in the range of 8.25% to 9.80% p.a. The loans have repayment year in range of 9 to 50 months. The loans are secured by a hypothecation of the vehicles.
- Indian rupee vehicle loan from others for purchase of vehicles carries a rate of interest in the range of 8.00% to 9.15% p.a. The loans have repayment year in range of 12 to 58 months. The loans are secured by a hypothecation of the vehicles.
- Indian rupee term loan from others carry an interest rate in the range of 9.25% p.a. to 10.05% p.a. The loans are repayable as per the amortisation schedule spread over from 16 months to 46 months. Loans from others availed by one of the subsidiary company is secured by way of second charge on the vehicles funded by respective lender and one of the term loan from others availed by one of the subsidiary company is secured by hypothecation of plant and machinery and corporate guarantee given by the Holding Company
- Loan in the form of External Commercial Borrowings (ECB) from banks outside India carry an interest rate in the range of 1 month USD LIBOR plus 360 bps to 400 bps. The loans are repayable as per the balance amortization schedule spread over from 30 months to 37 months. Loans are secured by charge on specific assets comprising of ATMs and specific receivables.
- There are no material breaches of the covenants associated with the borrowings (refer to above (i) to (vii)) and none of the borrowings were called back during the year.
- The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The Company had issued 12% rated, secured, Non Convertible Debentures ("NCD") on a private placement basis during the year ended 31 March 2021. The NCDs were listed on National Stock Exchange on 26 March 2021. The NCDs were redeemed prematurely on 29 January 2022. Consequent to the redemption of the NCDs, these have been de-listed from the NSE (refer note 53).

Notes to the Consolidated Financial Statements

as at 31 March 2022

Details of the NCDs were as follows:

Name of security	Number of NCD	Date of Issue	Terms of Repayment	Amount (₹ in million)	Interest rate	Period of maturity from 31 March 2021
Non Convertible Debentures	5,500	26 March 2021	Coupon Payment - Monthly Principal repayment - Year 3: 26% Year 4: 20% Year 5: 30% Year 6: 24% (subject to any prepayment being done prior to year 6 from the Pay-in Date)	5,500	Coupon Rate: 12% p.a. p.m. (fixed) IRR: 18.75% p.a.	5 years and 7 months

Security details:

- an exclusive charge by way of hypothecation over the receivables under specified Charged Contracts with identified customers as defined under Debenture Trust Deed;
- an exclusive charge by way of hypothecation on 2,047 ATMs under specified ATM Charged Contracts;
- a first ranking charge by way of hypothecation on security deposit and termination amount recoverable under the Charged Contracts;
- a second ranking charge by way of hypothecation on all the current assets (other than the current assets exclusively charged to the Existing Lenders) and movable Property, Plant and Equipment;
- a second ranking mortgage over all the identified immovable properties as included in Property, Plant and Equipment;
- an exclusive charge over the AGS Escrow Account, Debt Service Reserve Account as defined under Debenture Trust Deed; and
- Personal Guarantee of Mr. Ravi B Goyal.

Note 18 (b) Non-current financial liabilities - Lease liabilities

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Unsecured		
Lease liabilities (refer note 38)	2,575.85	2,587.51
	2,575.85	2,587.51

Note 19 Other non-current financial liabilities

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Security deposit vendor	-	7.98
Payables related to Service Concession Arrangement projects (refer note 39)	5.04	24.48
	5.04	32.46

Note 20 Non-current - Provisions

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Provision for employee benefits		
Gratuity (refer note 36)	264.77	261.75
	264.77	261.75

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 21 Other non-current liabilities

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Deferred revenue	26.14	60.66
	26.14	60.66

Note 22 (a) Current financial liabilities - Borrowings

Particulars	31 March 2022	31 March 2021
(₹ in million)		
Secured		
From banks (refer note (ii) and (v) below)		
Working capital loans (refer note (i) below)	600.06	1,355.33
Cash credit and other facilities (refer note (vii) below)	71.04	132.58
From others		
Working capital loans (refer note (iii), (iv) and (v) below)	627.34	-
Current maturities of long term borrowings (refer note (v) below)	1,134.07	2,091.72
Unsecured		
Loan from director of a subsidiary company (refer note (vi) below)	90.76	88.57
	2,523.27	3,668.20

Note:

- Includes interest accrued amounting to ₹0.06 million (31 March 2021: ₹ 0.02 million)
- Working capital loans, cash credit and other facilities from Banks are secured by hypothecation of current assets and are repayable on demand. These loans carry an interest rate as mentioned below:

Working capital loans	9.15% p.a. to 10.05% p.a.
Cash credit and other facilities	4.25% p.a. to 9.50% p.a.
- The working capital loans from others are secured by hypothecation of current assets and are repayable on demand. Further, one of the above loans availed by subsidiary company is secured by way of corporate guarantee given by parent company. These loans carry an interest rate ranging from 9.50% p.a. to 11.00% p.a.
- Working capital loans includes factored receivables which is secured by factored invoices and second charge on current assets (refer note 47 (B)).
- Includes interest accrued amounting to ₹ 32.38 million (31 March 2021: ₹ 69.01 million).
- The loan from director of a subsidiary company is interest free and repayable on demand.
- Facilities taken from bank towards merchant settlement carrying interest rate of 7.40% to 9.90% and is repayable on demand.

Notes to the Consolidated Financial Statements

as at 31 March 2022

(viii) The Group has availed short term borrowings from banks or financial institutions on the basis of security of current assets. The Group is required to file periodic returns with banks, including those related to current assets. The returns are extracted from audited / unaudited financial information provided by the Group, summary of which are tabulated below:

AGS Transact Technologies Limited

(₹ in million)						
Quarter	Name of bank	Particulars	Amounts as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Q 1 – June 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	5,335.34	5,380.11	(44.77)	refer note below
Q 2 – September 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	6,345.14	6,441.11	(95.97)	refer note below
Q 3 – December 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	6,741.87	6,030.01	711.86	refer note below
Q 4 – March 2022	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd. Dhanalaxmi Bank Ltd. IDFC First Bank Ltd.	Inventories, Trade receivables and payables	6,834.36	6,849.89	(15.53)	refer note below

Notes to the Consolidated Financial Statements

as at 31 March 2022

(₹ in million)						
Quarter	Name of bank	Particulars	Amounts as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Q 1 – June 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,863.02	4,823.61	39.41	refer note below
Q 2 – September 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,569.98	4,513.27	56.72	refer note below
Q 3 – December 2020	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. RBL Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	4,456.30	4,470.35	(14.05)	refer note below
Q 4 – March 2021	ICICI Bank Ltd. Standard Chartered Bank Citibank N.A. Yes Bank Ltd. HDFC Bank Ltd. Axis Bank Ltd. Federal Bank Ltd. Bajaj Finance Ltd.	Inventories, Trade receivables and payables	5,397.80	5,834.46	(436.67)	refer note below

Notes to the Consolidated Financial Statements

as at 31 March 2022

Securevalue India Limited

(₹ in million)

Quarter	Name of bank	Particulars	Amounts as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Q 1 – June 2021	Bajaj Finance Ltd.	Trade receivables and payables	1,839.34	1,716.79	122.55	refer note below
Q 2 – September 2021	Bajaj Finance Ltd.	Trade receivables and payables	2,249.03	1,912.95	336.08	refer note below
Q 3 – December 2021	Bajaj Finance Ltd.	Trade receivables and payables	2,193.78	2,327.70	(133.92)	refer note below
Q 4 – March 2022	Bajaj Finance Ltd.	Trade receivables and payables	1,886.09	2,152.42	(266.33)	refer note below
Q 1 – June 2020	Bajaj Finance Ltd. Standard Chartered Bank	Trade receivables and payables	1,014.65	1,014.65	-	refer note below
Q 2 – September 2020	Bajaj Finance Ltd. Standard Chartered Bank	Trade receivables and payables	1,262.56	1,262.56	-	refer note below
Q 3 – December 2020	Bajaj Finance Ltd. Standard Chartered Bank	Trade receivables and payables	1,344.89	1,344.89	-	refer note below
Q 4 – March 2021	Bajaj Finance Ltd. Standard Chartered Bank	Trade receivables and payables	1,651.27	1,813.62	(162.35)	refer note below

Note: Primarily due to year/ peroid end audit/ review adjustments.

Note 22 (b) Current financial liabilities - Lease liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Unsecured		
Lease liabilities (refer note 38)	1,344.93	1,305.87
	1,344.93	1,305.87

Note 23 Current financial liabilities - Trade payables

(₹ in million)

Particulars	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises	497.18	92.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,605.27	4,176.02
	5,102.45	4,268.19

The following disclosures are made for the amounts due to micro enterprises and small enterprises:-

(₹ in million)

Particulars	31 March 2022	31 March 2021
The principal amount remaining unpaid to any supplier as at the end of each accounting year	497.18	92.17
Interest due thereon	10.20	3.11
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Notes to the Consolidated Financial Statements

as at 31 March 2022

Trade payables and accrued expenses ageing schedule

As at 31 March 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	482.24	10.66	2.36	1.92	497.18
(ii) Others	4,225.25	108.23	141.79	116.00	4,591.27
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	14.00	14.00

As at 31 March 2021

(₹ in million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	88.39	3.48	0.06	0.24	92.17
(ii) Others	3,824.88	208.26	37.49	91.39	4,162.02
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	0.58	13.42	14.00

Note 24 Other current financial liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Accrued employee cost	777.66	626.83
Payable for capital goods	79.66	89.75
Security deposit vendor	30.71	70.62
Payables related to Service Concession Arrangement projects (refer note 39)	22.30	22.30
	910.33	809.50

Note 25 Other current liabilities

(₹ in million)

Particulars	31 March 2022	31 March 2021
Deferred revenue	46.26	88.17
Balances due to government authorities (refer note below)	1,120.80	1,044.87
Advance from Customers	25.45	555.82
	1,192.51	1,688.86

Note:

Includes dues towards Tax deduction at source, Goods and service tax, Provident fund, Employee state insurance contribution and others and interest thereon.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 26 Current - Provisions

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Provision for employee benefits:		
Gratuity (refer note 36)	45.53	42.53
Compensated absences (refer note 36)	88.09	125.21
Other provision for:		
Warranties*	33.67	39.13
	167.29	206.87

Provision for warranties represents management's best estimate of the liability for warranties granted on products. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

*Provision for warranties is recognised for machines sold to customers:-

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Opening balance	39.13	37.73
Charge during the year	17.65	24.57
Utilisation during the year	(23.11)	(23.17)
Closing balance	33.67	39.13

Provision for warranties is expected to be utilized next twelve months.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 27 Revenue from operations

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Sale of traded goods		
Automation products	253.64	602.12
Sale of manufactured goods		
Automation products	1,238.84	1,119.23
ATM and ATM sites	322.33	509.45
	1,814.81	2,230.80
Sales of services		
ATM and management services	8,401.40	9,374.84
Less: Amortisation of one time upfront fee and premium on purchase of property, plant and equipment (refer note 44)	(42.29)	(42.29)
	8,359.11	9,332.55
AMC services and upgrades	2,476.34	1,873.32
Digital payment services	2,674.60	2,139.88
Cash management services	2,393.86	2,012.89
	15,903.91	15,358.64
Total revenue from operations (net) (refer note 42)	17,718.72	17,589.44

Note 28 Other income

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest income from instruments measured at amortised cost:		
Deposits with banks	38.08	33.80
Security deposits	36.45	44.74
Others	0.24	57.85
Insurance claim	109.20	79.48
Scrap sale	-	5.39
Write back of lease liabilities (net) and rent concession (refer note 38)	53.47	139.79
Foreign exchange gain (net)	0.78	0.32
Reversal of provision for warranty (net)	5.45	-
Realised/unrealised gain on investment in quoted mutual fund at Fair Value through Profit or Loss	2.09	0.01
Gain on sale / retirement of property, plant and equipment (net)	-	11.06
Government grant (refer note below)	3.23	-
Others	4.94	9.64
	253.93	382.08

Note -

Government grants have been received towards operationalisation of payments Infrastructure Development Fund (PIDF) Scheme intended to subsidise deployment of payment acceptance infrastructure in Tier-3 to Tier-6 centres done by the Group. There are no unfulfilled conditions or contingencies attached to these grants.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 29 Cost of raw materials and components consumed

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventories at the beginning of the year	410.03	369.65
Add: Purchases during the year	2,019.79	2,174.29
Less: Inventories at the end of the year	(416.07)	(410.03)
	2,013.75	2,133.91

Note 30 Purchase of traded goods

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of traded goods	195.69	535.80
	195.69	535.80

Note 31 Decrease / (Increase) in inventories of finished goods and traded goods

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<i>Finished goods</i>		
Inventories at the beginning of the year	222.75	203.50
Inventories at the end of the year	169.34	222.75
	53.41	(19.25)
<i>Traded goods</i>		
Inventories at the beginning of the year	77.71	57.34
Inventories at the end of the year	60.64	77.71
	17.07	(20.37)
Decrease / (Increase) in inventories	70.48	(39.62)

Note 32 Employee benefit expenses

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages (refer note 41)	2,342.61	2,540.81
Employee stock option scheme expense net (refer note 37 and 50)	113.25	22.83
Contributions to provident and other funds (refer note 36)	126.79	137.90
Gratuity expenses (refer note 36)	61.44	59.68
Staff welfare expenses	16.15	10.44
	2,660.24	2,771.66

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 33 Other expenses

(₹ in million)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash management expenses	232.02	303.97
Transaction expenses	1,301.87	950.07
Rent expenses (refer note 38)	71.04	169.28
Caretaker and housekeeping expenses	568.41	701.10
Power and fuel expenses	918.52	793.33
Subcontracting expenses	2,638.83	2,363.05
Communication expenses	176.18	156.69
Corporate social responsibility expenses (refer note 45)	23.11	18.88
Transaction settlement expenses	86.18	30.08
Repairs and maintenance		
- Plant and machinery	882.83	677.49
- Others	93.13	133.14
Travelling and conveyance expenses	286.76	274.94
Consumables	46.10	50.88
Legal and professional charges	400.68	372.24
Insurance charges	207.33	200.03
Tools and equipments	89.70	82.26
Postage and courier	139.70	131.28
Foreign exchange loss (net)	54.23	5.43
Bad debts written off	118.76	-
Loss on sale / retirement of property, plant and equipment (net)	10.32	5.22
Printing and stationery	26.38	21.76
Rates and taxes	28.88	4.55
Payment to auditors (refer note 43)	13.10	12.84
Sales promotion expenses	8.92	2.80
Directors' sitting fees	12.70	3.45
Commission to directors	8.88	10.50
Office expenses	40.37	42.06
Electronic Collection Charges	1.87	13.56
Miscellaneous expenses	182.70	268.74
	8,669.50	7,802.17

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 34 Finance costs

Particulars	(₹ in million)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on measured at amortised cost on:		
- financial liabilities	1,800.94	708.24
- lease liabilities (refer note 38)	440.29	465.17
- Others	146.22	72.39
Other borrowing costs	114.64	82.59
Net loss on derivative contracts	-	7.12
Foreign exchange differences treated as adjustment to borrowing costs	-	(4.89)
	2,502.09	1,330.62

Note: Other borrowing costs include bill discounting charges

Note 35 Earnings per share (EPS)

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
1 (Loss) / Profit attributable to equity shareholders		
(Loss) / Profit for the year, attributable to equity shareholders (₹ in million)	(824.68)	547.92
2 Calculation of weighted average number of equity shares - Basic		
Number of shares at the end of the year	121,403,076	120,392,576
Less: Treasury shares	(1,231,900)	(1,812,000)
Less: Effect of share options exercised	(1,210,616)	-
Weighted average number of equity shares for the year	118,960,560	118,580,576
3 Calculation of weighted average number of equity shares - Diluted		
Number of shares at the end of the year	121,403,076	120,392,576
Less: Treasury shares	(1,231,900)	(1,812,000)
Less: Effect of share options exercised	(1,210,616)	-
Add : Effect of share options dilution	2,238,558	1,879,183
Weighted average number of potential equity shares for the year	121,199,118	120,459,759
4 Earning per share (* Not Annualised)		
Basic (₹) *	(6.93)	4.62
Diluted (₹) *	(6.93)	4.55
* Since the Earnings per share computation based on diluted weighted average number of equity shares is anti-dilutive, the basic and diluted Earnings per share is the same.		
5 Nominal value of shares (₹)	10.00	10.00

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 36 Employee benefits

A. Defined contribution plans

Contribution to Provident fund, Employee State Insurance and any other funds

Amount of ₹ 126.79 million (31 March 2021: ₹137.90 million) is recognised as an expense and included in “Employee benefit expenses” (refer note 32) in the Consolidated Statement of Profit and Loss.

B. Defined benefit plans

Gratuity

The gratuity benefit payable to the employees of the Group is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary.

The gratuity benefit offered by the Group to its employees is not funded.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) / liability and its components:

i. Reconciliation of present value of defined benefit obligation

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Defined benefit obligation at the beginning of the year	304.28	259.04
Current service cost	45.33	44.07
Past service cost	-	-
Interest cost	18.21	15.61
Actuarial (gains) losses recognised in Other Comprehensive Income		
arising from changes in financial assumptions	(4.12)	0.16
arising from changes in demographic assumptions	(2.04)	(2.88)
arising on account of experience changes	(8.14)	4.01
Benefits paid directly by the Group	(43.22)	(15.73)
Defined benefit obligation at the end of the year	310.30	304.28

ii. Amount recognised in Consolidated Balance Sheet

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Defined benefit obligation	310.30	304.28
Fair value of plan assets	-	-
Net defined benefit obligation	310.30	304.28

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

iii. Expense recognised in the Consolidated Statement of Profit and Loss

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
(i) Expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	45.33	44.07
Past service cost	-	-
Interest cost	18.21	15.61
	63.54	59.68
(ii) Expense recognised in the Consolidated Other Comprehensive Income		
Actuarial (gains) losses on defined benefit obligations		
- arising from changes in financial assumptions	(4.12)	0.16
- arising from changes in demographic assumptions	(2.04)	(2.88)
- arising on account of experience changes	(8.14)	4.01
	(14.30)	1.29

iv. Actuarial assumptions

The principal assumptions used in determining gratuity benefit obligation for the Group's plan is shown below:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Financial assumptions		
Discount rate	4.25% - 6.95%	4.35% - 6.55%
Salary escalation	5% - 7%	5% - 7%
Attrition rate Employee Age Bracket		
21 - 30 years	10.50% - 60%	11% - 50%
31 - 40 years	7.70% - 60%	8.70% - 50%
41 - 50 years	5.90% - 45%	0% - 9%
51 - 59 years	0% - 11%	0% - 9%

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

Assumptions regarding future mortality are based on published Statistics & Mortality tables. The calculation of death benefit obligation is sensitive to the mortality assumptions.

The Group expects ₹ 40.30 million in contribution to be paid to its defined benefit plan in the next year.

v. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant management assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Gratuity Plan				
Discount rate 50 bps on defined benefit plans	-3.53%	3.77%	-3.71%	3.97%
Future salary growth 50 bps on defined benefit plans	3.48%	-3.33%	3.65%	-3.47%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi. Compensated absences

The liability towards compensated absences at 31 March 2022 based on actuarial valuation using the projected accrued benefit method amounted to ₹88.09 million (31 March 2021: ₹ 125.21 million).

Amount of ₹ (14.19) million (31 March 2021: ₹(23.01) million) is released and included in "Employee benefit expenses" in the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 37 Employee Stock Option Plan (ESOP)

On 29 February 2012, the Board of Directors approved the Equity-Settled Employee Stock Option Scheme (ESOS 2012) for issue of stock options to the key employees of the Company and others as approved by the Board of Directors comprising of 2,319,588 options convertible into one equity share each.

The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Particulars	ESOS 2012
Grant Date	Tranche 1: 05 March 2012 Tranche 2: 24 July 2012 Tranche 3: 01 February 2015 Tranche 4: 01 February 2015 Tranche 5: 16 August 2018 Tranche 6: 12 August 2021
Fair Value at Grant Date	₹ 39.13 to ₹ 176.10
Exercise Price	₹ 39.13 to ₹ 111.13
Vesting period	1 to 3 years from the respective date of grant
Exercise period*	5 years or 1 year from the date of listing whichever is later (to be reckoned from date of first vesting)
Expected Life	2.5 to 4.5 years

* There has been an amendment to the exercise year of the ESOP schemes in the earlier years.

The details of activity under ESOS 2012 are summarised below:-

Particulars	Including bonus issue (refer note below)	
	31 March 2022 (No. of options)	31 March 2021 (No. of options)
	ESOS 2012	ESOS 2012
Outstanding at the beginning of the year	1,960,000	1,960,000
Granted during the year	129,740	-
Exercised during the year	938,200	-
Lapsed during the year	156,780	-
Outstanding at the end of the year	994,760	1,960,000
Exercisable at the end of the year	881,800	1,665,560
Weighted average remaining contractual life (year)	0 to 3.50	0 to 2.51
Weighted average fair value of options granted (₹)	7.77 to 140.66	7.77 to 121.26
Weighted average exercise price (₹)	39.13 to 111.13	39.13 to 111.13

Note: The above options are after considering a bonus issue of 3:1 during the year ended 31 March 2015.

The Black and Scholes Options Pricing model had been used for computing the weighted average fair value considering the following inputs on the date of grant:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6
Dividend Yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.57%
Expected Volatility	0.00%	0.00%	0.00%	0.00%	33.39%	11.20%
Risk free interest rate	8.30%	7.93%	9.05%	9.05%	7.87%	5.74%
Weighted average share price (₹)	39.13	50.00	152.46	152.46	93.00	176.10
Exercise Price (₹)	39.13	39.13	39.13	111.13	39.13	39.13
Expected life of options granted in year	3.04	2.91	2.50	2.31	4.51	3.50

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Of the ESOS 2012 above, 70,708 options are reserved for issue of equity shares of the Company, are not yet granted.

On 3 February 2015, the Board of Directors approved the Equity-Settled Employee Stock Option Scheme (ESOS 2015) for issue of stock options to the key employees of the Company and others as approved by the Board of Directors comprising of 1,216,000 options convertible into one equity share each.

On 4th August 2021, the Board of Directors increased the existing ESOP Pool by 2,200,000 options.

The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Particulars	ESOS 2015
Grant Date	Tranche 1: 16 August 2018 Tranche 2: 12 August 2021
Fair Value at Grant Date	₹ 93.00 to ₹ 176.10
Exercise Price	₹ 39.13
Vesting period	1 to 3 years from the respective date of grant
Exercise period	5 years or 1 year from the date of listing whichever is later (to be reckoned from date of first vesting)
Expected Life	3.5 to 5.5 years

The details of activity under ESOS 2015 are summarised below:-

Particulars	31 March 2022	31 March 2021
	(No. of options)	(No. of options)
	ESOS 2015	ESOS 2015
Outstanding at the beginning of the year	1,024,500	1,110,500
Granted during the year	2,402,920	-
Exercised during the year	652,400	-
Lapsed during the year	289,360	86,000
Outstanding at the end of the year	2,485,660	1,024,500
Exercisable at the end of the year	343,100	676,170
Weighted average remaining contractual life (year)	1.51 to 3.50	2.51
Weighted average fair value of options granted (₹)	93.00 to 176.10	66.12
Weighted average exercise price (₹)	39.13	39.13

The Black and Scholes Options Pricing model had been used for computing the weighted average fair value considering the following inputs on the date of grant:

Particulars	Tranche 1	Tranche 2
Dividend yield	0.00%	0.57%
Expected volatility	33.39%	11.20%
Risk free interest rate	7.87%	5.74%
Weighted average share price (₹)	93.00	176.10
Exercise price (₹)	39.13	39.13
Expected life of options granted in year	4.51	3.50

Of the ESOS 2015 above, 227,940 options (31 March 2021: 191,500 options) are reserved for issue of equity shares of the Company.

ESOS 2012 and ESOS 2015 are in compliance with the requirements of Securities and Exchange Board of India and had been ratified in Board meeting dated 22 November 2021.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 38 Leases

Group as a Lessee

The Group had entered into the operating lease for POS terminals. The leases have an average remaining life of 1 to 2 years. Further minimum lease rentals payable under non-cancellable operating leases are follows:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Less than one year	11.90	47.95
Between one and five years	-	16.87
More than five years	-	-
	11.90	64.82

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application.

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

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Current lease liabilities	1,344.93	1,305.87
Non-current lease liabilities	2,575.85	2,587.51
Total	3,920.78	3,893.38

The following is the movement in lease liabilities during the year:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Opening Balance	3,893.38	4,801.29
Additions	1,297.03	556.46
Finance costs accrued during the year	440.29	465.17
Payment of lease liabilities	(1,502.69)	(1,499.24)
Write back of lease liabilities	(207.23)	(430.31)
Closing Balance (refer note 18b and 22b)	3,920.78	3,893.38

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Less than one year	1,308.14	1,305.87
One to five years	3,083.80	3,122.09
More than five years	422.79	415.35
Total	4,814.73	4,843.31

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

The following is the movement in Right-of-use assets during the year:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Opening Balance	3,207.03	4,054.22
Additions	1,222.16	562.03
Depreciation for the year	(1,065.27)	(1,119.26)
De-recognition of right-of-use asset	(153.76)	(289.96)
Closing Balance	3,210.16	3,207.03

The table below provides details of amounts recognised in the Consolidated Statement of Profit and Loss:

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Depreciation on Right-of-use assets	1,065.27	1,119.26
Interest on lease liabilities	440.29	465.17
Expenses related to short term leases and leases not covered under Ind AS 116	71.04	169.28
Write back of lease liabilities (net)	(53.47)	(139.79)
	1,523.13	1,613.92

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

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Weighted average incremental borrowing rate applied to lease liabilities	9.03% - 10.23%	9.08% - 10.00%

The average tenure of leases covered under Ind AS 116 is 1 to 9 years.

The outflow on account of lease liabilities for the year ended 31 March 2022 is ₹ 1,502.69 million (31 March 2021: ₹ 1,499.24 million).

The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 on IND AS 116 for rent concessions which are granted due to COVID-19 pandemic. Total rent concession recorded during the year ended 31 March 2022 amounted to ₹ Nil (31 March 2021: ₹ 37.90 million) has been recognised in 'other income'.

Note 39 Service concession arrangement

During the year ended 31 March 2016, the Company along with a private bank (acting in the capacity of lead bidder) and another third party jointly bid for a public private arrangement to set up an open loop, contactless, smart card based Automatic Fare Collection System (AFCS) in relation to a metro rail project. The roles, responsibilities and obligations of all the parties was agreed as part of a consortium agreement executed between the three parties.

The Company's responsibilities include supply, installation and testing of AFCS equipment and support/maintenance of such equipment for a year of 6 years. The Company is entitled to receive a specified percentage of the value of ticket sales generated by the metro rail project for a year of 10 years.

The arrangement has been identified as a service concession arrangement in accordance with Appendix C to Ind AS 115 Revenue from contracts with customers where the Company's responsibilities include supply of the specified equipment and maintenance/support in relation to the same and the consideration linked to the ticket revenue generated by the related metro rail project.

During the year ended 31 March 2017, the Company was in the process of fulfilling its supply/installation/testing obligation and hence the cost incurred in relation to the project was capitalised as Intangible Assets under Development, net of in substance reimbursements received from co-bidders. In addition, amounts payable in relation to such projects have been reflected as Other financial liabilities.

During the year ended 31 March 2021, to the extent the installation and consequent deployment of equipment has been completed, related expenditure (net of in substance reimbursements received from co bidders) and corresponding revenue based on the percentage of installation and deployment is recognised in the Consolidated Statement of Profit and Loss and the consequent Intangible Assets have been recognised in the Consolidated Balance Sheet. The useful life is assessed based on the go live date.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 40 Contingent liabilities and commitments

(to the extent not provided for)

A. Contingent liabilities

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
I Claims against the Group not acknowledged as debts:	28.43	18.77
II Matters in dispute under appeal		
(i) Sales Tax	73.16	103.25
(ii) Excise duty*	5.77	5.77
(iii) Custom duty	3.03	11.44
(iv) Duty entitlement pass book	-	0.43
(v) Goods and service tax	0.78	0.78
III Other tax matters	43.93	60.02
Total	155.10	200.46

* Excludes, interest amount which would be finalised during the course of assessment.

Against the above pending tax and other litigation, the Group has paid ₹ 4.16 million (31 March 2021: ₹10.19 million) under protest.

The Group's pending litigations comprise of claims against the Group and pertaining to proceedings pending with Indirect tax authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for, where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.

For the Assessment Year 2017-18, the Group has received demand of ₹ 66.43 million of which ₹ 13.29 million has been adjusted againsts the refund. The Group has filed an appeal for the same.

For the Assessment Year 2016-17, the Group has received demand of ₹ 71.66 million. The Group has filed an application for rectification for the same and in process of filing application u/s 264 before CIT.

The Group has received a notice for the delayed payments of TDS for the financial year 2012-13 which has been closed during the year.

There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. In view of the management, the liability for the year from date of the SC order to March 31, 2019 is not significant and has been provided in the books of account. During the year ended March 31, 2020, Group has incorporated the effect of changes in the books of accounts. The Group will continue to assess any further developments in this matter for the implications on consolidated financial statements, if any. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past year, if any, was not ascertainable and consequently no effect was given in the accounts.

The Code on Social Security, 2020 (code) relating to employee benefits received presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Group will assess the impact of the code when it comes into effect and will record any related impact in the year the codes become effective.

In the current year, the Group has received a show cause cum demand notice amounting to ₹ 548.33 million, excluding interest and penalty thereon, with respect to transfer of GST on services provided by the Head office to its branches. The issue is presently contentious and the amount of present obligation cannot be measured with sufficient reliability.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

The amount of the contingent liability is based on the best possible estimate which in turn is based on likelihood of possible outcomes of proceedings by the regulators.

B. Capital and other commitments

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital and other commitments account and not provided for	1,594.66	3,114.99
Other investment commitments	-	6,500.00

C. Others

The Company had received a show cause notice dated 27 July 2020 with respect to lower deployment of White Label ATMs (WLAs) as per the RBI (Reserve Bank of India) circulars on WLAs in India issued under Payment and Settlement Systems Act, 2007. Management made submission to RBI. However, on 4 March 2021 the licence has been revoked as per the order. RBI reserves its right to take further action as it may consider necessary. Basis Management assessment, there is no material impact on account of the same. Accordingly, no provision with respect to the same has been accounted for in the consolidated financial statements as at 31 March 2022.

Note 41 Capitalisation of expenditure

The Group has developed certain softwares wherein the following development expenses have been capitalised/under development by the Group during the year

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Salaries and wages	32.89	59.34

The Group has capitalised the following expenses of revenue nature to the cost of property, plant and equipment / capital work-in-progress during the year

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Salaries and wages	20.37	44.76
Transport expenses	4.18	12.52
	24.55	57.28

Note 42

A. Disclosure under Ind AS 115, Revenue from Contracts with Customers

i. Sales of products and manufactured goods

The Group applies practical expedient in paragraph 121 of Ind AS 115 for all contracts entered for sales of products and manufactured goods and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

ii. Revenue from services

The Group applies practical expedient in paragraph 121 of Ind AS 115 for all contracts entered for revenue from services, whereby it has right to receive consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Hence, the Group does not disclose information of remaining performance obligation of such contracts.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

iii. Timing of revenue recognition

'Setup & other one time revenue' and 'Service revenue' are services recognised over a year of time. 'Sale of traded goods', 'Sale of manufactured goods', 'ATM and management services', Transaction revenue and others are recognised at a point in time when performance obligations are transferred to the customers.

B. Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

C. Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary business segment. Disaggregated revenue with the Group's reportable segments is given in the note 49.

D. Reconciliation of revenue recognised with contracted price

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Contracted Price	18,305.23	18,091.86
Reduction towards service level credits, trade discounts, etc.	(586.51)	(502.42)
Revenue from operations	17,718.72	17,589.44

E. The Company has entered into certain contract with a customer amounting to ₹ 1,599.95 million, wherein revenue amounting to ₹ 93.89 million has been recognised for the year ended 31 March 2022 (31 March 2021: ₹ 90.91 million) and balance will be recognised as and when it satisfies a performance obligation by transferring a good or service to a customer over time (Estimated remaining contract period: 5 years).

Transaction price allocation to remaining performance obligations:

The following revenue is expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the reporting date. The revenue expected is ₹ 20.82 million (31 March 2021: ₹ 47.08 million) upto 6 months; ₹ 14.32 million (31 March 2021: ₹ 29.92 million) between 6 months and 1 year and ₹ 9.52 million (31 March 2021: ₹ 35.13 million) between 1 year and 2 years.

Note 43 Payment to auditors (excluding tax)

Particulars	(₹ in million)	
	31 March 2022	31 March 2021
Audit fees	12.63	8.25
Certification fees and other services*	14.26	4.00
Out of pocket expenses*	1.27	0.59
	28.16	12.84

*Out of above expenditure, ₹ 9.83 million (31 March 2021: ₹ Nil) pertaining to initial public offer is included in Legal and professional charges.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 44

During the year ended 31 March 2014, the Company had entered into an agreement with a customer for providing ATM Management services for 10 years. As a part of the arrangement, the Company acquired existing ATM sites at total consideration of ₹926.25 million. Further, an interest free security deposit of ₹ 880 million has been advanced towards such acquisition of the ATM network.

The property, plant and equipment acquired were capitalised at the respective fair value of ₹649.64 million and the difference of ₹ 276.61 million between the fair value of property, plant and equipment acquired and the total consideration was recognised as Premium on purchase of assets under 'Other assets'. In addition, the difference between the fair value and transaction price of the interest free security deposit referred to above has also been adjusted with premium on purchase of assets under 'Other assets'. The aggregate premium on purchase of equipment is amortised over the life of the contract with an adjustment to revenue. The charge for the current year is ₹ 58.40 million. (31 March 2021: ₹58.40 million).

The Group is depreciating the property, plant and equipment acquired over the remaining useful life.

Note 45 Corporate social responsibility expenses

- a. As per Section 135 of the Companies Act, 2013, amount required to be spent by the Group during the years ended March 31 2022 is ₹ 23.11 million (31 March 2021: ₹18.88 million), computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate social responsibility (CSR).

The Group has paid amount towards CSR activities during the year ended 31 March 2022.

- b. Amount spent during the year on:

(₹ in million)

Particulars	In cash		Yet to be paid in cash	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Construction/acquisition of any asset	-	-	-	-
On purposes other than above	23.11	18.88	-	-
Total	23.11	18.88	-	-

- c. Related party transaction in relation to corporate social responsibility: ₹ 23.11 million (31 March 2021: ₹ 18.88 million).
- d. There is no shortfall in the amount required to be spent in earlier years.
- e. Provision during the year ended 31 March 2022: ₹ Nil (31 March 2021: ₹ Nil).
- f. The Group has transferred amounts as required under Section 135 of the Act to the implementing agency. However, the amounts so transferred in the previous year (₹ 18.88 million) and the current year (₹ 23.11 million) remain unutilised by the implementing agency as at 31 March 2022. There is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. There is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Note 46 Additional information required by Schedule III to the Act

(₹ in million)

	31 March 2022							
	Net assets i.e., total assets minus total liabilities		Share in profit / (loss)		Share in OCI		Share in total comprehensive income	
	As a % consolidated assets	Amount	As a % consolidated profit and loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
Parent:								
AGS Transact Technologies Limited	114.55%	5,518.75	107.46%	(886.24)	386.15%	2.51	107.24%	(883.73)
Indian Subsidiaries:								
Securevalue India Limited	27.42%	1,321.05	-22.42%	184.90	1244.62%	8.09	-23.42%	192.99
India Transact Services Limited	3.68%	177.39	15.55%	(128.20)	15.38%	0.10	15.55%	(128.10)
Foreign Subsidiary:								
Global Transact Services Pte. Limited	15.53%	748.02	0.08%	(0.64)	0.00%	-	0.08%	(0.64)
Indirect Foreign Subsidiaries:								
Novus Technologies Pte. Limited	-12.09%	(582.53)	7.53%	(62.11)	0.00%	-	7.54%	(62.11)
Novus Transact Philippines Corporation	-0.68%	(32.86)	-0.27%	2.20	0.00%	-	-0.27%	2.20
Novus Technologies (Cambodia) Company Limited	6.81%	328.03	-0.42%	3.43	0.00%	-	-0.42%	3.43
Novustech Transact Lanka (Private) Limited	10.25%	493.84	-4.38%	36.13	0.00%	-	-4.38%	36.13
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associate:								
PT.Nova Digital Perkasa	0.00%	-	0.96%	(7.94)	0.00%	-	0.96%	(7.94)
Consolidation Adjustments (including Exchange differences in translation of financial statements of foreign operations)	-65.47%	(3,154.01)	-4.10%	33.79	-1546.15%	(10.05)	-2.88%	23.74
Total	100.00%	4,817.68	100.00%	(824.68)	100.00%	0.65	100.00%	(824.03)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(₹ in million)

	31 March 2021							
	Net assets i.e., total assets minus total liabilities		Share in profit / (loss)		Share in OCI		Share in total comprehensive income	
	As a % consolidated assets	Amount	As a % consolidated profit and loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
Parent:								
AGS Transact Technologies Limited	113.62%	6,347.39	127.91%	700.87	-2.21%	(0.60)	121.78%	700.27
Indian Subsidiaries:								
Securevalue India Limited	20.18%	1,127.44	3.02%	16.55	1.14%	0.31	2.93%	16.86
India Transact Services Limited	5.46%	305.12	-35.18%	(192.77)	-2.29%	(0.62)	-33.63%	(193.39)
Foreign Subsidiary:								
Global Transact Services Pte. Limited	13.08%	730.58	-0.11%	(0.59)	0.00%	-	-0.10%	(0.59)
Indirect Foreign Subsidiaries:								
Novus Technologies Pte. Limited	-9.08%	(507.18)	-9.74%	(53.38)	0.00%	-	-9.28%	(53.38)
Novus Transact Philippines Corporation	-0.68%	(38.15)	-0.81%	(4.42)	0.00%	-	-0.77%	(4.42)
Novus Technologies (Cambodia) Company Limited	5.70%	318.68	-0.51%	(2.79)	0.00%	-	-0.49%	(2.79)
Novustech Transact Lanka (Private) Limited	8.10%	452.57	13.66%	74.87	0.00%	-	13.02%	74.87
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associate:								
PT.Nova Digital Perkasa	0.00%	-	-2.72%	(14.93)	0.00%	-	-2.60%	(14.93)
Consolidation Adjustments (including Exchange differences in translation of financial statements of foreign operations)	-56.38%	(3,149.83)	4.47%	24.51	103.36%	28.02	9.14%	52.53
Total	100.00%	5,586.62	100.00%	547.92	100.00%	27.11	100.00%	575.03

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 47 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

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

(₹ in million)

As at 31 March 2022	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Particulars								
Non-current financial assets								
Investments	0.08	-	-	0.08	-	-	-	-
Loans	249.20	-	-	249.20	-	-	-	-
Other non-current financial assets	698.32	-	-	698.32	-	-	-	-
Current financial assets								
Trade receivables	9,147.23	-	-	9,147.23	-	-	-	-
Cash, cash equivalents and other bank balances	806.49	-	-	806.49	-	-	-	-
Loans	110.00	-	-	110.00	-	-	-	-
Other financial assets	201.90	-	-	201.90	-	-	-	-
	11,213.22	-	-	11,213.22	-	-	-	-
Non-current financial liabilities								
Borrowings (including current maturities of long term borrowings)	5,730.83	-	-	5,730.83	-	-	-	-
Lease liabilities	2,575.85	-	-	2,575.85	-	-	-	-
Other financial liabilities	5.04	-	-	5.04	-	-	-	-
Current financial liabilities								
Borrowings (excluding current maturities of long term borrowings)	1,389.20	-	-	1,389.20	-	-	-	-
Lease liabilities	1,344.93	-	-	1,344.93	-	-	-	-
Trade payables	5,102.45	-	-	5,102.45	-	-	-	-
Other financial liabilities	910.33	-	-	910.33	-	-	-	-
	17,058.63	-	-	17,058.63	-	-	-	-

(₹ in million)

As at 31 March 2021	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Particulars								
Non-current financial assets								
Investments	7.93	-	-	7.93	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Cash, cash equivalents and other bank balances	-	-	-	-	-	-	-	-
Other non-current financial assets	769.22	-	-	769.22	-	-	-	-
Current financial assets								
Investments	-	96.91	-	96.91	96.91	-	-	96.91
Trade receivables	8,088.24	-	-	8,088.24	-	-	-	-
Cash, cash equivalents and other bank balances	6,942.10	-	-	6,942.10	-	-	-	-
Other financial assets	244.10	-	-	244.10	-	-	-	-
	16,051.59	96.91	-	16,148.50	96.91	-	-	96.91
Non-current financial liabilities								
Borrowings (including current maturities of long term borrowings)	10,753.55	-	-	10,753.55	-	-	-	-
Lease liabilities	2,587.51	-	-	2,587.51	-	-	-	-
Other financial liabilities	32.46	-	-	32.46	-	-	-	-

Notes to the Consolidated Financial Statements

as at 31 March 2022

(₹ in million)

As at 31 March 2021	Carrying Amount			Fair Value				
	Amortised Cost	FVTPL	FVOCI	Total	Level 1	Level 2	Level 3	Total
Current financial liabilities								
Borrowings (excluding current maturities of long term borrowings)	1,576.48	-	-	1,576.48	-	-	-	-
Lease liabilities	1,305.87			1,305.87	-	-	-	-
Trade payables	4,268.19	-	-	4,268.19	-	-	-	-
Other financial liabilities	809.50			809.50	-	-	-	-
	21,333.56	-	-	21,333.56	-	-	-	-

Notes:

- The fair value of cash and cash equivalents, other bank balances, current trade and unbilled receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.
- Measurement of fair values: The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique
 - Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
 - Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
 - Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Notes to the Consolidated Financial Statements

as at 31 March 2022

a. Trade and unbilled receivables

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery / service terms and conditions. The Group makes specific provisions against such trade receivables wherever required and monitors the same at yearical intervals.

Credit risk from trade receivables is managed through the Group's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. Based on prior experience, the portfolio of customers and an assessment of the current economic environment, management believes there is no credit risk provision required. Also Group does not have any significant concentration of credit risk.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

(₹ in million)

Particulars	Gross carrying amount	
	31 March 2022	31 March 2021
Not due / Past due 0-180 days	6,383.22	6,479.58
More than 180 days	2,764.01	1,608.66
	9,147.23	8,088.24

The carrying amounts of the trade receivables include receivables which are subject to factoring arrangement aggregating to ₹ 405.96 million (31 March 2021: ₹ 360.42 million). The amount repayable under the factoring arrangement is presented in secured borrowings.

Impairment loss on trade receivables of ₹ 118.76 million (31 March 2021: ₹ Nil) has been debited in Consolidated Statement of Profit and Loss.

The amounts reflected in the table above are not impaired as at the Balance Sheet dates. The allowance for expected credit loss is nil and there are no trade receivables which have significant increase in credit risk.

b. Cash, cash equivalents and other bank balances

The Group held cash and cash equivalents and other bank balances of ₹ 805.93 million (31 March 2021: ₹ 6,942.10 million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain the level of its cash and bank balances at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Notes to the Consolidated Financial Statements

as at 31 March 2022

(₹ in million)

As at 31 March 2022	Contractual Cashflows				
	Gross carrying amount	Total	Up to 1 year	1 - 5 years	More than 5 years
Non derivative financial liabilities					
Term loans from banks and others (including current maturities of long term borrowings)	5,730.83	7,284.00	1,672.65	4,820.00	791.35
Short-term loans/working capital loans	1,389.20	1,389.20	1,389.20	-	-
Lease liabilities	3,920.78	4,814.73	1,308.14	3,083.80	422.79
Trade payables	5,102.45	5,102.45	5,102.45	-	-
Other financial liabilities	915.37	915.91	910.33	5.58	-
Total	17,058.63	19,506.29	10,382.77	7,909.38	1,214.14

(₹ in million)

As at 31 March 2021	Contractual Cashflows				
	Gross carrying amount	Total	Up to 1 year	1 - 5 years	More than 5 years
Non derivative financial liabilities					
Term loans from banks and others (including current maturities of long term borrowings)	10,753.55	15,998.82	3,116.01	10,799.48	2,083.33
Short-term loans/working capital loans	1,576.48	1,576.48	1,576.48	-	-
Lease liabilities	3,893.38	4,843.31	1,305.87	3,122.09	415.35
Trade payables	4,268.19	4,268.19	4,268.19	-	-
Other financial liabilities	841.96	845.36	817.48	27.88	-
Total	21,333.56	27,532.16	11,084.03	13,949.45	2,498.68

The Group has secured bank loans that contain loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates etc. – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks.

a. Currency risk

The functional currency of the Group is INR. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency. The Group uses forward exchange contracts to hedge its currency risk on borrowings, mostly with a maturity of less than one year from the reporting date.

Exposure on trade receivables and trade payables is unhedged. The Group manages itself against currency risk of External Commercial Borrowings by entering into cross-currency swaps.

Notes to the Consolidated Financial Statements

as at 31 March 2022

The summary quantitative data about the Group's exposure to currency risk is as follows (the amounts below have been presented in the respective foreign currencies):

(in million)

31 March 2022	USD	EUR	SGD
Financial assets (A)			
Trade and other receivables	1.50	0.01	-
	1.50	0.01	-
Financial liabilities (B)			
Trade and other payables	0.63	0.68	0.54
Term loan ('ECB')	23.60	-	-
Interest and other charges on term loan ('ECB')	0.05	-	-
Less : Cross currency swap	(23.65)	-	-
	0.63	0.68	0.54
Net exposure (A - B)	0.87	(0.67)	(0.54)

(in million)

31 March 2021	USD	EUR	JPY	SGD
Financial assets (A)				
Trade and other receivables	1.67	0.01	1.06	0.00
	1.67	0.01	1.06	0.00
Financial liabilities (B)				
Trade and other payables	0.68	0.70	-	0.11
Term loan ('ECB')	8.00	-	-	-
Interest and other charges on term loan ('ECB')	0.09	-	-	-
Less : Cross currency swap	(8.03)	-	-	-
	0.74	0.70	-	0.11
Net exposure (A - B)	0.93	(0.69)	1.06	(0.11)

The following significant exchange rates have been applied in respective years:

Currency	31 March 2022	31 March 2021
USD	75.81	73.50
EUR	84.66	86.10
JPY	0.62	0.66
SGD	56.06	54.53

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against USD, EUR, SGD and JPY at reporting date would have affected the measurement of financial instruments denominated in foreign currencies and affected Consolidated Statement of Profit and Loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(in million)

Effect in INR	31 March 2022		31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
5% movement				
USD	(3.30)	3.30	(3.40)	3.40
EUR	2.84	(2.84)	2.97	(2.97)
JPY	-	-	(0.04)	0.04
SGD	1.51	(1.51)	0.30	(0.30)
	1.05	(1.05)	(0.17)	0.17

Notes to the Consolidated Financial Statements

as at 31 March 2022

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive, cost of funding. The Group uses cross-currency swaps to hedge the Interest rate of External Commercial Borrowings.

The interest rate profile of the Group's interest-bearing financial instruments as is as follows:

Particulars	₹ in million)	
	31 March 2022	31 March 2021
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	(762.93)	(6,346.00)
	(762.93)	(6,346.00)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(6,357.10)	(5,984.03)
	(6,357.10)	(5,984.03)

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107 Financial Instruments: Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the entity by the amounts indicated in the table below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	₹ in million)	
	Profit or (Loss)	
	100 bps increase	100 bps decrease
31 March 2022		
Variable rate instruments	(63.57)	63.57
Cash flow sensitivity	(63.57)	63.57
31 March 2021		
Variable rate instruments	(59.84)	59.84
Cash flow sensitivity	(59.84)	59.84

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 48 Capital management

The Group'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 primary objective of the Group's Capital Management is to maximise shareholders value.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities comprising interest-bearing borrowings (including Non Convertible Debentures) and lease liabilities, less cash, cash equivalents, other bank balances, non-current margin money, Investment in Quoted Mutual Funds and current investment. Total equity comprises of all components of equity.

The Group's adjusted net debt to equity ratio is as follows:

Particulars	₹ in million)	
	31 March 2022	31 March 2021
Non-current borrowings	4,596.76	8,661.83
Current borrowings	2,523.27	3,668.20
Non-current lease liabilities	2,575.85	2,587.51
Current lease liabilities	1,344.93	1,305.87
Gross debt	11,040.81	16,223.41
Less : Cash, cash equivalents and other bank balances	(806.49)	(6,942.10)
Less : Margin money (non-current)	(149.83)	(211.80)
Less - Investment in Quoted Mutual Funds	-	(96.91)
Adjusted net debt	10,084.49	8,972.60
Total equity	4,817.68	5,586.62
Adjusted net debt to equity ratio	2.09	1.61

The Group has provided the definitions of 'adjusted net debt' and 'total equity' because they are alternative performance measures and are not defined in Ind AS.

Following the adoption of Ind AS 116 - Leases, adjusted net debt to equity ratio has increased due to inclusion of lease liabilities.

The Group raised funds from outside India amounting to USD 25 million under External Commercial Borrowings (ECB) in accordance with the approval granted by Reserve Bank of India under automatic route and is in conformity with the applicable ECB Guidelines. The tenure of the facility is 4 years.

During the year ended 31 March 2021, the Company had issued 12% rated, secured, Non Convertible Debentures ("NCD") (IRR 18.75% p.a.) on a private placement basis aggregating ₹5,500 million. The NCD were listed on National Stock Exchange ("NSE") as at 26 March 2021. The NCDs were redeemed on 29 January 2022. Consequent to the redemption of the NCDs, these have been de-listed from the NSE (refer note 53).

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 49 Segment information

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates the resources based on the analysis of various performance indicators by business segments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker (CODM). Segment results is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm length's basis.

Segment results is segment revenue less segment expenses. Segment expense is the aggregate of the expense resulting from the operating activities of a segment that is directly attributable to the segment, including expenses that can be allocated on a reasonable basis.

The Group's business segment have been divided into three business verticals - Payment Solutions, Banking Automation Solutions and Other Automation Solutions.

Payment Solutions – Comprises of ATM outsourcing and managed services, cash management services, intelligent cash deposit machines (iCDs), transaction switching and electronic payment solutions, merchant solutions, agency banking, Fastlane and toll & transit solutions.

Banking Automation Solutions – Comprises of sale of ATM machines and cash recyclers, currency technology products and self service terminals and services related to such sales

Other Automation Solutions – Comprises of sale of machines and related services to customers present in the Retail, Petroleum and Colour sectors.

Segment information based on business segment as at and for the year ended 31 March 2022

(₹ in million)

Particulars	31 March 2022				31 March 2021			
	Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total
Revenue								
External revenue	13,491.02	1,965.49	2,268.80	17,725.31	13,505.83	1,602.78	2,485.26	17,593.87
Inter Segment Revenue	-	(6.59)	-	(6.59)	-	(4.43)	-	(4.43)
Total revenue	13,491.02	1,958.90	2,268.80	17,718.72	13,505.83	1,598.35	2,485.26	17,589.44
Segment results	2,603.77	537.07	61.03	3,201.87	2,998.75	132.63	118.15	3,249.53
Less: unallocated expenses				1,611.54				1,460.49
Add: other income				253.93				382.08
Less: finance cost				2,502.09				1,330.62
Less: share of net loss from associate				7.94				16.23
(Loss) / profit before tax				(665.77)				824.27
Less: tax expense				158.91				276.35
(Loss) / profit for the year				(824.68)				547.92
Segment assets	16,019.96	2,066.09	1,409.48	19,495.53	15,756.45	2,012.87	1,545.91	19,315.23
Unallocated assets				4,031.49				9,823.09
Total assets	16,019.96	2,066.09	1,409.48	23,527.02	15,756.45	2,012.87	1,545.91	29,138.32
Segment liabilities	7,746.37	543.49	904.03	9,193.89	7,396.43	915.42	1,104.73	9,416.58
Unallocated liabilities				9,515.45				14,135.12
Total liabilities	7,746.37	543.49	904.03	18,709.34	7,396.43	915.42	1,104.73	23,551.70

Information about major customers

Revenue from three external customers based in India, covered across segments aggregating to ₹ 2,536.46 million (31 March 2021: ₹ 3,260.22 million) and ₹ 2,402.01 million (31 March 2021: ₹ 2,546.11 million) and ₹ 1,098.12 million (31 March 2021: ₹ 1,252.11 million) respectively represented more than 10% of the Group's total revenue.

The Group has provided the definition of "Segment results" because it is alternative performance measure and is not defined in Ind AS.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 50 Related party transactions

A. Related Parties and their relationship

Key Management Personnel and relatives

Mr. Ravi B. Goyal	Executive, Chairman & Managing Director
Mr. Badrinarain K. Goyal	Non-executive Non Independent Director / Father of Mr. Ravi B Goyal (till 9 June 2021)
Mr. Vinayak R. Goyal	Executive Director (w.e.f. 6 June 2021) / Son of Mr Ravi B Goyal
Mr. Stanley Johnson P	Executive Director (w.e.f. 9 June 2021)
Mrs. Anupama R. Goyal	Non-executive Non Independent Director / Wife of Mr. Ravi B. Goyal
Mr. Sudip Bandyopadhyay	Non-executive, Independent Director
Mr. Vijay Chugh	Non-executive, Independent Director
Mr. Rahul N. Bhagat	Non-executive, Independent Director
Mr. Subrata Kumar Mitra	Non-executive Independent Director (w.e.f. 27 July 2021)
Mr. Kiran B. Goyal	Brother of Mr. Ravi B. Goyal
Mr. El Khoury Ricardos	Director and Chief Executive Officer of Novus Technologies Pte. Ltd.
Mr. Ariel Gumabao	Executive Director of Novus Transact Philippines Corporation
Mr Lahan Gajasinghaarachchi	Executive Director of Novustech Transact Lanka (Pvt) Ltd.
Mr. Mehernosh Parekh	Executive Director of Securevalue India Limited (till 31 January 2022)
Mr. Shailesh Shetty	Managing Director Securevalue India Limited

Enterprises owned or significantly influenced by key management personnel or their relatives

Advanced Graphic Systems
Fillon Technologies India Private Limited
Instruments Research Associates Private Limited
Aries Management Services Pte. Ltd.
Vineha Enterprises Private Limited
Wow Food Brands Private Limited
PT.Nova Digital Perkasa (Associate)
AGS Community Foundation
Ravi Goyal Family Trust
Anupama Goyal Family Trust
Kiran Goyal Family Trust
Vinayak Goyal Family Trust

Notes to the Consolidated Financial Statements

as at 31 March 2022

B. Details of transactions with related parties including disclosure required under Section 186 (4) of the Companies Act, 2013 for loans, investments and guarantees

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable) As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Sales of goods, software license and services				
Instruments Research Associates Private Limited	1.50	1.50	0.45	4.64
Fillon Technologies India Private Limited	5.28	5.36	1.53	1.70
PT.Nova Digital Perkasa	27.80	0.38	27.80	-
Purchase of goods and services				
Instruments Research Associates Private Limited	0.39	5.64	-	-
Fillon Technologies India Private Limited	1.54	1.44	(0.19)	(0.36)
AGS Community Foundation	23.11	18.88	(41.99)	-
Dividend Paid				
Mr. Ravi B. Goyal	66.46	-	-	-
Vineha Enterprises Private Limited	51.05	-	-	-
Mr. Badrinarain K. Goyal	0.75	-	-	-
Mrs. Anupama R. Goyal	0.00*	-	-	-
Ravi Goyal Family Trust	0.00*	-	-	-
Anupama Goyal Family Trust	0.00*	-	-	-
Kiran Goyal Family Trust	0.00*	-	-	-
Vinayak Goyal Family Trust	0.00*	-	-	-
Re-imbursments of expenses				
Fillon Technologies India Private Limited	0.06	0.07	-	-
Advanced Graphic Systems	0.24	0.47	1.63	1.39
Remuneration (refer note 1 below)				
Mr. Ravi B. Goyal	24.00	24.00	(4.96)	(0.69)
Mr. Vinayak R. Goyal	6.23	-	(4.31)	(6.02)
Mr. Stanley Johnson P	30.66	-	(10.08)	-
Mr. El Khoury Ricardos	36.60	47.26	(15.42)	-
Mr Ariel Gumabao	4.44	3.94	-	-
Mr. Shailesh Shetty	14.13	11.39	3.91	(2.36)
Mr. Mehernosh Parekh	14.19	7.45	-	(2.19)
Deposits given/(repaid)				
Mr. Ravi B. Goyal	-	-	25.00	25.00
Mrs. Anupama R. Goyal	-	-	2.00	2.00
Mr Ariel Gumabao	-	-	-	0.06
Mr Lahan Gajasinghaarachchi	0.65	-	0.46	-
Rent expenses				
Mrs. Anupama R. Goyal	2.10	2.10	(0.57)	(0.58)
Professional fees				
Mr. Kiran B. Goyal	6.60	4.80	(4.33)	(1.77)
Loan taken/(repaid)				
Mr. El Khoury Ricardos	28.16	27.67	(90.76)	(88.57)
Investments purchased				
Vineha Enterprises Private Limited	6,500.00	-	-	-
Investments sold				
Mr. Ravi B. Goyal	6,500.00	-	-	-

Notes to the Consolidated Financial Statements

as at 31 March 2022

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable) As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Reimbursement of IPO expense				
Mr. Ravi B. Goyal	116.09	-	-	-
Other current assets				
Mr. Ravi B. Goyal	-	-	92.84	-
Director's sitting fees				
Mr. Sudip Bandyopadhyay	3.78	1.18	-	(0.52)
Mr. Vijay Chugh	3.63	1.13	-	(0.52)
Mr. Subrata Kumar Mitra	1.75	-	-	-
Mr. Rahul N. Bhagat	3.48	1.15	-	(0.55)
Commission to directors				
Mr. Sudip Bandyopadhyay	2.40	2.00	(2.40)	-
Mr. Vijay Chugh	2.40	2.00	(2.40)	-
Mr. Subrata Kumar Mitra	1.68	2.00	(1.68)	-
Mr. Rahul N. Bhagat	2.40	2.00	(2.40)	-

* Amount less than ₹ 0.01 million.

Note:

- The above remuneration excludes gratuity, leave encashment and other benefits for which separate actuarial valuation is not available.
- Guarantees outstanding as on 31 March 2022 aggregating to ₹207.41 million (31 March 2021: ₹166.45 million) is given by the Company on behalf of subsidiaries (India Transact Services Limited and Securevalue India Limited) for acquiring property, plant and equipment and meeting the working capital requirements. While the Company has not charged any commission in relation to such guarantees, the amount represents accounting adjustments recognised in accordance with requirements of Ind AS 109 "Financial Instruments".
- During the year ended 31 March 2022, the Group has received Government cashless incentive amounting to ₹712.58 million (31 March 2021: ₹552.64 million) subsequently the same has been passed to one of its subsidiary India Transact Services Limited as per the contract.
- Terms and condition of transaction with related parties- all the transactions with related parties are at the arm's length price and all the outstanding balances are unsecured
- Transactions and balances with its own subsidiaries are eliminated on consolidation.

Note 51

There are no significant events subsequent to 31 March 2022 and upto 27 May 2022 that would require adjustment or disclosures in the consolidated financial statements.

Note 52

The uncertainty on account of Covid - 19 outbreak continued to have adverse effect across the world economies including India in first half of this financial year. The second wave started tapering off towards the end of June/beginning of July 2021. The third wave which was due to Omicron, a new variant of Covid, was the shortest as compared to the previous two waves. It started during the last week of December 2021 and lasted till the first week of February 22. This disruption has impacted performance during the year. However, considering the Group's activities are classified as 'essential services', management does not anticipate material risk to business prospects over the medium to long term. As of today, services remain operational, following enhanced internal safety guidelines. The Group has incurred losses for the year ended 31 March 2022 of ₹ 824.68 million. The Group has noted drop primarily in transaction

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

revenue related to ATM outsourcing business as compared to previous periods due to the Omicron pandemic lockdown, delayed collections from customers and higher interest outgo on borrowings resulting in delays in payment of dues to various parties including statutory dues and consequential impact. Management assessed its business forecasts and cash forecasts and do not expect a material impact in the long term based on the increase in transaction levels currently anticipated and new services contracted with customers are in the pipeline. The Group expects it will generate sufficient cashflows from operating activities including through reduction in receivables outstanding days and also has undrawn facilities which will enable it to meet its liabilities as and when they fall due for repayment in the foreseeable future. The Group also expects to finance its acquisition of fixed assets through debt financing as has been the case in past years. Management have thus concluded that the Group has sufficient resources to continue as a going concern. The Group has considered internal and external information while assessing recoverability of its assets disclosed in these consolidated financial statements up to the date of approval of these consolidated financial statements by the Board of Directors. The impact of the global health pandemic may be different from that estimated in the going concern assessment as at the date of approval of these consolidated financial statements and the Group continues to closely monitor any material changes in future economic conditions.

Note 53

The Company had issued listed NCDs during the year ended 31 March 2021 and the proceeds thereof were utilized towards purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited. On 31 January 2022, the Company has completed its Initial Public offer ("IPO"), comprising of an offer for sale of 38,857,141 equity shares of face value of ₹10 each at an issue price of ₹ 175 per share by the Selling Shareholders. As per the objects of the issue defined in RHP and the terms of the Share Purchase Agreement, the offer proceeds received by Mr Ravi B. Goyal for the sale of his portion of the offered shares has been utilized for the purchase of Compulsorily Convertible Preference Shares ("CCPS") of Vineha Enterprises Private Limited held by the Company for a consideration of ₹ 6,500 million on 28 January 2022, upon receipt of the listing and trading approvals from the Stock exchange. Such amount received by the Company has been utilized to redeem the listed NCDs on 29 January 2022. Also, consequent to the redemption of the NCDs, these have been de-listed from the NSE. Pursuant to the IPO, the equity shares of the Company were listed on NSE and BSE on 31 January 2022.

Note 54

The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021.

(₹ in million)				
Particulars	Note	31 March 2022	31 March 2021	Variance
Current ratio	(a) and (l)	1.2	1.7	-31.21%
Debt / Equity ratio	(b) and (m)	1.5	2.2	-33.04%
Debt Service Coverage ratio	(c) and (n)	1.2	1.9	-35.83%
Return on Equity (ROE)	(d) and (o)	-15.9%	10.4%	-253.00%
Inventory turnover ratio	(e)	25.9	25.9	0.01%
Trade receivables turnover ratio	(f)	2.1	2.5	-16.73%
Trade payables turnover ratio	(g)	2.3	2.6	-11.63%
Net capital turnover ratio	(h)	10.2	12.1	-15.20%
Net profit ratio	(i) and (o)	-4.6%	3.0%	-250.50%
Return on capital employed (ROCE)	(j)	13.6%	16.7%	-18.69%
Return on investment (ROI)	(k)	3.4%	4.0%	-13.28%

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note:

(I) Formula used for calculation :

- Current Ratio = Current assets / (Current liabilities - Current maturities of long term borrowings)
- Debt / Equity Ratio = (Non-current borrowings + Current borrowings) / Total equity
- Debt Service Coverage Ratio (DSCR) = (EBITDA - Current taxes + non-cash items + cash and cash equivalents) / (Interest on financial liabilities + Other borrowing costs + Principal repayments of long-term borrowings + Payment of lease liabilities)
- Return of Equity (RoE) = Net profit / (loss) after taxes / Average Equity
- Inventory turnover ratio = Revenue from operations / Average Inventories
- Trade receivables turnover ratio = Revenue from operations / Average Trade and unbilled receivables
- Trade payables turnover ratio = Total expenses excluding Employee benefit expenses / Average Trade payables
- Net capital turnover ratio = Revenue from operations / Working capital where Working capital = Current Assets - amount received from issuance of Non convertible Debentures - (Current liabilities - Current maturities of long term borrowings)
- Net profit ratio = Net profit / (loss) after taxes / Total income
- Return on capital employed (ROCE) = (Earnings before interest, tax, depreciation and amortisation (EBITDA) - Depreciation and amortisation expense - Interest on lease liabilities) / Average Capital employed where Capital employed = (Total Equity - Intangible Assets - Intangible Assets under development + Net Debt) and Net Debt = (Non-current borrowings + Current borrowings - (Cash, cash equivalents and Other bank balances + Margin money (non-current) + Investment in Quoted Mutual Funds + Amount held as margin money against borrowings))
- Return on investment (ROI) = Income generated from investments / Time weighted average investments

(II) Reason for variances :

- Current Assets during the year ended 31 March 2021 includes the funds received from issuance of Listed NCDs which were utilized during the year ended 31 March 2022 for Investment in CCPS which primarily lead to movement in Current Ratio
- Repayment of Listed NCDs has resulted in an improvement in the Debt / Equity Ratio
- Movement in Debt Service Coverage Ratio during the year ended 31 March 2022 was primarily due to repayment of long-term borrowings
- Group has reported loss during the year ended 31 March 2022 which has lead to the variance in Return on Equity (ROE) and Net Profit ratio

Note 55

Previous year's figures have been regrouped/ reclassified to conform to classification as prescribed by the revised Schedule III to the Companies Act, 2013.

Notes to the Consolidated Financial Statements

as at 31 March 2022

Note 56

Other matters

- No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Group has not been declared wilful defaulter (in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India) by any bank or financial Institution or other lender.
- The Group does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Group has not traded or invested in crypto currency or virtual currency during the year.
- The Group has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries, other than those disclosed in notes to the Consolidated Financial Statements.
- The Group does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and and there is no previously unrecorded income and related assets that are required to be recorded in the books of account during the year.
- There are no charges or satisfaction yet to be registered with ROC beyond the statutory year.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date : 27 May 2022

For and on behalf of the Board of Directors of
AGS Transact Technologies Limited
CIN : L72200MH2002PLC138213

Ravi Goyal
Managing Director
DIN: 01374288

Saurabh Lal
Chief Financial Officer
Membership No.: 504653

Place: Mumbai
Date : 27 May 2022

Stanley Johnson P.
Executive Director
DIN: 08914900

Sneha Kadam
Company Secretary
Membership No.: 31215

Notice of Nineteenth Annual General Meeting

NOTICE is hereby given that the Nineteenth (19th) Annual General Meeting (AGM) of the Members of **AGS Transact Technologies Limited ("Company")** will be held on Tuesday, August 30, 2022 at 11:00 a.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

Ordinary Business:

- To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors' thereon.
- To appoint a Director in place of Mr. Stanley Johnson P. (DIN: 08914900), who retires by rotation, and being eligible, offers himself for re-appointment.
- To consider and approve the re-appointment of the current Statutory Auditors, M/s. BSR & Co. LLP, Chartered Accountants (Firm Reg. No: 101248W/W-100022) as the Statutory Auditors of the Company and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee, and approval of the Board of Directors, the Company hereby appoints M/s. B S R & Co. LLP, Chartered Accountants (Firm Reg. No: 101248W/ W-100022), as the Statutory Auditors of the Company for the second term of 4 (four) consecutive years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 23rd Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Audit Committee) be and is hereby authorised to fix the remuneration payable to the statutory auditors of the Company, including the taxes, reimbursement of out of pocket expenses (at actuals) and such additional fees, as may be mutually agreed by the Board and the Auditors alongwith manner of such payments.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to

settle any questions, difficulties or doubts that may arise in this regard."

Special Business:

4. Ratification of the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 & other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), appointed by the Board of Directors on recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, amounting to ₹ 350,000 (Rupees Three Lakh Fifty Thousand only) plus applicable taxes and reimbursement for out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including informing the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto."

5. Approval for the payment of Commission to the Independent Directors for the Financial Year 2021-2022

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory

modification(s) or re-enactment thereof, for the time being in force) and provisions of Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company be and is hereby accorded to pay a remuneration by way of commission as stated under for the financial year ended March 31, 2022 to the four Independent Directors viz., Mr. Sudip Bandyopadhyay (DIN: 00007382), Mr. Vijay Chugh (DIN: 07112794), Mr. Rahul N. Bhagat (DIN:02473708) and Mr. Subrata Kumar Mitra (DIN: 00029961) as recommended by the Nomination and Remuneration Committee and by the Board of Directors of the Company:

Sr No.	Name of the Independent Director	Commission (in ₹)
1	Mr. Sudip Bandyopadhyay	2,400,000
2	Mr. Vijay Chugh	2,400,000
3	Mr. Rahul N. Bhagat	2,400,000
4	Mr. Subrata Kumar Mitra	1,676,712

RESOLVED FURTHER THAT for the Financial Year 2021-2022, since the Company has no profits or profits are inadequate, the aforementioned remuneration shall be in accordance with the provisions of Schedule V.

RESOLVED FURTHER THAT the above remuneration shall be in addition to the sitting fees, if any, payable to the Director for attending the meetings of the Board or any Committee thereof as may be decided by the Board of Directors and reimbursement of expenses for participation in such Board and Committee meetings.

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give full effect to the foregoing resolution."

6. Ratification of AGS Employee Stock Option Scheme 2012

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, each as amended ("Companies Act"), the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the relevant provisions of

the Memorandum of Association and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approvals of the members of the Company be and is hereby accorded for ratification of the AGS Employee Stock Option Scheme 2012 ("ESOS 2012") as aligned with the provisions of the SEBI SBEB Regulations by the members of the Company vide a special resolution dated November 22, 2021, which was originally approved by the members of the Company vide a special resolution dated February 29, 2012 prior to the initial public offer ("IPO") of equity shares of face value of ₹10 (Rupees Ten) each ("Shares") fully paid-up of the Company, which contemplates authority in the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee ("Committee"), which the Board has constituted to exercise its powers, including the powers conferred by this resolution and the SEBI SBEB Regulations) to create, and grant from time to time, in one or more tranches, not exceeding 2,319,588 (Twenty Three Lakh Nineteen Thousand Five Hundred and Eighty Eight) employee stock options to or for the benefit of such person(s) who are eligible employees(s) of the Company including any director, whether whole-time or otherwise, within the meaning of ESOS 2012, (other than the employees who are Promoters of the Company or belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Shares of the Company), as may be decided by the Board in accordance with ESOS 2012, exercisable into not more than 2,319,588 (Twenty Three Lakh Nineteen Thousand Five Hundred and Eighty Eight) Shares each fully paid-up, where one employee stock option would convert in to one Share upon exercise, to be transferred by the 'AGSTTL Employees Welfare Trust' ("Trust") an irrevocable employee welfare trust set-up by the Company prior to initial public offer of shares in due compliance with the provisions of the SEBI SBEB Regulations, on such terms and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2012."

"RESOLVED FURTHER THAT the Shares so transferred as mentioned hereinbefore shall rank pari passu with the then existing Shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares are issued by the Company, for the purpose of making a fair and reasonable

adjustment to the options granted earlier, the above ceiling of options/ Shares that may be granted under ESOS 2012 shall be deemed to be adjusted as per provisions of the SEBI SBEB Regulations."

"RESOLVED FURTHER THAT in case the Shares of the company are split-up or consolidated, then the number of Shares to be transferred and the exercise price payable by the option grantees under ESOS 2012 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹ 10/- per Share bears to the revised face value of the Shares of the Company after such split-up or consolidation, without affecting any other rights or obligations of the said grantees."

"RESOLVED FURTHER THAT the Company and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS 2012."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board be, and is hereby, authorized to do all such acts, deeds, matters and things as may be necessary or expedient in this regard at any stage as it may deem fit, from time to time, in conformity with the provisions of the Companies Act, the SEBI SBEB Regulations, the Memorandum of Association and Articles of Association of the Company and other applicable laws."

7. Extension of benefits to the employees of subsidiary companies of the Company for grant of employee stock option under AGS Employee Stock Option Scheme - ESOS 2012 ("ESOS 2012")

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the provisions of Regulation 6(3)(c) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended ("SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the ratification of the 'AGS Employee Stock Option Scheme 2012' ("ESOS 2012") by members of the Company and such other approvals, permissions

and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the members of the Company be and is hereby accorded for grant of such number of employee stock options ("Options") from time to time, in one or more tranches, under ESOS 2012 as aligned with the provisions of the SEBI SBEB Regulations, to or for the benefit of such employees(s) within the meaning of ESOS 2012, including any director, whether whole time or otherwise (other than the employees who are Promoters of the Company or belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) of any existing and future subsidiary company(ies) of the Company, whether in or outside India, and actions taken in this regard are hereby ratified, as may be decided by the Board in accordance with ESOS 2012, where one employee stock option would convert in to one equity share upon exercise, to be transferred by the 'AGSTTL Employees Welfare Trust' ("Trust") an irrevocable employee welfare trust set-up by the Company in due compliance with the provisions of the SEBI SBEB Regulations and in accordance with applicable law, on such terms and in such manner as the Board/Committee may decide under ESOS 2012."

8. Ratification of the 'AGS Employee Stock Option Scheme 2015

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any of the Companies Act, 2013, and the rules made thereunder, each as amended ("**Companies Act**"), the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject further to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the members of the Company be and is hereby accorded for ratification of the '**AGS Employee Stock Option Scheme 2015 ("ESOS 2015")**' as aligned with the provisions of the SEBI SBEB Regulations vide a special resolution dated November 22, 2021, which was originally approved by the members of the

Company vide a special resolution dated February 3, 2015 prior to the initial public offer (“IPO”) of equity shares of face value of ₹10/- (Rupees Ten) (“Shares”) each fully paid-up of the Company, which contemplates authority in the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee (“Committee”), which the Board has constituted to exercise its powers, including the powers conferred by this resolution and the SEBI SBEB Regulations) to create, and grant from time to time, in one or more tranches, not exceeding **3,416,000** (Thirty Four Lakh Sixteen Thousand only) employee stock options to or for the benefit of such person(s) within the meaning of ESOS 2015, including any director, whether whole time or otherwise (other than the employees who are Promoters(s) of the Company or belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Shares of the Company), as may be decided by the Board in accordance with ESOS 2015, exercisable into not more than **3,416,000** (Thirty Four Lakh Sixteen Thousand only) Shares each fully paid-up, where one employee stock option would convert in to one equity share upon exercise, to be transferred by the ‘AGSTTL Employees Welfare Trust’ (“Trust”) an irrevocable employee welfare trust set-up by the Company prior to initial public offer of shares in due compliance with the provisions of the SEBI SBEB Regulations, on such terms and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2015.”

“**RESOLVED FURTHER THAT** the Shares so transferred as mentioned hereinbefore shall rank pari passu with the then existing Shares of the Company.”

“**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares are issued by the Company, for the purpose of making a fair and reasonable adjustment to the options granted earlier, the ceiling in terms specified above shall be deemed to be adjusted as per provisions of the SEBI SBEB Regulations.”

“**RESOLVED FURTHER THAT** in case the Shares of the Company are split-up or consolidated, then the number of Shares to be transferred and the exercise price payable by the option grantees under ESOS 2015 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of ₹ 10/- per Share bears to the revised face value of the Shares of the Company after such split-up or consolidation, without affecting any other rights or obligations of the said grantees.”

“**RESOLVED FURTHER THAT** the Company and the Trust shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOS 2015.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be, and is hereby, authorized to do all such acts, deeds, matters and things as may be necessary or expedient in this regard at any stage as it may deem fit, from time to time in conformity with the provisions of the Companies Act, the SEBI SBEB Regulations, the Memorandum of Association and Articles of Association of the Company and other applicable laws.”

9. Extension of benefits to the employees of subsidiary company(ies) of the Company for grant of employee stock options under AGS Employee Stock Option Scheme - ESOS 2015 (“ESOS 2015”)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the provisions of Regulation 6(3)(c) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended (“SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the ratification of the ‘AGS Employee Stock Option Scheme 2015’ (“ESOS 2015”) by members of the Company, such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the members of the Company be and is hereby accorded for grant of such number of employee stock options (“Options”) from time to time, in one or more tranches, under the ESOS 2015 as aligned with the provisions of the SEBI SBEB Regulations, to or for the benefit of such employees(s) within the meaning ESOS 2015, including any director, whether whole time or otherwise (other than the employees who are Promoters(s) of the Company or belonging to the Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) of any subsidiary company(ies) of the Company, existing and future, whether

in or outside India, as may be decided under the ESOS 2015, where one employee stock option would convert in to one equity share upon exercise, to be transferred by the ‘AGSTTL Employees Welfare Trust’ (“Trust”) an irrevocable employee welfare trust set-up by the Company on such terms and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOS 2015.”

10. Appointment of Mrs. Jhuma Guha (DIN: 00007454) as a Non-Executive Woman Independent Director of the Company”)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force) read with rules made thereunder and Schedule IV of the Act and any other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mrs. Jhuma Guha (DIN: 00007454), who was appointed as an Additional Director of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and being eligible offers herself for appointment and in respect of whom the Company has received a Notice in writing from her under section 160 of the Act, proposing her candidature for the office of the Director of the Company and who has also submitted a declaration that she meets the criteria of Independence as provided under the Act and the Listing Regulations, the consent of the Members of the Company be and is hereby accorded to appoint Mrs. Jhuma Guha (DIN: 00007454) as a Non-Executive Woman Independent Director of the Company, who shall hold office for a period of five (5) years with effect from August 5, 2022 to August 4, 2027, not liable to retire by rotation

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, 198 and any other applicable provisions, if any, of the Act read with the rules, regulations, directions and notifications issued/ framed thereunder and Schedule V thereto, pursuant to the approval of the Board on the basis of recommendation of Nomination and Remuneration Committee, the consent of Members of the Company be and is hereby accorded for payment to Mrs. Jhuma Guha sitting fees of ₹ 100,000/- (Rupees One Lakh) only for attending each meeting of the Board and ₹ 50,000/- (Rupees Fifty Thousand only) for attending each meeting of the Committee of Board, profit related commission and reimbursement of actual out of pocket expenses incurred for attending the meetings of the Board and such other terms and conditions as per appointment letter approved and issued by the Board.

RESOLVED FURTHER THAT the total overall remuneration payable to Mrs. Jhuma Guha, in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient in relation to appointment of aforesaid person as a Non-Executive Woman Independent Director of the Company including but not limited to delegate any powers to any officials of the Company conferred upon the Board by this resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board

For AGS Transact Technologies Limited

Sneha Kadam

Company Secretary
(Mem No: ACS31215)
Date: August 5, 2022
Place: Mumbai

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular no. 21/2021 dated December 14, 2021 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
2. 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 Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using Remote e-Voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through e-Voting.
4. The Members can join the AGM in the VC / OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), 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 served basis.
5. The AGM shall be deemed to be held at the Corporate office of the Company at 14th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi (West), Mumbai-400013, Maharashtra.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. As the AGM shall be conducted through VC/ OAVM and physical attendance of Members has been dispensed with, the facility for appointment of Proxy by Members is not available for this AGM. Accordingly, proxy form and attendance slip including route map have not been annexed with this notice.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.agsindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
9. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
10. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India for special business under Item Nos. 3 to 10 of the Notice is annexed hereto.
11. Information required pursuant to Regulation 36(3) of the SEBI Listing Regulations read with the applicable provisions of Secretarial Standards-2, in respect of the Directors seeking appointment / re-appointment, is provided as Annexure 1 of this Notice.
12. 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 Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 08 April, 2020, 13 April, 2020 and 05 May, 2020 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 availed the services of Central Depository Services (India) Limited ("CDSL") for conducting the AGM through VC/OAVM and enabling participation of members at the meeting thereto and for providing services of Remote e-Voting and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Notes No. 23 below.
13. Non-individual Members (i.e., Institutional / Corporate Members) intending to participate through their Authorized Representatives are requested to send a scanned copy (in JPEG / PDF format) of a duly certified Board Resolution authorizing their representative(s) to participate and vote on their behalf at the AGM (through e-voting), pursuant to Section 113 of the Act, to the Company's Registrar and Share Transfer Agent at rnt.helpdesk@linkintime.co.in with a copy marked to helpdesk.evoting@cDSLindia.com
14. In case of joint holders participating at the AGM together, only such joint holder whose name appears higher in the order of names will be entitled to vote.
15. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at companysecretary@agsindia.com from **August 22, 2022 to August 24, 2022**. Those Members who have registered themselves as a speaker will only 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.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with, the SEBI (Share Based Employee Benefits) Regulations, 2014 and any other documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection electronically by the Members in accordance with the applicable statutory requirements based on the requests received by the Company at companysecretary@agsindia.com.
17. Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Share Transfer Agent at:
Link Intime India Private Limited,
C - 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083.
Tel No.: +91 -22- 49186270 Fax No.: +91- 22- 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Members may also address all other correspondences to the Registrar and Share Transfer Agent at the address mentioned above.
18. **Electronic Dispatch of Annual Report and Process for Registration of e-mail id for obtaining the Annual Report:** Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s). In accordance with the Circulars issued by MCA and SEBI and owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith) due to COVID-19 pandemic situation, such statements including the Notice of the 19th AGM are being sent through electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice of the Meeting and the Annual Report 2021-22 is also available on the Company's website www.agsindia.com, website of the Stock exchanges i.e. BSE Limited: www.bseindia.com and National Stock Exchange of India Limited: www.nseindia.com

The AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com

Members who have not registered their e-mail address with the Company or their Depository Participant are requested to register their e-mail address in the following manner:

For shares held in Physical form	Physical form Click on the link 1. https://www.linkintime.co.in/EmailReg/Email_Register.html 2. Select the name of the Company – AGS Transact Technologies Limited 3. Mention Folio No. ID, Name of Member, Certificate No, Permanent Account Number (PAN), Mobile Number, Email-Id along with a self-attested copy of your PAN Card / Aadhar / Valid Passport etc. 4. The system will send an OTP on the given mobile number and email Id 5. Enter the OTP as received above, for verification
For shares held in Dematerialized form	Register/update email address, PAN and Bank Account details with the Depository Participant where the respective dematerialised accounts are maintained.

Please note that registration of email address and mobile number is now mandatory while voting electronically and joining virtual meetings.

19. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can write to the Registrar and Share Transfer Agent with their PAN details.
20. Members may note that, as mandated by SEBI, effective April 1, 2019, the Company cannot process any request for transfer of securities in physical mode. Only securities held in dematerialized form can be transferred. Hence, Members are requested to dematerialize their shares if held in physical form.
21. Any person becoming a Member of the Company after the Notice of the Meeting is sent out through e-mail and holds shares as on the cut-off date i.e. August 23, 2022 may obtain the user ID and Password by sending a request to helpdesk.evoting@cdslindia.com and can exercise their voting rights

through Remote e-Voting by following the instructions listed here below or by voting facility provided during the meeting.

22. **INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) Pursuant to Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the SEBI Listing Regulations and the MCA Circulars, a facility is provided to the Members to cast their votes using an electronic voting system from any place before the meeting (“Remote e-Voting”) and during the meeting in respect of the resolutions proposed in this notice using the platform of CDSL.
- (ii) In order to increase the efficiency of the voting process and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, demat account holders are being provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the e-voting service providers, thereby facilitating seamless authentication and convenience of participating in the e-voting process.
- (iii) A facility for e-voting at the AGM will be made available to the Members who have not already cast their votes by Remote e-Voting prior to the Meeting. Members who have cast their votes by Remote e-Voting prior to the Meeting may participate in the AGM but shall not be entitled to cast their votes during the meeting.
- (iv) The **Remote e-Voting period begins on August 25, 2022 at 9:00 a.m. and ends on August 29, 2022 at 5:00 p.m.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 23, 2022 (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (v) Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the **cut-off date i.e. Tuesday, August 23, 2022.** A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date, i.e. Tuesday, August 23, 2022 only shall be entitled to avail

the facility of Remote e-Voting and e-voting at the AGM. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

- (vi) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide Remote e-Voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository**

Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

23. **THE PROCEDURE FOR REMOTE E-VOTING AND JOINING THE VIRTUAL AGM IS AS UNDER:**

- A. **The details of the process and manner for Remote e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode are explained herein below:**

In terms of **SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/ NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.
	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 e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 name and you will be redirected to e-Voting service provider website for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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. CDSL and NSDL

Login type	Helpdesk details
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 toll free no. 1800 22 55 33
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

B. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form

- 1) The Members should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.

- PAN
- Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
 - Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

- (vii) After entering these details appropriately, click on “**SUBMIT**” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of “**AGS Transact Technologies Limited**” to vote.
- (xi) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option

“YES/NO” for voting. Select the option **YES** or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xiv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

C. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “**CORPORATES**” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any,

should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at bhandariandassociates@gmail.com and to the Company at the email address viz; companysecretary@agsindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

24. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
- Only those shareholders, who are 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 available during the AGM.

- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

25. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical shareholders – Please provide necessary details like 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 **Company/RTA email id.**
- For Demat shareholders – Please update your email id & mobile no. with your respective **Depository Participant (DP)**
- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

26. GENERAL GUIDELINES FOR MEMBERS:

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- If you have any queries or issues regarding attending the AGM & e-voting from the e-voting System, you may refer the Frequently Asked Questions and e-voting

manual available at www.evotingindia.com under help section or contact 022-23058738, 022-23058542/43 or at toll free no. 1800 22 55 33 or write an email to helpdesk.evoting@cdslindia.com.

- All grievances connected with the facility for attending the AGM and for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or by calling on toll free no. 1800 22 55 33 or sending an email to helpdesk.evoting@cdslindia.com.

27. VOTING RESULTS

The Board of Directors of the Company has appointed M/s Bhandari & Associates, Practising Company Secretaries, Mumbai, as the Scrutinizer to scrutinize the voting including Remote e-Voting process in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter, unblock the votes cast through Remote e-Voting and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorized by

him in writing, who shall countersign the same and declare the result of the voting forthwith.

The results will be announced within the time stipulated under the applicable laws. Once declared, the results along with the consolidated Scrutinizer's report shall be placed on the Company's website www.agsindia.com and on the website of CDSL www.evotingindia.com. The Company shall also forward the results to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Tuesday, August 30, 2022.

By Order of the Board
For AGS Transact Technologies Limited

Sneha Kadam
Company Secretary
(Mem No: ACS31215)
Date: August 5, 2022
Place: Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No. 3

M/s. BSR & Co. LLP, Chartered Accountants (Firm Reg. No: 101248W/W-100022) were appointed as Statutory Auditors of the Company at the 14th Annual General Meeting ('AGM') for a period of 5 years i.e. upto the conclusion of the 19th AGM of the Company. Prior to that, they were initially appointed as the Statutory Auditors of the Company for a period of one year owing to resignation of the previous Statutory Auditor i.e. M/s S.R. Batliboi & Associates, LLP.

M/s. BSR & Co. LLP, Chartered Accountants (Firm Reg. No: 101248W/W-100022) are eligible for reappointment for a further period of 4 years. The Board of Directors at their meeting held on May 27, 2022 have basis the recommendation of the Audit Committee approved re-appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Reg. No: 101248W/W-100022) as the Statutory Auditors of the Company for a second term of four consecutive years with effect from the conclusion of this 19th AGM of the Company till the conclusion of the 23rd AGM of the Company to be held in 2027 in accordance with the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act and the Companies (Audit and Auditors) Rules, 2014. The re-appointment is subject to approval of the members of the Company.

M/s. B S R & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Companies Act. They have further confirmed that, they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Companies Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. M/s. B S R & Co. LLP has provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the 'Peer Review Board of ICAI'.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

a. Proposed fees payable to the statutory auditor(s):

The Board of Directors of the Company, on recommendation of the Audit Committee, and subject to approval of the members of the Company at the AGM, have approved to pay a fee of ₹ 56 lakh plus applicable taxes and reimbursement of the out of pocket expenses, outlays and taxes, as may be incurred by the Statutory Auditors during the course of audit review for FY 2022-2023 and Limited. Further they shall be

paid a fee of ₹ 12 lakh plus applicable taxes per quarter and reimbursement of the out of pocket expenses for quarterly/limited reviews.

The remuneration to be paid to the Statutory Auditors for the remaining term shall be mutually agreed between the Board and the Statutory Auditors from time to time. The Board of Directors of the Company in consultation with the Audit Committee may alter and vary the terms and conditions of remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or SEBI Listing Regulations and such other requirements resulting in the change in scope of work, in such manner and to such extent as may be agreed with the Statutory Auditors. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various statutory regulations and certifications required by banks, statutory authorities and other requirements as required from time to time, for which the auditors will be remunerated separately on mutually agreed terms.

b. Details in relation to and credentials of the Statutory Auditors proposed to be appointed:

B S R & Co. ('the firm ') was constituted on March 27, 1990 as a partnership firm having firm registration no. as 101248W. It and was converted into limited liability partnership i.e. B S R & Co. LLP on October 14, 2013 thereby having a new firm registration no. 101248W/W-100022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai- 400063.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi. B S R & Co. LLP has over 3000 staff and 100+ Partners. B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the logistics and financial services sector.

c. Basis of recommendation for re-appointment:

While considering the re-appointment, the Board and the Audit Committee took into account good global presence of the Statutory Auditors, their relevant experience with listed companies of similar scale, global audit approach and

sector specific experience. The Board and the Audit Committee were of the opinion that the qualification and experience of M/s. B S R & Co. LLP is commensurate with the size and requirements of the Company and accordingly have recommended their appointment to the members of the Company.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice relating to re-appointment of M/s. B S R & Co. LLP as the Statutory Auditors of the Company for approval of the Members.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice.

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Kishore Bhatia & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

The Board of Directors accordingly recommend the Ordinary Resolution as mentioned at item no.4 of this Notice for approval of the members of the Company.

None of the Directors, Key Managerial Personnel and relatives of Directors are directly/indirectly interested in this resolution.

Item No. 5

The Board of Directors at its meeting held in May 27, 2022 had recommended for the payment of profit related commission of ₹ 2,400,000 each to Mr. Sudip Bandyopadhyay, Mr. Vijay Chugh, Mr. Rahul N. Bhagat and ₹ 1,676,712 to Mr. Subrata Kumar Mitra, the Independent Directors of the Company, for the Financial Year 2021-2022 subject to the provisions of the Companies Act, 2013 and approval of the members at the ensuing 19th Annual General Meeting of the Company.

Keeping in mind the principle of shared prosperity, the Nomination and Remuneration Committee has recommended to the Board of Directors that the payment of aforesaid commission to the Independent Directors of the Company subject to the approval of the members of the Company and the Board has

concluded with the recommendation of the Nomination and Remuneration Committee and in turn has recommended the same to the Members.

Therefore, approval of the Members is sought by way of an Ordinary Resolution under the provisions of Section 197 of the Companies Act, 2013 for payment of commission to the Independent Directors in accordance with the provisions of Schedule V of Companies Act, 2013, owing to inadequate profits.

The payment of commission will be in addition to the sitting fees payable to such Directors for attending meetings of the Board and/or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and/or Committee meetings.

The Board of Directors accordingly recommend the Ordinary Resolution as mentioned at item no.5 of this Notice for approval of the members of the Company. A Statement of additional information and other particulars as may be required under Section II of Part II of Schedule V are provided in the Annexure 2 attached to this Notice.

All the aforementioned Non-Executive Independent Directors of the Company and their relatives may be deemed to be concerned or interested in the proposed Resolution to the extent of the remuneration that may be received by them. None of the other Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

Item No. 6 and 7

The Company had implemented an employee stock option plan namely AGS Employee Stock Option Scheme 2012 ("ESOS 2012") which was approved by the members of the Company vide a special resolution dated February 29, 2012 prior to its initial public offer ("IPO") of equity shares of face value of ₹ 10 each fully paid up ("Shares"), with the objective of rewarding eligible employees for their past association and performance as well as motivate the key work force, in order to seek their contribution to the growth of the Company, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. The Company had granted several employee stock options ("Options") from ESOS 2012 from time to time.

The Company had implemented ESOS 2012 through the employee welfare trust of the Company namely, AGSTTL Employees' Welfare Trust ("Trust") which was formed by the Company vide the trust deed dated February 29, 2012 including amendments thereto from time to time.

The Company had completed its IPO with listing of its Shares on 31st January, 2022 (“**Listing Date**”) on the BSE Limited and the National Stock Exchange of India Limited (together, the “**Stock Exchanges**”). Your Company has not granted any Options under the pre-IPO ESOS 2012 subsequent to the Listing Date. In accordance with Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), any fresh grant of Options under the pre-IPO ESOS 2012 by the Company can be made only after ratification of such pre-IPO ESOS 2012 by the members of the Company post IPO.

Accordingly, ESOS 2012 is placed before the members for ratification of prior actions in this regard and in terms of the SEBI SBEB Regulations and for extension of benefits to eligible employees of the existing and future subsidiary company(ies) of the Company for grant of Options under ESOS 2012, whether in or outside India. The aforesaid proposals are not detrimental to the interests of any existing Option grantees/employees.

The said proposal for ratification of ESOS 2012 and extension of benefits under ESOS 2012 to eligible employees of the subsidiary company(ies) of the Company has been approved by the Nomination and Remuneration Committee of the Board of Directors (“Committee”) of the Board of Directors of the Company (“**Board**”) and the Board at their respective meetings held on July 14, 2022.

Features of ESOS 2012 have been reproduced below in terms of the SEBI SBEB Regulations:

a) Brief description of ESOS 2012

ESOS 2012 provides for grant of Options to an Employee (as defined in ESOS 2012 and under the Companies Act, 2013 and the rules made thereunder, each as amended and the SEBI SBEB Regulations).

Upon vesting of Options, the eligible Employees earn a right (but not an obligation) to exercise the vested Options within the exercise period and obtain Shares of the Company which shall be transferred through the Trust subject to payment of the exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee of the Board of Directors of the Company (“**Committee**”) shall act as the Compensation Committee for the supervision of ESOS 2012 and the Trust shall administer ESOS 2012. All questions of interpretation of ESOS 2012 shall be determined by the Committee in accordance with the terms of ESOS 2012.

b) Total number of options to be granted

A total of 2,319,588 (Twenty Three Lakh Nineteen Thousand Five Hundred and Eighty Eight) Options would be available for being granted to the eligible Employees under ESOS 2012, exercisable into 2,319,588 (Twenty Three Lakh Nineteen Thousand Five Hundred and Eighty Eight) Shares, each fully paid-up, i.e., each Option when exercised would be converted into one Share.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the Employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options, in accordance with the terms of ESOS 2012. However, once the underlying Shares are delivered upon exercise of options, the Shares reserved for transfer under ESOS 2012 would be reduced.

In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division, consolidation or sub-division of the Shares and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, if any additional Shares are required to be issued by the Company to the Option grantees for making such fair and reasonable adjustment, the approved maximum ceiling of Options/ Shares shall be deemed to increase to the extent of such additional Shares required to be issued.

c) Identification of classes of employees entitled to participate in ESOS 2012

- a) a permanent employee of the Company working in India or outside India; or
- b) a director of the Company, whether a whole-time director or not but excluding an independent director; or
- c) employees as mentioned in (a) and (b) of the subsidiary company(ies) of the Company, in India or outside India

but excludes

- (i) an independent director;
- (ii) an employee who is a promoter or person belonging to promoter group; and
- (iii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

d) Requirements of vesting and period of vesting

The Options granted shall vest so long as the Employee continues to be in the employment/ service of the

Company. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum and maximum vesting period as specified below.

The vesting period of Options granted shall vest in not earlier than 1 (one) year and not more than 5 (five) years from the date of grant of such Options.

e) The maximum period within which the Options shall be vested

The Options granted shall vest not later than 5 (five) years from the date of grant of such Options.

f) Exercise price or pricing formula

The exercise price per Option shall be determined by the Committee but shall not be less than the face value of the Share of the Company as on date of grant. The specific exercise price shall be intimated to the Option grantee in the grant letter at the time of grant.

g) Exercise period and the process of exercise

The vested Options can be exercised within 5 years from the date of vesting.

The options will be exercisable by the grantees by a written application to the Trust along with payment of exercise price and applicable taxes in such manner and on execution of such documents, as may be prescribed from time to time. The options will lapse if not exercised within the specified exercise period.

h) Appraisal Process for determining the eligibility of the Employees

The options shall be granted to the eligible Employees in accordance with the performance appraisal system of the Company, and the Committee, at its discretion, may adopt any eligibility criteria for determining eligibility of any Employee or a class thereof on the basis of designation, role, and future potential of Employees.

i) Maximum number of options to be issued per employee and in aggregate

The maximum number of options that may be granted per such employee and in aggregate under ESOS 2012 shall vary depending upon the designation, role, criticality and the appraisal process however shall not exceed the ceiling as specified or determined, from time to time as per the

Compensation Policy of the Company. Subject to the applicable laws, the aggregate of all such stock options that can be granted to an eligible employee during any one year shall not exceed 1,000,000.

j) Maximum quantum of benefits to be provided per Employee under ESOS 2012

There is no other benefit except grant of options which shall be subject to such limitations as mentioned at point above.

k) Route of implementation or administration of ESOS 2012

ESOS 2012 is proposed to be implemented through an irrevocable employee welfare trust namely ‘AGSTTL Employees’ Welfare Trust’ (“Trust”)

l) Source of acquisition of shares under ESOS 2012

ESOS 2012 envisages primary shares which are held by the Trust. Thus, there is no contemplation of any new issue of shares nor secondary acquisition by the Trust.

m) Amount of loan to be provided for implementation of ESOS 2012 by the Company to the Trust, its tenure, utilization, repayment terms, etc.

The Company may grant a loan or provide guarantee or give security in connection with a loan granted to the Trust [by an amount not exceeding 5% (Five Percent) of the aggregate of the paid-up share capital and free reserves of the Company as per latest audited accounts of the Company.

n) Maximum percentage of secondary acquisition

ESOS 2012 does not envisage any secondary acquisition and thus, is not applicable.

o) Disclosure and Accounting Policies

The Company shall follow the Accounting Standard IND AS 102 on Share based payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including under other applicable provisions of the SEBI SBEB Regulations.

p) Method of option valuation

To calculate the employee compensation cost, the Company shall use fair value method as applicable for the time being.

q) Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value method, 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 and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

r) Period of Lock-in

The shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under ESOS 2012

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under ESOS 2012 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

As ESOS 2012 provides for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013 and the rules made thereunder, read with Regulations 6(3)(c) and 12(1) of the SEBI SBEB Regulations.

A draft copy of ESOS 2012 is available for inspection at the Company's corporate office during official hours on all working days until closure of time for casting vote through e-voting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in this resolution, except to the extent of the options that may be granted to them under ESOS 2012.

Accordingly, your Board recommends passing of the resolutions as set out in the accompanying notice.

Item No. 8 and 9

The Company had implemented an employee stock option plan namely '**AGS Employee Stock Option Scheme 2015 ("ESOS 2015")**' which was approved by the members of the Company vide a special resolution dated February 3, 2015 prior to its initial public offer ("IPO") of equity shares of face value of ₹ 10 each fully paid up ("Shares"), with the objective of rewarding eligible employees for their past association and performance as well as

motivate the key work force, in order to seek their contribution to the growth of the Company, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. The Company had granted several employee stock options ("Options") from ESOS 2015 from time to time.

The Company had implemented ESOS 2015 through the employee welfare trust of the Company namely, AGSTTL Employees' Welfare Trust ("Trust") which was formed by the Company vide the trust deed dated February 29, 2012, including amendments thereto from time to time.

The Company had completed its IPO with listing of its Shares on 31st January, 2022 ("Listing Date") on the BSE Limited and the National Stock Exchange of India Limited (together, the "**Stock Exchanges**"). Your Company has not granted any Option under the pre-IPO ESOS 2015 subsequent to the Listing Date.

In accordance with Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), any fresh grant of Options under the pre-IPO ESOS 2015 by the Company can be made only after ratification of such pre-IPO ESOS 2015 by the members of the Company post IPO.

Accordingly, ESOS 2015 is placed before the members for ratification in terms of the SEBI SBEB Regulations and for extension of the benefits of ESOS 2015 to eligible employees of the existing and future subsidiary company(ies) of the Company, for grant of Options under ESOS 2015, whether in or outside India. The aforesaid proposals are not detrimental to the interests of any existing Option grantees/employees.

The said proposal for ratification of ESOS 2015 and extension of benefits under ESOS 2015 to eligible employees of the subsidiary company(ies) has been approved by the Nomination and Remuneration Committee of the Board of Directors ("Committee") and the Board of Directors ("Board") of the Company at their respective meetings held on July 14, 2022

Features of ESOS 2015 are reproduced below in terms of SEBI SBEB Regulations:

a) Brief description of ESOS 2015

ESOS 2015 provides for grant of Options to an Employee (as defined in ESOS 2015 and under the Companies Act, 2013 and the rules made thereunder, each as amended and the SEBI SBEB Regulations).

Upon vesting of Options, the eligible Employees earn a right (but not an obligation) to exercise the vested Options within the exercise period and obtain Shares of the Company which shall be transferred through the Trust subject to payment

of the exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee of the Board of Directors of the Company ("**Committee**") shall act as Compensation Committee for the supervision of ESOS 2015 and the Trust shall administer ESOS 2015. All questions of interpretation of ESOS 2015 shall be determined by the Committee in accordance with the terms of ESOS 2015.

b) Total number of options to be granted

A total of **3,416,000** (Thirty Four Lakh Sixteen Thousand only) Options would be available for being granted to the eligible Employees under ESOS 2015, exercisable into **3,416,000** (Thirty Four Lakh Sixteen Thousand only) equity shares ("Share") of face value of ₹ 10/- each fully paid-up. Each Option when exercised would be converted into one Share.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the Employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled options in accordance with the terms of ESOS 2015. However, once underlying Shares are delivered upon exercise of options, the Shares reserved for transfer under ESOS 2015 would reduce.

In case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division, consolidation or sub-division of the Shares and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, if any additional Shares are required to be issued by the Company to the Option grantees for making such fair and reasonable adjustment, the approved maximum ceiling of Options/ Shares shall be deemed to increase to the extent of such additional Shares issued.

c) Identification of classes of employees entitled to participate in the ESOS 2015

- a) a permanent employee of the Company working in India or outside India; or
- b) a director of the Company, whether a whole-time director or not but excluding an independent director; or
- c) employees as mentioned in (a) and (b) of the subsidiary company(ies) of the Company, in India or outside India

but excludes

- (i) an independent director;
- (ii) an employee who is a promoter or person belonging to promoter group; and

- (iii) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

d) Requirements of vesting and period of vesting

The Options granted shall vest so long as the Employee continues to be in the employment/ service of the Company. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to the minimum and maximum vesting period as specified below.

The vesting period of Options granted shall vest in not earlier than 1 (one) year and not more than 6 (six) years from the date of grant of such Options.

e) The maximum period within which the Options shall be vested

The Options granted shall vest not later than 6 (six) years from the date of grant of such Options.

f) Exercise price or pricing formula

The exercise price per Option shall be determined by the Committee but shall not be less than the face value of the Share of the Company as on date of grant. The specific exercise price shall be intimated to the Option grantee in the grant letter at the time of grant.

g) Exercise period and the process of exercise

The vested Options can be exercised within 5 years from the date of vesting.

The options will be exercisable by the grantees by a written application to the Trust along with payment of exercise price and applicable taxes in such manner and on execution of such documents, as may be prescribed from time to time. The options will lapse if not exercised within the specified exercise period.

h) Appraisal Process for determining the eligibility of the Employees

The options shall be granted to the eligible Employees in accordance with the performance appraisal system of the Company and the Committee at its discretion may adopt any eligibility criteria for determining eligibility of any Employee or a class thereof on the basis of designation, role, and future potential of Employees.

i) Maximum number of options to be issued per employee and in aggregate

The maximum number of options that may be granted per Employee and in aggregate under ESOS 2015 shall vary depending upon the designation, role, criticality and the appraisal process however shall not exceed the ceiling as specified or determined, from time to time as per the Compensation Policy of the Company. Subject to the applicable laws, the aggregate of all such stock options that can be granted to an eligible employee during any one year shall not exceed 1,000,000.

j) Maximum quantum of benefits to be provided per Employee under ESOS 2015

There is no other benefit except grant of options which shall be subject to such limitations as mentioned at point above.

k) Route of implementation or administration of ESOS 2015

ESOS 2015 is proposed to be implemented through an irrevocable employee welfare trust namely 'AGSTTL Employees' Welfare Trust' ("Trust").

l) Source of acquisition of shares under ESOS 2015

ESOS 2015 envisages primary shares which are held by the Trust. Thus, there is no contemplation of any new issue of shares nor secondary acquisition by the Trust.

m) Amount of loan to be provided for implementation of ESOS 2015 by the Company to the Trust, its tenure, utilization, repayment terms, etc.

The Company may grant a loan or provide guarantee or give security in connection with a loan granted to the Trust by an amount not exceeding 5% (Five Percent) of the aggregate of the paid-up share capital and free reserves of the Company as per latest audited accounts of the Company.

n) Maximum percentage of secondary acquisition

ESOS 2015 does not envisage any secondary acquisition and thus, is not applicable.

o) Disclosure and Accounting Policies

The Company shall follow the Accounting Standard IND AS 102 on Share based payments and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations. In addition, the Company shall disclose such details as required under the applicable laws including under other applicable provisions of the SEBI SBEB Regulations.

p) Method of option valuation

To calculate the employee compensation cost, the Company shall use fair value method as applicable for the time being.

q) Declaration

In case, the Company opts for expensing of share based employee benefits using the intrinsic value method, 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 and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

r) Period of Lock-in

The shares issued pursuant to exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended.

s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under ESOS 2015

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under ESOS 2015 if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

As ESOS 2015 provides for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013 and the rules made thereunder, read with Regulations 6(3)(c) and 12(1) of the SEBI SBEB Regulations.

A draft copy of ESOS 2015 is available for inspection at the Company's corporate office during official hours on all working days until closure of time for casting vote through e-voting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in this resolution, except to the extent of the options that may be granted to them under ESOS 2015.

Accordingly, your Board recommends passing of the resolutions as set out in the accompanying notice.

Explanatory statement:

The Board of Directors of the Company at its meeting held on August 5, 2022, based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company, had approved the appointment of Mrs. Jhuma Guha, (DIN: 00007454) as an Additional Director, designated as an Independent Director of the Company for a term of 5 (Five) years from August 5, 2022 to August 4, 2027.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, pursuant to provisions of the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further, the appointment of an independent director of a listed entity shall be subject to the approval of shareholders by way of a special resolution. Accordingly, the appointment of Mrs. Jhuma Guha would require the approval of the members of the Company.

Mrs. Jhuma Guha is registered on the Independent Director's Databank and is qualified to be appointed as a director in terms of Section 164 of the Act and has given her consent to act as a director. Also, the Company has received other necessary disclosures and declarations from Mrs. Jhuma Guha including the declaration that she is not debarred from holding the office of director pursuant to any SEBI Order. The Company has also received declaration from Mrs. Jhuma Guha that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and Listing Regulations. Mrs. Jhuma Guha holds 185 shares in the Company. The Company has received a notice in writing from Mrs. Guha proposing her candidature for appointment as an Independent Director on the Board of the Company.

In the opinion of the Board, Mrs. Jhuma Guha fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. She is independent of the management and possesses appropriate skills, experience and knowledge. Considering the extensive knowledge and experience of Mrs. Guha, her understanding of business as well as her educational background, appointment of Mrs. Jhuma Guha as an Independent Director is in the interest of the Company.

Details of Mrs. Jhuma Guha are provided in the "Annexure 1" to the Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of the letter of appointment of Mrs. Jhuma Guha setting out the terms and conditions of appointment shall be available for inspection by the members electronically. Members seeking to inspect the same can send an email to companysecretary@agsindia.com.

Save and except Mrs. Jhuma Guha, none of the other Directors / Key Managerial Personnel of the Company / relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the special resolution set out in the Notice in Item No. 10 for approval of the members.

By Order of the Board

For AGS Transact Technologies Limited

Sneha Kadam

Company Secretary

(Mem No: ACS31215)

Date: August 5, 2022

Place: Mumbai

Annexure 1

Details of Directors pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given below. (For Item No. 2 and 10)

• **MR. STANLEY JOHNSON PANACHERRY**

Mr. Stanley Johnson P was appointed as an Executive Director with effect from June 9, 2021. He has been associated with the Company since August 16, 2010. He has been instrumental in strengthening and expanding our banking outsourcing operations across India. He is also a director on the board of our overseas step-down subsidiary, Novus Technologies (Cambodia) Company Limited. He has over 26 years of experience in the field of payment industry. He is a recipient of the 'Chairman's Award' from the eFunds Corporation in 2006. Further, he is a director of Confederation of ATM Industry, a registered non-profit trade association.

Director Identification Number (DIN)	08914900
Date of Birth	December 24, 1973
Age	48 years
Date of Appointment	June 9, 2021 (Appointed as Executive Director) (He has been associated with the Company since August 16, 2010)
Experience in specific functional area	26 years of experience in the field of payment industry
Expertise in specific functional area	Strengthening and expanding Company's banking outsourcing operations across India.
Qualifications	B.Sc (Mumbai University) Masters in Computer Applications (The International University, U.S.A)
List of Other Directorships	1. Confederation of ATM Industry 2. Novus Technologies (Cambodia) Company Limited [overseas step-down subsidiary of the Company]
*Chairman/ Member of the Committees of the Board of Directors of other Companies in which she is a Director (only Audit Committee and Stakeholders Relationship/ Share Allotment Committee)	None
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A
Shareholding in the company	102,000 Equity Shares
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	He is an Executive Director on the Board of the Company. Current Term: Three years from June 9, 2021. He is liable to retire by rotation. For details of remuneration paid to him during FY 2021-22, kindly refer the Corporate Governance Report.
The number of Meetings of the Board attended during the year	During FY 2021-22, Mr. Stanley Johnson P. attended all the 19 (Nineteen) Board meetings held during the financial year.

* Includes Directorship/ Chairmanship / Membership of Audit Committees and Stakeholders' Relationship Committee of other Public Limited Companies only (Whether Listed or not).

• **MRS. JHUMA GUHA**

Mrs. Jhuma Guha is a qualified Chartered Accountant and a qualified Company Secretary having a rich experience of over 3 decades in the field of financial services. She has worked with various reputed companies like ITC Limited, Reliance Securities Limited, Destimoney Securities Private Limited, etc., and currently the Vice-chairperson of Inditrade Capital Limited group and she brings along with her varied experience and expertise in the fields of Corporate and Legal Affairs, Compliance, Financial Management, Mergers and Acquisitions, Strategic Management and Planning.

Director Identification Number (DIN)	00007454
Date of Birth	January 17, 1965
Age	57 years
Date of Appointment	August 5, 2022
Experience in specific functional area	Experience of over 3 decades in the field of financial services
Expertise in specific functional area	Corporate and Legal Affairs, Compliance, Financial Management, Mergers and Acquisitions, Strategic Management and Planning.
Qualifications	Chartered Accountant and Company Secretary
List of Other Directorships	Listed entities: 1. Inditrade Capital Limited Other entities: 2. Inditrade Fincorp Limited 3. Growon Capital Private Limited 4. Inditrade Rural Marketing Limited 5. Inditrade Microfinance Limited 6. Inditrade Technologies Limited 7. Juno Moneta Technologies Private Limited 8. Inditrade Scalerator Limited 9. Inditrade Community Foundation Names of listed entities from which she has resigned in the past three years: NIL
*Chairman/ Member of the Committees of the Board of Directors of other Companies in which she is a Director (only Audit Committee and Stakeholders Relationship/ Share Allotment Committee)	1. Inditrade Microfinance Limited - Audit Committee (Member) 2. Inditrade Capital Limited A. Audit Committee (Member) B. Stakeholders Relationship Committee (Member)
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A
Shareholding in the company	Holds 185 equity shares in the Company
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person	Appointment as Non-Executive, Independent Director, Not liable to retire by rotation. Remuneration last drawn: NIL Proposed remuneration: • Sitting fees of ₹ 100,000 per Board meeting and ₹50,000 per Committee meeting attended • Profit related commission as declared by the Board and approved by the shareholders.
The number of Meetings of the Board attended during the year	N.A. Appointed w.e.f. August 5, 2022

* Includes Directorship/ Chairmanship / Membership of Audit Committees and Stakeholders' Relationship Committee of other Public Limited Companies only (Whether Listed or not).

Annexure 2
THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

I. GENERAL INFORMATION																																					
Nature of industry	The Company is in the business of supplying, installing and managing technology-based payment solutions, automation products and providing related services to its customers in Banking, Petroleum, Colour and Retail sectors.																																				
Date or expected date of commencement of commercial production	N.A. since the Company has already commenced its business activities																																				
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.																																				
Financial performance based on given indicators	<p>On a Standalone basis:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>F.Y. 2021-22 (Amount in million)</th> <th>F.Y. 2020-21 (Amount in million)</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td>13,320.36</td> <td>14,070.95</td> </tr> <tr> <td>Earnings before interest, tax, depreciation and amortization (EBITDA)</td> <td>3,366.02</td> <td>4,122.59</td> </tr> <tr> <td>(Loss) Profit Before Tax</td> <td>(814.53)</td> <td>1,011.08</td> </tr> <tr> <td>Total Tax expense</td> <td>71.71</td> <td>310.21</td> </tr> <tr> <td>(Loss) Profit after Tax</td> <td>(886.24)</td> <td>700.87</td> </tr> </tbody> </table> <p>On a Consolidated basis:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>F.Y. 2021-22 (Amount in million)</th> <th>F.Y. 2020-21 (Amount in million)</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td>17,972.65</td> <td>17,971.52</td> </tr> <tr> <td>Earnings before interest, tax, depreciation and amortization (EBITDA)</td> <td>4,362.99</td> <td>4,767.60</td> </tr> <tr> <td>(Loss) Profit Before Tax</td> <td>(665.77)</td> <td>824.27</td> </tr> <tr> <td>Total Tax expense</td> <td>158.91</td> <td>276.35</td> </tr> <tr> <td>(Loss) Profit after Tax</td> <td>(824.68)</td> <td>547.92</td> </tr> </tbody> </table>	Particulars	F.Y. 2021-22 (Amount in million)	F.Y. 2020-21 (Amount in million)	Total Income	13,320.36	14,070.95	Earnings before interest, tax, depreciation and amortization (EBITDA)	3,366.02	4,122.59	(Loss) Profit Before Tax	(814.53)	1,011.08	Total Tax expense	71.71	310.21	(Loss) Profit after Tax	(886.24)	700.87	Particulars	F.Y. 2021-22 (Amount in million)	F.Y. 2020-21 (Amount in million)	Total Income	17,972.65	17,971.52	Earnings before interest, tax, depreciation and amortization (EBITDA)	4,362.99	4,767.60	(Loss) Profit Before Tax	(665.77)	824.27	Total Tax expense	158.91	276.35	(Loss) Profit after Tax	(824.68)	547.92
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Foreign investments or collaborations, if any.	None																																				

II. A - INFORMATION ABOUT MR. SUDIP BANDYOPADHYAY	
Background details	<p>Mr. Sudip Bandyopadhyay is a qualified Chartered Accountant and a Cost Accountant, with over 3 decades of rich and diverse experience in various areas of finance and financial services.</p> <p>Mr. Bandyopadhyay's area of expertise includes retail and wholesale lending, capital markets, commodity and currency markets, wealth management, asset management, insurance, investment banking, remittance, forex and distribution of financial products.</p>

II. A - INFORMATION ABOUT MR. SUDIP BANDYOPADHYAY	
Past remuneration	Received the sitting fee for attending the Board and Committee Meetings and profit related commission for FY 2020-21
Recognition or awards	N.A.
Job profile and his suitability	Mr. Bandyopadhyay's rich and diverse experience of over 3 decades in various areas of finance and financial services can bring immense value addition to your Company.
Remuneration proposed	Commission – ₹ 2,400,000 [Rupees Twenty Four Lakhs only]
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed for the Independent Director is well within the maximum permissible remuneration as laid down in Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size, industry and profitability
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides sitting fees for attending the meetings of the Board and its Committees and the commission received for the Financial Year 2020-21 and, Mr. Bandyopadhyay does not have any pecuniary relationship with the Company and is not related to any managerial personnel of the Company.

II. B - INFORMATION ABOUT MR. VIJAY CHUGH	
Background details	Mr. Vijay Chugh has over 32 years of experience at the Reserve Bank of India in the fields of supervision and regulation of commercial banks, rural credit and development, payment and settlement systems and core banking solutions. He superannuated in the rank of Principal Chief General Manager, Department of Payment and Settlement Systems of the RBI
Past remuneration	Received the sitting fee for attending the Board and Committee Meetings and profit related commission for FY 2020-21
Recognition or awards	N.A.
Job profile and his suitability	Mr. Chugh rich and diverse experience of over 32 years can bring immense value addition to your Company.
Remuneration proposed	Commission – ₹ 2,400,000 [Rupees Twenty Four Lakhs only]
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed for the Independent Director is well within the maximum permissible remuneration as laid down in Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size, industry and profitability
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides sitting fees for attending the meetings of the Board and its Committees and the commission received for the Financial Year 2020-21 and, Mr. Chugh does not have any pecuniary relationship with the Company and is not related to any managerial personnel of the Company.

II. C - INFORMATION ABOUT MR. RAHUL N. BHAGAT	
Background details	Mr. Rahul N. Bhagat has over three decades of experience in consumer banking, and has been listed on the Asian Banker's on their List of Leading Practitioners.
Past remuneration	Received the sitting fee for attending the Board and Committee Meetings and profit related commission for FY 2020-21
Recognition or awards	N.A.

II. C - INFORMATION ABOUT MR. RAHUL N. BHAGAT

Job profile and his suitability	Mr. Bhagat's rich and diverse experience of over 3 decades can bring immense value addition to your Company.
Remuneration proposed	Commission – ₹ 2,400,000 [Rupees Twenty Four Lakhs only]
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed for the Independent Director is well within the maximum permissible remuneration as laid down in Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size, industry and profitability
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides sitting fees for attending the meetings of the Board and its Committees and the commission received for the Financial Year 2020-21 and, Mr. Bhagat does not have any pecuniary relationship with the Company and is not related to any managerial personnel of the Company.

II. D - INFORMATION ABOUT MR. SUBRATA KUMAR MITRA

Background details	Mr. Subrata Kumar Mitra has extensive experience in the fields of management and finance.
Past remuneration	N.A. Appointed w.e.f. July 20, 2021
Recognition or awards	N.A.
Job profile and his suitability	Mr. Mitra's extensive experience in the fields of management and finance can bring immense value addition to your Company.
Remuneration proposed	Commission – 1,676,712 [Rupees Sixteen Lakhs Seventy Six Thousand Seven Hundred and Twelve only]
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed for the Independent Director is well within the maximum permissible remuneration as laid down in Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size, industry and profitability
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides sitting fees for attending the meetings of the Board and its Committees and the commission received for the Financial Year 2020-21 and, Mr. Mitra does not have any pecuniary relationship with the Company and is not related to any managerial personnel of the Company.

III. OTHER INFORMATION

Reasons of loss or inadequate profits	The loss was primarily due to high finance cost, non-recurring expenses like provisions, impairment and ESOP cost, the challenging environment posed by the pandemic, geopolitical tensions, supply chain challenges, increase in raw material prices and inflationary trends.
Steps taken or proposed to be taken for improvement	N.A.
Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

IV. DISCLOSURES

Remuneration package of the managerial person:	As mentioned in the explanatory statement as stated above apart from the sitting fees for attending the Board and Audit Committee Meetings
Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2021-2022:	The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of the Financial Year 2021-2022 of the Company

Abbreviations

ACI: ACI Worldwide
AFCS: Automatic Fare Collection System
AGM: Annual General Meeting
AGSTTL: AGS Transact Technologies Limited
AMC: Annual Maintenance Contract
AOA: Articles of Association
APAC: Asia Pacific
ATM: Automated Teller Machine
BCP: Business Continuity Plan
BSE: Bombay Stock Exchange
CAGR: Compound Annual Growth Rate
CCPS: Compulsorily Convertible Preference Shares
CDES: Currency Distribution and Exchange Scheme
CEO: Chief Executive Officer
CFO: Chief Financial Officer
CFS: Consolidated Financial Statements
CIN: Corporate Identity Number
CODM: Chief Operating Decision Maker
CRM: Cash Recycler Machine
CSR: Corporate Social Responsibility
CUG: Closed User Group
DBU: Digital Banking Unit
DSCR: Debt Service Coverage Ratio
DSL: Digital Smart Learning System
EBITA: Earnings Before Interest, Taxes, Depreciation, And Amortization
ECB: External Commercial Borrowings
EGM: Extra-ordinary General Meeting
EPF: Employee Provident Fund
ESOP: Employee Stock Ownership Plan
ESOS: Employee Stock Option Scheme
EUR: European Monetary Unit
FDI: Foreign Direct Investment
FY: Financial Year
GPRS: General Packet Radio Services
GST: Goods and Services Tax
GTSL: Global Transact Services Pte. Ltd.
GTV: Gross Transaction Value
HPCL: Hindustan Petroleum Corporation Limited
IAD: Independent ATM Deployment
ICAI: Institute of Chartered Accountants of India
ICCW: Interoperable Card-less Cash Withdrawal
iCD: Intelligent Cash Deposit
IMPS: Immediate Payment Service
INR: Indian National Rupees
IPO: Initial Public Offer
IPS: Integrated Payment Solution
ITSL: India Transact Services Limited

JPY: Japanese Yen
Ken Research: The reports titled "India ATM Market Outlook to 2026" and "India Payment Services Market Outlook to 2026", each dated August 2021, issued by Ken Research Private Limited.
KMP: Key Management Personal
KPI: Key Performance Indicators
LKR: Lankan Rupee
LODR: Listing Obligations and Disclosure Requirement
M PoS: Mobile Point of Sale
MCA: Ministry of Corporate Affairs
MD: Managing Director
MEA: Middle East Africa
MHA: Ministry of Home Affairs
MeitY: Ministry of Electronics and Information Technology
MODI: Making of Developed India
MSP: Managed Service Provider
NCD: Non Convertible Debentures
NED: Non-Executive Director
NGO: Non Government Organisation
NSE: National Stock Exchange
NTPL: Novus Technologies Pte. Ltd.
OMC: Oil Marketing Companies
PHP: Philippine Peso
PIDF: Payments Infrastructure Development Fund
PoS: Point of Sale
PPI: Prepaid Payment Instruments
PSTN: Public Switched Telephone Network
QR: Quick Response
RBI: Reserve Bank of India
RFID: Radio-Frequency Identification
RFP: Request for Proposal
ROCE: Return on capital employed
RoE: Return of Equity
ROI: Return on investment
RTA: Registrar and Transfer Agents
SA: Standard Audit
SBEB: Share based Employee Benefits
SC: Supreme Court
SCA: Service Concession Arrangement
SGD: Singapore Dollar
SVIL: Securevalue India Limited
UPI: Unified Payments Interface
USA: United States of America
USD: United States Dollar
VAS: Value Added Services
WLA: White Label ATM



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