Est. 1984

ANNUAL REPORT 2022

Indian Origin Global Company

Allied Digital Services Limited

allied digital®
IT managed. Responsibly.

- CLOUD NATIVE
- CYBER SECURITY
- SOFTWARE SOLUTIONS
- SMART CITY SOLUTIONS
- INFRASTRUCTURE MANAGEMENT SERVICES
- WORKPLACE MANAGEMENT SERVICES

▲ Wholly owned subsidiaries
▲ Branches

■ Line of Business

CORPORATE INFORMATION

Board of Directors:

Mr. Nitin Shah	Chairman & Managing Director
Mr. Prakash Shah	Whole-time Director
Mr. Nehal Shah	Director
Mr. Sunil Bhatt	Director
Dr. Shrikant Parikh	Independent Director
Ms. Swanubhuti Jain	Independent Director
Mr. Milind Kamat	Independent Director
Mr. Shakti Leekha	Independent Director
Mr. Anup Mahapatra	Independent Director

Key Managerial Personnel:

Mr. Paresh Shah	Chief Executive Officer
Mr. Gopal Tiwari	Chief Financial Officer
Ms. Neha Sunil Bagla	Company Secretary & Compliance Officer

Statutory Auditors:

M/s. Shah & Taparia
B-502, Business Square,
Solitaire Corporate Park,
Chakala Junction,
Andheri Kurla Road,
Andheri East,
Mumbai - 400 093.

Internal Auditors:

M/s. S.P. Natani
505, Goyal Trade Center
Sona Cinema, Borivali East,
Mumbai - 400066

Secretarial Auditors:

M/s. Rathi & Associates
A/303 3rd Floor Prathamesh,
11/12 Senapati Bapat Marg,
Raghuvanshi Mill Compound,
Lower Parel, Mumbai – 400013.

Key Bankers:

Indian Bank
Barclays Bank

Registrar & Share Transfer Agent:

M/s Link Intime India Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli West, Mumbai – 400083.

Registered office:

Premises No 13A, 13th Floor,
Earnest House, Backbay Reclamation,
NCPA Road, Block No III,
Nariman Point, Mumbai – 400 021
CIN: L72200MH1995PLC085488
Tel : 022 – 6681 6400 • Fax: 022 – 2282 2030
Email: investors@allieddigital.net
Website: www.allieddigital.net

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Ladies and Gentlemen,

It gives me great pleasure to welcome you to the 28th Annual General Meeting of your Company.

Industry Outlook

The IT industry is at an inflection point due to disruptive emerging technologies. This has resulted in IT companies getting opportunities for rapid growth.

As per a survey done in 2022 by a leading Indian IT industry body, FY 2022 is a tipping point for the IT industry – the year in which the industry crossed $200 Bn in total revenue and 5 Mn in the total workforce. It also says the focus areas will be around customer service, supply chain, and sales & marketing. end-user enterprises are emerging as technology job creators – about 30% of respondents intend to increase their technology team by over 15%. The pandemic has further disrupted the entire world. The IT industry has provided innovative solutions to overcome this disruption by giving the WFH option.

FY 2023 growth opportunities: Infrastructure and managed services, consulting; Platform BPM, data management & RPA; ER&D will see deeper penetration of the engineering Cloud. The software product segment will see a greater offtake of productivity software and cybersecurity solutions. Finally, the eCommerce industry is set to get further disrupted by the fast-growing interest around metaverse, driven by the need for more personalized experiences.

India Outlook

India's GDP for FY2022 is estimated at 9.2% as per the Government of India's Economic Survey 2021-22.

As a result of the shifts forced by the pandemic, 2021 saw the emergence of six major global megatrends that will refocus policies, strategies, and investments on a global scale, not just in 2022, but for the coming 5-to 8 years and even beyond. These trends include Global Talent Pool Transformation, Global Supply Chain Replanning, Global Big Tech Regulation, ESG-Led Business Models, Formalization of Circular Economy, Industrial Revolution 4.0

Company Outlook

As stated earlier, Allied Digital has transformed, and we had envisaged a "Disruption Driven" model since January 2020 due to rapid change in emerging technologies. In March 2020 the world was affected by the Corona Pandemic which accelerated disruption in all business models.

Our philosophy of the "Remote First" model since 2007 has helped us in a big way.

When the industry was laying off people, we hired 1000+ employees during the pandemic. We believe in the adage "Small pain and long gain" and have undergone a complete internal transformation which has put our company on the fast growth path to address the newer challenges enforced by disruption.

Our financial results in the year in question have been stellar with a 217% increase in PAT on a Y-O-Y basis and EPS is ₹ 11.66 with face value of ₹ 5 per share.

Hence, I am pleased to announce a **20% dividend** to our shareholders.

We have restructured the company's Line of Business into 6 towers namely:

1. Cloud Services	4. Infrastructure Management Services
2. Cybersecurity	5. Software Solutions
3. Smart City Solutions	6. Workplace Management Services

Cloud Services

There is a megatrend to move technology platform from on-premises to cloud and from a CAPEX model to OPEX model, in this new trend one must pay on use basis which reduces CAPEX costs, Cloud technologies are very robust and mature now hence there is a mad rush to move most business to Cloud, Cloud technologies have also changed in an unprecedented way rapidly by creating Cloud-native platform.

Cloud-native has created humongous opportunities to re-write the software to modernize their applications and this change is

inevitable and unstoppable. We have fully geared up to address these new opportunities of Cloud migration and Managed services.

Cybersecurity

Virtualization under Cloud and WFH has exposed all to cyberthreats. Threat actors are rapidly growing by creating the latest and very sophisticated attacks like ransomware to siphon off money and MSME/Large companies are also not spared. This has created big opportunities for IT companies like us to combat such threats by incorporating several measures starting from consulting audits, implementation of cybersecurity, and Managed security services from Security Operations Center (SOC). Your company is well-positioned by pre-empting this well in advance and had created SOC in 2007 and put itself ahead of its competition. There is a significant opportunity for everyone and there will be non-discretionary expenditure to avoid and combat cyberattacks. Your company is poised to have significant growth in this space with its readiness and by taking an early mover advantage.

Smart City Solutions

Allied Digital has been reckoned as a Master Systems Integrator in this country and is also considered a pioneer and market leader. The 1st Safe/Smart city was implemented in 2014/15 by making the entire Pune & PCMC cities digital. The world-class state-of-the-art Command and control center (CCC) has been implemented to monitor the entire city.

We have created the best world-class practices and capacity to address several Smart City project opportunities under Central Government initiatives of making 100 Smart Cities. We have already bagged several Smart city projects till now and are on the verge of exponential growth.

Infrastructure Management Services (IMS)

Allied Digital was incepted in 1984 and started supporting mainframe computers in the pre-PC era and was amongst the first 3 IT companies in India with a focus on IMS as a 3rd party support provider and created an annuity business model by signing multi-year contracts.

DNA of Allied Digital is technology, and it provides IT services which is a high-margin recurring revenue annuity business. Your company has already booked Rs.2000+ crore pure services revenue for the next 5 years across the globe. We have established NOC/SOC and a Global service delivery center in Mumbai to support companies. This is our legacy business since its inception. Currently, many large companies are consolidating their multiple service providers to a single service provider by novation of all existing contracts. We have bagged 1 very large contract in the USA to support one of the largest auto manufacturers across the globe by replacing hundreds of contractors. Similarly, we have also bagged a large multi-year contract of IMS of one of India's largest conglomerates having 11 group companies.

Novation of several contracts has been done with Allied Digital as an IMS service provider. This trend is going to grow which will open large opportunities for your company to address this lucrative business. We have world best practices and service governance which is exemplary.

Software Solutions

Today Allied Digital can boast to have created 2 large, patented platforms "ADiTaaS" and "FinoAllied".

ADiTaaS is a homegrown comprehensive service management platform that is used globally by many customers and certified by PinkVERIFY certifying authority and is part of an elite club of 53 global PinkVERIFY certified companies.

We have created a path-breaking FinoAllied platform by developing an innovative Conversational Banking platform in the fintech vertical. This platform can get extended to insurance and other industries where transactions could be done by using conversational bots. This platform uses emerging technologies like NLP, AI/ML, Blockchain, Data Analytics, and Data Science.

We are highly excited to look out for opportunities by using these disruptive technologies with its specially trained and reskilled teams. We will be a part of Industrial Revolution 4.0 to solve complex industry problems.

We have heavily invested in a skilled workforce and are very optimistic to reap the benefits by leveraging these disruptive digital technologies.

Workplace Management Services

The pandemic has created a new normal and proved that the physical location from where you operate is no more important than it was earlier. The new norm of WFA has become the new normal.

Remote First concept which we created in 2007 has helped us to move the workforce to WFA seamlessly and our brilliant measures have also helped customers to move the workforce to WFA without any disruption. Allied Digital was amongst the first ones to understand this challenging environment during the pandemic to help address clients to work under "Zero trust", "PAC" privilege access rights, Single Sign-on (SSO) and endpoint security, etc. We believe that edge devices including Workplace management will not be owned by Cloud service providers and such business will always be taken care of by experienced companies like Allied Digital. We are very bullish about this tower and hence we have opened wholly-owned subsidiaries in the USA, Australia, Singapore, UK, Brazil, China, Ireland, and Japan.

We have a very strong belief to provide the best support since we have a direct presence. Effectively we have a direct footprint across the globe. This has created a pull model for us to be leveraged by multiple service providers.

NEW CHAMPION at World Economic Forum

Allied Digital is now recognized under the New Champions program by the **World Economic Forum (WEF)**. The New Champions program is one of the latest initiatives of the Forum where technology companies like Allied Digital can make a difference in the world in the coming years. Several white papers created by us have been published by WEF. This will help us collaborate with players globally to penetrate the wider business opportunities and increase our global visibility.

SDG and ESG

The Sustainable Development Goals (SDG) or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set up in 2015 by the United Nations General Assembly and are intended to be achieved by 2030.

Environmental, social, and corporate governance (ESG) is an approach to evaluating the extent to which a corporation works on behalf of social goals that go beyond the role of a corporation to maximize profits on behalf of the corporation's shareholders.

SDGs are global goals set out by the United Nations, whereas ESG is a rating system used by companies to measure their environmental and social credentials.

As a Global Corporate Citizen, Allied Digital has been doing several such activities and has adopted fair governance as its core value in its value pyramid of 7 layers and plays an active role in public-facing technology projects such as smart cities. Your company has been listing these activities but from this year plans to formalize and report these activities under the global ESG metrics framework. To achieve Net Zero carbon emissions, we will be conscious to control carbon emissions to achieve our corporate goals.

CSR

Your company firmly believes in its Corporate Social Responsibility and is helping the community with suitable donations and assistance towards needy causes like food, education, healthcare, religious nature, etc.

The Padma Pragna Private Trust set up in 2008, helps students from humble backgrounds get an education and offers healthcare facilities for the underprivileged. We ensure that 2% of our net profit is utilized for CSR as per government norms.

Awards and Accolades

Our progress has been appreciated and has resulted in several awards and accolades being given to your company. (See details on Page No. 9)

Outlook

The world is moving towards Digital which is reflected in our Company's name - **Allied Digital** and our genes giving us an early mover advantage for Digital Transformation. Metaverse is the exciting new phase that would help transition the world from physical to Digital. By providing various digital solutions to take care of client needs, we foresee a market leader status in the digital world.

We are thankful to all our investors for supporting our endeavours and are looking forward to continued support for our bright future.

With warm regards,

Nitin Shah
Chairman and Managing Director

Dear Investors,

The financial year 2021-22 has been a high growth trajectory year for your company as earlier. The COVID-19 pandemic impact that we saw in the previous year continued in the current year with the global economies partially re-opening. This saw a transition from work-from-home culture to a hybrid environment. The reopening of businesses has led to a huge increase in demand for IT services and solutions globally. The IT industry is now considered a growth driver for businesses across all verticals. Digital Transformation is at the forefront priority of all CIOs, CTOs, and CFOs.

The direct global presence in multiple countries has started generating revenues and we foresee a huge opportunity for additional business. Our global footprint is pivotal in making us a preferred service provider to our clients having a multi-country presence.

India's business has also seen good traction this year. In the solutions vertical we have bagged 5 new cities in the Smart/ Safe City domain. We are also the selected partner for providing Operations and Maintenance support for a large Emergency Response System in India. We are constantly striving to expand our solutions offerings in the enterprise vertical by targeting sectors like BFSI, Manufacturing, and Hospitality industries. Our partner-driven business in the managed services space has opened various new avenues for us like application support services, cloud services, and cyber security.

I am pleased to highlight a very encouraging financial performance during the previous year, the overall consolidated top line increased by 35% in comparison to the earlier year's turnover. Corresponding to that we achieved a quantum jump in EBITDA margin of ₹ 72.61 Crs as against the previous year's amount of ₹ 48.73 Crs. PBT for the year was INR 73.52 Crs with a jump of 213% as against the previous year's number. PAT for the year increased by 217% as against the previous year's achievement. Even before the exceptional income of INR 23.80 Crs, our PAT jumped by 94%.

Further to highlight, your company granted ESOPs to its deserving employees and booked the notional loss of about INR 7 Crs. The above financial numbers are after booking of such notional expenses. The overall EPS also increased considerably to INR 11.66 per equity share of Rs. 5/- each in comparison to last year's EPS of INR 3.82 per share.

In our constant endeavor to reduce the debt and optimize the finance cost, we are pleased to inform you that presently we are an almost debt-free company and could reduce overall finance costs drastically.

Considering the strong order book position, above new wins, and its recently launched conventional banking tool "FinoAllied", your company expects to have promising financial results in upcoming years.

With warm regards,

Prakash Shah
Whole-time Director

Ladies and Gentlemen,

It gives me great pleasure to welcome you to the 28th Annual General Meeting of your Company.

This year has been a one of the fantastic year where your company has achieved its best performance amid various global challenges.

Outlook

Your company is a well-established player in the IT Managed Services space and is a leading Master System Integrator in the country and globally. Digital Disruption is the way forward and your company is at the forefront with market-leading offerings. We are focusing on 6 key growth engines.

1. Infrastructure Management Services
2. Master System Integration
3. Workplace Management
4. Cloud Services
5. Cyber security
6. Software Services

This ensures our service offerings are future-proof. Our new offering in cybersecurity, "AIM 360" is fast gaining market attraction amid exploding demand for cybersecurity and governance.

Innovation, being an important pillar for growth, we have been hugely successful in developing our first conversational AI-based platform "FinoAllied." Your company got recognized for this product innovation by a major banking agency in India.

Expansion

Your company has extended its global footprint with our new offices in Japan, China and Brazil that has already started generating business, which we see as important markets for us. We are already well established across the Americas, Asia, Europe, the Middle East, and Australia.

Financials

The Operating revenue growth of the company has been stellar during the year in question and our revenue has grown to Rs.485 crores in 21-22. (35% growth on a Y-O-Y basis), with a very strong bottom line of 61 crore in year 2021 with a quantum jump of 217 % on Y-O-Y basis.

We have won large multi-year service deals from the World's leading German-based supplier of luxury cars and commercial vehicles and one of India's largest manufacturing conglomerates amongst others with annual price escalation to ensure healthy sales growth for the coming years. This stupendous performance has been also a result of keeping our operational expenses under strict control in these testing times and reducing our finance costs. We hope to achieve better results in the coming years and continue the growth path.

Dividend

Even as we focused on our employees' safety and customers' success, we drove focused action on deceleration in revenues in the hands of our stakeholders and thank them for being patient with our journey, accordingly your company has proposed its highest ever dividend of 20% on face value of INR 5/share.

New systems and portals

As your company is growing and adding more revenue, there are lot of new systems and processes being deployed to continuously better the governance. In this regards your company is moving to SAP HANA to manage and monitor day to day transactions for business continuity.

At Allied Digital we always believe in the fact that we succeed because of our employees, and they come FIRST. We have transformed our organization internally by making the employees "Future-ready" through motivation, training, and empowerment.

To enhance efficiency of the employees your company has invested in HRMS (Human Resources Management Software), which would help in managing manpower.

While industry attrition rates are in the range of more than 23-25%, we have a low attrition rate of 13 % and have added around 1000+ employees during the year in question.

CSR

Your Company has taken up various CSR Activities which includes Employee's Vaccinations & Donations.

Vaccination drive took place at Allied's offices at Mumbai, Pune & Kolkata. Vaccine Doses 1& 2 were given to ensure all the employees and their family members were vaccinated. Your company has also donated to multiple Charitable Trust for grain distributions to various under privileged.

ESG

ESG is the acronym for Environmental, Social, and (Corporate) Governance.

This is an initiative a company adopts as a practice to support environmental issues, and social challenges as well as to monitor its ethical corporate governance. The initiative involves measurement and reporting of activities of the company to improve the environment, undertake social cause work, and ensure following ethical corporate governance practices.

ADSL has been doing several such activities and has adopted fair governance as its core value in its value pyramid of 7 layers and plays an active role in public-facing technology projects such as smart cities. Your company has been listing these activities but from this year plans to formalize and report these activities under the global ESG metrics framework.

ESG facilitates top-line growth overall, attracts talent, reduces costs, and forges a sense of trust amongst customers. Organizations with good ESG practices score higher in terms of reputation and carry less risk as sustainability is incorporated into their governance and core value.

Future RoadMap

We have delivered record growth in revenues, and profits, as well as many customer logos, have been added. Our strategic investments in AI as early adoption have become a contributor to innovation. We have won several smart city projects. Our operational planning to scale the organization has resulted in a successful outcome. Lastly, our roadmap has ensured that we are firing indeed all six cylinders of our offerings. On the HR front there are going to be massive overall changes globally in the future with remote work practices becoming more relevant, AI and people analytics, gig economy taking centre stage. To sign off, the future of HR will depend on employee experience with a clear focus on cybersecurity considering remote working.

Hybrid Work Environment

With the current scenario, knowledge workers have become accustomed to working remotely, and splitting time between the office and home is expected to become the new normal. Your company too believes that that in-person, being together, having a sense of community is super important and with the company has implemented the hybrid work environment which allows the employees to have work life balance.

SDG-Sustainable Development Goals

With the worldwide acceptance of Sustainable Development Goals, your company is driven to put sustainability at the heart of its Business Strategy. Your Company is diligently working towards attaining the following goals.

- Good Health and Well being
- Gender Equality
- Industry, Innovation and Infrastructure
- Reduce Inequality
- Sustainable Cities and Infrastructure

With warm regards,

Nehal Shah
Executive Director

Hello Investors,

The financial year 2021-22 was exceedingly better than the previous year. We have witnessed outstanding growth in revenues and have also secured a strong booked revenue contracts for next 4+ years. This year we are busy delivering new business and experiencing new growth. Our clear roadmap is a major recipe for success. The ingredients to this recipe are, namely, sharpened delivery, geographic expansion, expanding relationships, increased leadership, and continuous learning.

Our financial highlights showed sharp improvements in all key parameters, namely Revenues, EBITDA, PBT and PAT. This fantastic growth, with sone vision and continued guidance from our founders and board members has motivated us for larger ambitious contracts and projects in coming years.

This year, the macro-economic factors are putting some hurdles such as inflation and resource challenges. Overall IT industry growth will continue to accelerate. We are proactively also implementing operational optimization as well as strengthening our employee relationships to ensure seamless delivery to the customer. We are augmenting our leadership to ensure that execution of large contracts is seamless. We also continue our pursuit for break-through innovations to pump new growth avenues with our investments in AI and automation technologies. Our sparkling new Smart city wins of Lucknow, Amritsar, Ludhiana, Sultanpur have added the cream on the cake.

Some of the key business highlights this year are,

- Global digital workplace transformation for a global automotive company worth up to USD 100M being delivered in 35+ countries
- Total Infrastructure managed services, IT contracts outsourcing and digital transformation for one of India's largest manufacturing conglomerate worth Rs 250+ crores
- Large cloud migration and IT services integration project for one of large healthcare services mergers in the US
- Large Application support outsourcing of one of India's leading private bank.
- New smart city projects, namely, Lucknow, Solapur, Amritsar, Sultanpur and Jalandhar
- Several Cyber-Security solutions implementation and managed security services in India
- Large end user services outsourcing for medical services organization in the USA

Some operational highlights

- Functional offices also now in Japan, China and Brazil
- Hired over 700 additional global workforce
- Nominated as "new champions" at World Economic Forum
- Pursuing ESG (Environment, Social and Governance) initiatives
- Won innovation award for FinoAllied product among other leadership awards
- Invested in new cybersecurity technology solutions to make organization more resilient.

Talking about areas of growth, we continue to see huge traction in cloud migration projects, cybersecurity, smart city as well as Artificial intelligence. Our pipeline looks very good also on enterprise managed IT services.

This year, we will continue our innovation and investments in building new center of excellence in cybersecurity, AI initiatives in FinoAllied product expansion, ADiTaaS enhancements and trainings in cloud and DevOps. We plan to expand our delivery centers to more locations in India. We are constantly building new partnerships across the globe as well. We are focused on improving our digital presence and visibility to customers, partners, vendors, investors and employees.

- Expansion to several countries such as Japan, China and Brazil apart from the US, Europe, Middle East, Singapore and Australia.
- Setting up of new large facility to scale business operations, drive innovative center of excellence, working with top recognized universities and incubating startups
- Invest into training for adopting trending technologies as well as building leadership
- Improving brand, building new face to the digital world.
- Adding new partners, building new relationships, and improving our cost of operations
- Constantly improving our corporate governance

We are an energized leadership and remain excited and committed to company's growth. We are working harder than ever to deliver enhanced digital customer experience, building transformative solutions, and taking up challenging projects to achieve new benchmarks. Continuous introspection with our feet on the ground is key today to jump to newer heights. We are embarked on a formalized ESG initiative to support a positive change to our environment and the society.

Your good wishes continue to ignite our passion, strengthen our team spirit, and fuel innovation.

With warm regards,

Paresh Shah
Chief Executive Officer

Annual Report Integrated Solutions Group

Allied Digital has been successful in winning the Lucknow Safe City Project as a single bidder, which is the first project under Nirbhaya Scheme with emphasis on women Safety. Hall mark of this project is the AI Based Video Analytics with 24 use cases that detects incidents such as acid throwing, street gambling, and eve teasing. This project will be operational for three years post Go- live

Additionally Allied Digital's participation in Punjab Municipal Infrastructure Development Company (PMIDC) for three Cities: Amritsar, Jalandhar and Sultanpur Lodhi in a consortium bid has been successfully won. With these winning, the total No of Smart / Safe city projects won by Allied Digital adds up to 10.

Allied Digital is strongly positioned in the industry as a Master Systems Integrator (MSI) backed by the skill sets and the knowledge that comes from completing multiple Smart / Safe City and Enterprise customer projects that addresses customers' specific need.

As the requirement is distinct for each Emerging Technology opportunity, Allied Digital leverages on its experience and institutional knowledge to ensure successful project implementation as well as post Go – Live support for the life cycle of its operation. In addition to technical skill, Its relationship with multiple Technology OEMs for critical components of the Integrated Solutions and for managing effective collaboration among the stake holders, Allied Digital has established a track record of successful delivery of all awarded projects.

With this background, Allied Digital has the opportunity to grow further its MSI business in Government as well as in Enterprise verticals. In some of the Government opportunities it is participating as single bidder and in others in consortium where Integration of multiple systems based on widely differing technologies are in the scope as in the case of Metro Rails.

Allied Digital is engaged with some large business houses to provide MSI solution that covers Physical Safety Automation, Vehicle tracking, Behaviour analysis for enhanced productivity in manufacturing facilities and offices spread across various locations Pan India. IOT is a major component of MSI deliverables at these locations which includes Analytics, AI, Cloud Computing platforms and Edge level computing such as in the case of Video analytics.

The experience and track record of Allied Digital in Smart City projects have made some Large Enterprises to consider it as a trusted partner for exploring Emerging Technology for adoption. Allied Digital's demonstrated skill in complex systems integration and their measurable benefits ensures the association with the customer remains for several years with cumulative growth in business opportunities.

With Warm Regards,

Jawahar Ali
CEO ISG

Allied Digital CMD - Nitin Shah has been recognized as one of "The Most Promising Business Leaders of Asia 2021-22"

The Economic Times is proud to acknowledge business leaders of Asia, who are going to play an important part in shaping the business demographics of not just Asia, but also the world in the near future. The Economic Times Most Promising Business Leaders Of Asia aims to have these trailblazers from countries like India, Malaysia, Singapore, China, Thailand, Vietnam, Japan, South Korea, Sri Lanka, Bangladesh, UAE, Saudi Arabia and other countries who have stood out during normal times and have expanded their business empire, can collectively with their superior intellect and economic prudence steer the continent away from economic depression.

Allied Digital recognized as Best Brand - 2021 by the Economic Times

Economic Times has once again recognized Allied Digital as Best Brand for the year 2021. We are amongst best brands like Amazon, Dell, Intel, HSBC Bank, Maruti Suzuki and Flipkart. The recognition certificate and plaque was received by Allied Digital Whole-time Director - Prakash Shah at a glittering event on 21st December, 2021 at Hotel Sahara Star, Mumbai.

Allied Digital is now admitted into the New Champions program by the World Economic Forum.

Allied Digital is now admitted into the New Champions program by the World Economic Forum. The New Champions program is one of the latest initiatives of the Forum where technology companies like Allied Digital can make a difference to the world in the coming years.

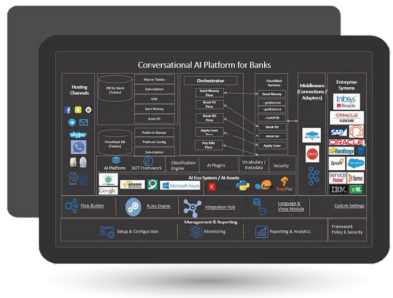
FinoAllied

Product Launch

Digital Transformation for Banks

Leveraging Conversational AI Platformas Digital Fabric

Conversational AI is a type of artificial intelligence that facilitates the human like conversation between a human and a software system in real time. It is a piece of software that a person can talk to, like chatbot, social messaging app, interactive agent, or smart device. These applications enable users to ask questions, get opinions, find support, or complete tasks remotely.



Rewards & Recognition

Allied Digital introduced the first ever Sparkle Awards, which were presented to the employees of our RMS department (Remote Management Services) for their exceptional achievement in operations, quality and commitment to continuous operational excellence. All winners received a framed certificate which was signed and presented by ADSL CMD: Nitin Shah in presence of Director: Prakash Shah, CEO: Paresh B Shah, CIO: Manoj Shah, Executive Director: Nehal Shah, Vice President BD: Rohan Shah and Chief Digital Officer: Utpal Chakraborty

Awards Received

Allied Digital is very proud to announce that our Justin Grote, Microsoft MVP and Datacenter Solutions Architect, presented “PowerShell Azure Functions – The Missing Manual” and “Optimizing Visual Studio Code for PowerShell Development” at the PowerShell Summit 2022.

We also congratulate Justin and his Daybreak team on winning the top prize in the Iron Scripter Challenge!

allied digital®
IT managed.Responsibly.

Our Product

ADiTaaS

We are Enterprise Service Management Platform

"IT MANAGEMENT IS TRANSFORMING AS TECHNOLOGY PROGRESSES ENABLING THE NEW AGE OF CUSTOMIZATION FOR SERVICE-ORIENTED ARCHITECTURE, LEVERAGING CLOUD-BASED, AI ENABLED APPLICATIONS"

ADiTaaS (Allied Digital integrated Tool-as-a-Service) is intuitive enterprise service management for the performance of the digital enterprise, on-premises or in the cloud. It provides end-to-end visibility of all services delivered by different business units, while automating processes on the powerful ADiTaaS platform. ADiTaaS is easy to configure and allows you to activate quickly, while scaling to your business needs. With a simple and consistent approach, you increase efficiency, lower costs, and devote more time to innovating and delivering the modern, consumer like, self-service experience your employees expect.

ADiTaaS provides scalable workflows to manage and deliver IT related services to your users all through a single application. This ITSM solution can help your agent's productivity, resolve issues quickly, and improve user satisfaction. Also, powered by platform native AI, you can quickly accelerate technology changes and view recommended actions for incoming tickets or requests and drive self-service and automation through enterprise chatbot technology. The ADiTaaS Platform also provides users access to ITSM via mobile or web-portal interfaces.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ALLIED DIGITAL SERVICES LIMITED WILL BE HELD ON THURSDAY, JULY 28, 2022 AT 04:00 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt:
   a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and the Statutory Auditors thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Statutory Auditors thereon.
2. To declare final dividend on equity shares of the Company for the Financial Year 2021-22.
3. To appoint a Director in place of Mr. Prakash Dhanji Shah (DIN: 00189842), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To approve appointment of Mr. Anup Kumar Mahapatra (DIN: 08985605) as an 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 Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, ("Act") the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV of the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Mr. Anup Kumar Mahapatra (DIN: 08985605) who was appointed as an Additional Director (Non-Executive & Independent) by the Board of Directors on May 18, 2022, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five (5) consecutive years with effect from May 18, 2022 upto May 17, 2027, and that his office shall not liable to retirement by rotation.

RESOLVED FURTHER THAT any one of the Board of Directors and/or the Company Secretary of the Company be and is hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-forms with the Registrar of Companies and to do all such acts, deeds matters and things as may be considered necessary, incidental and/or ancillary thereto to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any one of the Board of Directors and/or the Company Secretary of the Company, be and is hereby severally authorised to sign the certified true copy of the resolution of the resolution to be given as and when required."

5. To approve appointment of Mr. Sunil Vasudev Bhatt (DIN: 09243963) as an Executive Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of the Sections 196, 197, 198 and other applicable provisions of the of the Companies Act, 2013 ("the Act") and the rules made thereunder read with Schedule V to the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and in accordance with the circulars/guidelines issued by SEBI (including any statutory modifications or re-enactment thereof for the time being in force), and pursuant to Articles of Association of the Company and subject to the approval of the Central Government and such other requisite approvals, if any, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the Members be and is hereby accorded to appoint Mr. Sunil Vasudev Bhatt (DIN: 09243963) as an Executive Director of the Company for a period of Five (5) years with effect from May 18, 2022, upto May 17, 2027, on terms and conditions and remuneration as stated below:

I. **Period of Appointment:** Five (5) years with effect from May 18, 2022 upto May 17, 2027
II. **Remuneration:** Nil
III. The Executive Director shall be reimbursed all expenses made by him on behalf of the Company and/or incurred by him during the business trips taken by him for Company purposes. Such expenses are to be incurred and reimbursed in line with the policies of the Company.
IV. The Executive Director shall have the right to manage the day-to-day business and affairs of the Company subject to superintendence, guidance, control and direction of the other Board of Directors of the Company. The Executive

Director shall adhere to the Company's Code of Conduct for Directors and Senior Management Personnel.

V. The Executive Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of Directors.

VI. **Termination:** The appointment is liable for termination by either party giving six (6) months' notice in writing to the other.

RESOLVED FURTHER THAT Mr. Sunil Vasudev Bhatt, Executive Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee of Board and he shall be liable to retirement by rotation.

RESOLVED FURTHER THAT any one of the Board of Directors and/or the Company Secretary of the Company, be and is hereby severally authorised to file necessary e-forms, returns, applications and other documents in connection with the appointment of the Executive Director with the Ministry of Corporate Affairs, Registrar of Companies, Stock Exchanges and any other Statutory Authorities, if required, and to do all such acts, deeds and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter/ modify/ vary terms of appointment of Mr. Sunil Vasudev Bhatt, from time to time."

6. To approve material related party transaction(s) for sale, purchase or supply of any goods or materials and availing or rendering of any services between the Company and Allied Digital Services, LLC, USA for a period upto March 31, 2023

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 188 and all other relevant provisions of the Companies Act, 2013 ("Act"), if any, and the rules framed thereunder, the applicable law and the Regulation 23 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including, any statutory modification(s) or amendment thereto or re-enactment thereof); the Memorandum and Articles of Association of the Company; and other applicable statutory provisions and regulations, if any, as amended from time to time and the Company's Policy on Related Party Transactions ("RPT"), basis the recommendation and approval of the Audit Committee and the Board of Directors of the Company and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted by the Board) for executing and/ or renewing contracts/ transactions or continuing the obligations under previous contracts/agreements for a) sale, purchase or supply of any goods or materials and b) availing or rendering of any services between the Company and Allied Digital Services, LLC, USA (a subsidiary of the Company and a 'Related Party' under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), for a period upto March 31, 2023, and upto a maximum aggregate value of ₹ 50 Crore (Rupees Fifty Crores only) and ₹ 150 Crores (Rupees One Hundred Fifty Crores only) respectively, plus applicable taxes during the period, in the ordinary course of business of the Company and at arm's length basis on such terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the Company and Allied Digital Services, LLC, USA.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to enter into the abovementioned contracts / transactions / arrangements and to execute, deliver and perform all such transaction documents, contracts, deeds, undertakings and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals, if any from the relevant authorities and third parties, including governmental authorities and lenders; to suitably inform and apply to all the concerned authorities, including in respect of the requirements of the Central and/ or State Government(s) and/ or local authorities; and to take all necessary steps in the matter as it may deem necessary, desirable or expedient, to give effect to the above resolution and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers or authorities herein conferred by this resolution to any Committee of Board and/ or Board(s) and/ or official(s) of the Company/ or any other Officer(s)/ Authorized Representative(s) or any other person(s) so authorized by it, or to engage any advisor, consultant, agent or intermediary as deemed necessary by the Board in accordance with applicable laws and to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be considered necessary or expedient to give effect to the aforesaid resolution."

7. To approve material related party transaction(s) for sale, purchase or supply of any goods or materials and availing or rendering of any services between the Company and Allied Digital Services, LLC, USA for the Financial Year 2023-2024

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 188 and all other relevant provisions of the Companies Act, 2013 ("Act"), if any, and the rules framed thereunder, the applicable law and the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including, any statutory modification(s) or

amendment thereto or re-enactment thereof); the Memorandum and Articles of Association of the Company; and other applicable statutory provisions and regulations, if any, as amended from time to time and the Company's Policy on Related Party Transactions ("RPT"), basis the recommendation and approval of the Audit Committee and the Board of Directors of the Company and subject to such other necessary registrations, consents, permissions, approvals and sanctions required, if any, from any authorities under any laws or regulations or guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted by the Board) for executing and/ or renewing contracts/ transactions or continuing the obligations under previous contracts/agreements for a) sale, purchase or supply of any goods or materials and b) availing or rendering of any services between the Company and Allied Digital Services, LLC, USA (a subsidiary of the Company and a 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), for the financial year 2023-24, and upto a maximum aggregate value of ₹ 60.00 Crore (Rupees Sixty Crores only) and ₹ 180.00 Crore (Rupees One Hundred Eighty Crores only) respectively, plus applicable taxes for the financial year, in the ordinary course of business of the Company and at arm's length basis on such terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the Company and Allied Digital Services, LLC, USA.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to enter into the abovementioned contracts/transactions/arrangements and to execute, deliver and perform all such transaction documents, contracts, deeds, undertakings and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals, of any from the relevant authorities and third parties, including governmental authorities and lenders; to suitably inform and apply to all the concerned authorities, including in respect of the requirements of the Central and/ or State Government(s) and/ or local authorities; and to take all necessary steps in the matter as it may deem necessary, desirable or expedient, to give effect to the above resolution and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers or authorities herein conferred by this resolution to any Committee of Board and/ or Board(s) and/ or official(s) of the Company/ or any other Officer(s)/ Authorized Representative(s) or any other person(s) so authorized by it, or to engage any advisor, consultant, agent or intermediary as deemed necessary by the Board in accordance with applicable laws and to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be considered necessary or expedient to give effect to the aforesaid resolution."

By Order of the Board of Directors
For **Allied Digital Services Limited**

Nitin Dhanji Shah
Chairman and Managing Director
DIN: 00189903

Place: Mumbai
Date: May 18, 2022

Registered Office:

Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block III, Backbay Reclamation,
Nariman Point, Mumbai 400 021
CIN: L72200MH1995PLC085488
Website: www.allieddigital.net
Email: investors@allieddigital.net
Tel: +91 22 6681 6400
Fax: +91 22 2282 2030

NOTES:

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 28TH AGM THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING:

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Ministry of Corporate Affairs ('MCA') has vide its Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and the latest being Circular No. 2/2022 dated May 5, 2022 and all other relevant circulars issued from time to time (collectively referred to as '**MCA Circulars**') and Securities and Exchange Board of India vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD1/CIR/P/ 2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other applicable circulars issued in this regard (collectively referred to as "**SEBI Circulars**"), have allowed the Companies to conduct Annual General Meeting through VC or OAVM till December 31, 2022 without physical attendance of the Members at a common venue.

   In accordance with the MCA Circulars and SEBI Circulars, provisions of the Companies Act, 2013 ("**the Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** the 28th Annual General Meeting ('**AGM**') of the Company is being held through VC/OAVM on Thursday, July 28, 2022 at 04:00 p.m. IST. The deemed venue for the AGM shall be the Registered Office of the Company.

   An Explanatory Statement pursuant to Section 102(1) of the Act relating to the Special Business to be transacted at the AGM is annexed hereto. The matters of Special Business as appearing at item nos. 4 to 7 of the accompanying Notice, form part of this Notice. Further, the relevant details with respect to Item No. 3 to 5 pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment and/or re-appointment at this AGM are also annexed.
2. Pursuant to MCA Circulars and SEBI Circulars relaxation has been granted to the Companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, the Company will only be sending soft copy of Notice of the 28th AGM along with the Annual Report 2021-22 via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/Depository unless any member has requested for a physical copy of the same.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.
4. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. authorizing its representatives to attend the AGM and authorized to vote, to the Scrutinizer by e-mail to hsk@rathiandassociates.com with a copy marked to evoting@nsdl.co.in and investors@allieddigital.net. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
5. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. The Notice calling the AGM along with the Annual Report 2021-22 will also be available on the website of the Company at www.allieddigital.net. and 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 and the AGM Notice is also available on the website of National Securities Depository Limited ("NSDL") www.evoting.nsdl.com
7. All the Documents referred to in the accompanying Notice along with the Explanatory Statement shall be made available for inspection through electronic mode, basis on the requests received on investors@allieddigital.net.
8. During the AGM, the registrar 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 Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for the Inspection at the NSDL e-Voting system at www.evoting.nsdl.com.
9. Pursuant to the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), and the MCA Circulars, 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 NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting at the AGM will be provided by NSDL.

10. The final dividend, as recommended by the Board of Directors, if approved at the ensuing AGM, the payment of such dividend subject to deduction of tax at source will be made on or before **Thursday, August 26, 2022**, as under:

    (a) To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company till the closure of business hours on **Thursday**, **July 21, 2022**.

    (b) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", till the closure of business hours on **Thursday**, **July 21, 2022**.

11. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from **Friday, July 22, 2022** to **Thursday, July 28, 2022 (both days inclusive)** for AGM and determining the names of members eligible for dividend on equity shares for the financial year 2021-22.

12. The Company has fixed **Thursday**, **July 21, 2022**, as the **"Record Date"** for determining entitlement of Members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.

13. Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on: www.iepf.gov.in.

14. Members are requested to intimate changes if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,:

    a) For shares held in electronic form: to their Depository Participants (DPs)

    b) For shares held in physical form: to the Registrar and Transfer Agent ('RTA') of the Company i.e. Link Intime India Private Limited in prescribed Form ISR-1, pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. A copy of Form ISR-1 is available on the website of the Company at www.allieddigital.net and also on the website of the Company's RTA i.e. https://web.linkintime.co.in/KYC-downloads.html

    c) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. It may be noted that any service request can be processed only after the folio is KYC Compliant. A copy of Form ISR-4 is available on the website of the Company at www.allieddigital.net and also on the website of the Company's RTA i.e. https://www.linkintime.co.in

15. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company's RTA for assistance in this regard.

16. As per the provisions of section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or Form No. SH-14 as the case may be. A copy of the above forms are available on the website of the Company at www.allieddigital.net and also on the website of the Company's RTA:
    i.e. https://web.linkintime.co.in/KYC-downloads.html

17. Members seeking any information with regards to the financial statements or any matter to be placed at the AGM, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investors@allieddigital.net The same will be replied by the Company suitably.

18. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.

19. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

20. The Members can join the AGM in the VC/OAVM mode 15 minutes before 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.
21. The Company has made special arrangement with the RTA for registration of e-mail addresses in terms of the MCA Circulars for members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically. Eligible members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to RTA on or before 5:00 p.m. IST on Monday, July 18, 2022 pursuant to which, any member may receive on the e-mail address provided by the member the Notice of this AGM along with the Annual Report 2021-22 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting. Further any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. July 21, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 21, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

A. Process for registration of email id for obtaining Annual Report and user id/password for e-Voting and updation of bank account mandate for receipt of dividend:

a. Process for registration of email id

Physical Holding	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number, e-mail ID, and also upload the image of share certificate and a duly signed request letter (upto 1 MB) in PDF or JPEG format.
For Permanent Registration for Demat shareholders	Members are requested to register their e-mail address with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
For Temporary Registration for Demat shareholders	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail ID, and also to upload a duly signed request letter (upto 1 MB) in PDF or JPEG format.

Alternatively, Members whose e mail IDs are not registered may send an e-mail request to e-Voting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned above.

b. Process for registration of Bank Account Details

Physical Holding	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e – mail id along with the copy of the cheque leaf with the first named members name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code and a duly signed request letter in PDF or JPEG format.
Demat Holding	Members are requested to register their bank details with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

On submission of the details for registration of email id / bank account an OTP will be received by the Member which needs to be entered in the link for verification. In case of any query, a Member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

You are requested to register your e-mail address/Bank Details with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html

B. Communication in respect of deduction of tax at source on Final Dividend payout:

Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

No tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year does not exceed Rs. 5,000/-..

A resident individual shareholder holding PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents.

The shareholders are requested to update their PAN with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) and with relevant depository participant (in case of shares held in demat mode). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

The tax exemption form can be downloaded from URL https://www.linkintime.co.in/client-downloads.html On this page select the General tab and the forms are available under the head "Form 15G/15H/10F"

The requisite tax exemption forms are required to be uploaded on the URL https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html

E-voting:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), MCA Circulars and the SEBI Circular, the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by remote e-Voting prior to the AGM or by remote e-Voting during the AGM. Instructions for members for attending the AGM through VC/OAVM are explained below.

The members can opt for only one mode of e-Voting i.e. either prior to the AGM or during the AGM. The members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-Voting prior to the Meeting shall be able to exercise their right to cast their vote by e-Voting during the Meeting. The members who have cast their vote by remote e-Voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

The remote e-Voting period begins on **Monday, July 25, 2022** at **09:00 A.M. (IST) and ends on Wednesday, July 27, 2022** at **05:00 P.M. (IST).** The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The members, whose names appear in the Register of Members/Beneficial Owners as on the record date **("cut-off date")** i.e. **Thursday, July 21, 2022,** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, July 21, 2022.**

The Board of Directors have appointed Mr. Himanshu S. Kamdar, (Membership No. FCS 5171 and CP No. 3030) of M/s. Rathi & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the entire e-Voting process in a fair and transparent manner.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	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.nsdl.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 options available against company name or e-Voting service provider - NSDL and you will be re directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

IMPORTANT NOTE: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available on the abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 4430
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542/43

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

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

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

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

4. Your user ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "**Physical User Reset Password?"** (If you are holding shares in physical mode) option available on: www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, Scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@allieddigital.net
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@allieddigital.net If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders 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 e-mail address mentioning their name, DPID and Client ID/folio number, PAN, mobile number at investors@allieddigital.net. 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.

   Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Assistant Vice President, NSDL at the designated email ID: evoting@nsdl.co.in or Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in

By Order of the Board of Directors
For **Allied Digital Services Limited**

Nitin Dhanji Shah
Chairman and Managing Director
DIN: 00189903

Place: Mumbai
Date: May 18, 2022

Registered Office:

Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block III, Backbay Reclamation,
Nariman Point, Mumbai 400 021
CIN: L72200MH1995PLC085488
Website: www.allieddigital.net
Email: investors@allieddigital.net
Tel: +91 22 6681 6400
Fax: +91 22 2282 2030

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Mr. Anup Kumar Mahapatra (DIN: 08985605) as an Additional Director designated as Independent Director of the Company with effect from May 18, 2022.

Nomination and Remuneration Committee and the Board of Directors have recommended the appointment of Mr. Anup Kumar Mahapatra (DIN: 08985605) as an Independent Director for a term up to five (5) years commencing from May 18, 2022 to May 17, 2027. In terms of section 160 of the Companies Act, 2013 ("the Act") the Company has also received a notice in writing from a member proposing the candidature of Mr. Anup Kumar Mahapatra to be appointed as an Independent Director of the Company.

The Company has received a declaration from Mr. Anup Kumar Mahapatra confirming that he meets the criteria of independence under the Act and SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 ("Listing Regulations"). Further, the Company has also received consent from Mr. Anup Kumar Mahapatra to act as an Independent Director in terms of Section 152 of the Act along with a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In the opinion of the Nomination and Remuneration Committee and the Board of Directors, Mr. Anup Kumar Mahapatra has vast knowledge and varied experience and will be of great value to the Company. Further, Mr. Anup Kumar Mahapatra fulfils the conditions specified in the Act and rules made thereunder and Listing Regulations, for his appointment as an Independent Director of the Company and he is independent of the management.

A brief profile of Mr. Anup Kumar Mahapatra, including nature of his expertise is provided in this Annual Report. A copy of the draft letter of appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the company: www.allieddigital.net.

The Board of Directors recommends his appointment by passing of Special Resolution as set out at Item No. 4 of this notice.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Anup Kumar Mahapatra are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Special Resolution set out at Item no. 4 for approval of the Members.

ITEM NO. 5

Mr. Sunil Vasudev Bhatt was appointed as Non-Executive Director of the Company by the Members at the 27th Annual General Meeting of the Company held on September 13, 2021. Due to his active participation in the operations of the Company and upon the recommendation of the Nomination and Remuneration Committee, the Board of the Directors in its Meeting held on May 18, 2022, approved to appointment of Mr. Sunil Vasudev Bhatt (DIN: 09243963) as an Executive Director of the Company.

Mr. Sunil Vasudev Bhatt has been associated with the Allied Digital Group from last 25 years and he is a Chief Technology Officer of Allied Digital Services, LLC, USA since 12 years. Mr. Sunil Vasudev Bhatt has over 27 years of experience in the Technology industry. His valuable contribution to the Company ever since his association with the Company, has greatly helped the Company to grow manifold. It would be in the interest of the Company to continue to avail his rich expertise and accordingly it is proposed to appoint him as an Executive Director of the Company.

The particulars of the terms of appointment to Mr. Sunil Vasudev Bhatt is set out in the Resolution at Item No. 5 of this Notice.

The aforesaid appointment of Mr. Sunil Vasudev Bhatt, is subject to the approval of the Central Government, if any and this appointment is at variance to the conditions set out in Clause (e) of Part I of Schedule V of the Companies Act 2013, ("the Act") which is read as under:

(a) he is resident of India.

Explanation I.—For the purpose of this Schedule, resident in India includes a person who has been staying in India for a continuous period of not less than twelve months immediately preceding the date of his appointment as a managerial person and who has come to stay in India,—

(i) for taking up employment in India; or
(ii) for carrying on a business or vacation in India.

Explanation II — This condition shall not apply to the companies in Special Economic Zones as notified by Department of Commerce from time to time:

Provided that a person, being a non-resident in India shall enter India only after obtaining a proper Employment Visa from the concerned Indian mission abroad. For this purpose, such person shall be required to furnish, along with the visa application form, profile of the company, the principal employer and terms and conditions of such person's appointment.

Mr. Sunil Vasudev Bhatt is an US National and he has not been a resident of India as stipulated under Schedule V of the Act and hence the said appointment shall be subject to approval of the Central Government.

In accordance with the provisions of Sections 196 and other applicable provisions of the Act, read with Schedule V to the said Act, the proposed appointment of Mr. Sunil Vasudev Bhatt as Executive Director requires the approval of Members by passing Special Resolution. Hence, the Members are requested to pass the Special Resolution accordingly.

A brief profile of Mr. Sunil Vasudev Bhatt including nature of his expertise and other details in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 is provided below.

Disclosure required under Schedule V of the Companies Act, 2013 is set out as the ***"Annexure-A"*** to this Notice.

The Board recommends his appointment by passing Special Resolution as set out in Item No. 5 of this notice.

None of the Directors or Key Managerial Personnel and their relative, except Mr. Sunil Vasudev Bhatt are concerned or interested (financially or otherwise) in this resolution. The Board recommends the Special Resolution set out at Item No. 5 for approval of the Members.

ITEM NO. 6

The Company proposes to enter into business transactions with Allied Digital Services, LLC, USA, (Subsidiary Company) such as sale and purchase of IT Hardware and spare parts and services related to Remote Management, Infrastructure and Management Services.

The proposed transactions aim towards furthering the main business activities and ensuring that it would be in the best interest of the Company. It will further achieve synergies and economies of scale; reduce operational costs; strengthen sustainability and to conserve natural resources.

The proposed transactions with related parties are intended to be carried out on an arm's length basis and in the ordinary course of business.

Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), mandates prior approval of the Members through Ordinary Resolution for all 'material' Related Party Transactions. A transaction is considered 'material', if such transaction entered into/ to be entered into with a related party, individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crores (Rupees One Thousand Crores only) or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity, whichever is lower.

Since the aggregate value of proposed transactions with Allied Digital Services, LLC, USA (being a 'Related Party' as per Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), as mentioned in Item no. 6 of this Notice is expected to exceed threshold limit of material related party transaction, the Company proposes to seek approval of its Members for the proposed transactions by way of an Ordinary Resolution as per provisions of Regulation 23 of Listing Regulations.

The Board of Directors based on recommendation of the Audit Committee at their meeting held on May 18, 2022, have approved to enter into and/ or continue with contracts/ transactions previously entered into/ to be entered into, with Allied Digital Services, LLC, USA (whether individual transaction or transactions taken together or series of transactions or otherwise) in the ordinary course of business of the Company and at arm's length basis.

Details of the proposed transaction with Allied Digital Services, LLC, USA as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below:

Sr. No.	Particulars	Details		
1.	Name of the related party	Allied Digital Services, LLC, USA		
2.	Nature of Relationship	Subsidiary		
3.	Details of Transactions	Type, material terms and particulars of the proposed transaction	Tenure of the proposed transactions	Amount
	a. sale, purchase or supply of any goods or materials between the Company and Allied Digital Services, LLC, USA;	Sale and Purchase of IT Hardware and spare parts Material terms: at prevailing market price from time to time and payment terms as per the policy of the Company	Omnibus approval for a period from the date of current AGM upto the end of financial year 2023 i.e March 31, 2023	₹ 50.00 Crores

Sr. No.	Particulars	Details		
	b. availing or rendering of any services between the Company and Allied Digital Services, LLC, USA;	Rendering of Remote Management, Infrastructure and Management Services Material terms: As per the terms of the Contract	Omnibus approval for a period from the date of current AGM upto the end of financial year 2023 i.e. March 31, 2023.	₹ 150.00 Crores
4.	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by value of the proposed transaction	41%		
	Value of proposed transaction based on Percentage of Allied Digital Services, LLC, USA annual Standalone turnover	49%		
5.	Aggregate Value of all transactions	₹ 200 Crores.		
6.	Tenure	From the date of current AGM upto the end of financial year 2023 i.e March 31, 2023		
7.	Other details/disclosures	The transaction does not relate to any loans inter-corporate deposits, advances or investments made or given by the listed entity to Allied Digital Services, LLC, USA.		
8.	Justification as to why the related party transaction is in the interest of the Company	▪ We being Indian Multi-national IT company, having our subsidiaries in Multiple countries such as USA, UK, Ireland, Brazil, Japan, China, Singapore, etc. Though, in most of the countries we are having operations and intercompany transactions, our maximum transactions are with Allied Digital Services, LLC, USA. ▪ In fact, the volume of business in our US company is more than 80% of the overall volume of the entire group companies put together. ▪ Our US Company is having their clientele spread across the globe and we the parent Company in India provide services to those clients remotely from India. ▪ Our US Company, outsource a portion of their scope of work through us, we being highly cost effective for them. ▪ Furthermore, all such transactions between US and other subsidiaries as well, all transactions are at arm's length prices and the same is being reviewed by Independent Auditor and the reports are submitted to the authorities every year.		

Considering the nature of related party transactions entered into/ to be entered into by the Company with Allied Digital Services, LLC, USA, no valuation report is required for the said purpose.

Mr. Nitin Dhanji Shah and Mr. Prakash Shah hold Directorship on the Board of the Company and Allied Digital Services, LLC, USA. Mr. Nehal Shah being an immediate relative of Mr. Nitin Dhanji Shah & Mr. Prakash Shah and Mr. Sunil Bhatt is in employment at Allied Digital Services, LLC, USA. Apart from above, none of the Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested, financially or otherwise, in the said resolution.

All entities falling under definition of related party of the Company shall abstain from voting irrespective of whether the individual/ entity is party to the particular transaction or not. The Board of Directors recommends the resolution set forth in Item No. 6 for approval of the Members as an Ordinary Resolution.

ITEM NO. 7

The Company proposes to enter into business transactions with Allied Digital Services, LLC, USA, (Subsidiary Company) such as sale and purchase of IT Hardware and spare parts and services related to Remote Management, Infrastructure and Management Services.

The proposed transactions aim towards furthering the main business activities and ensuring that it would be in the best interest of the Company. It will further achieve synergies and economies of scale; reduce operational costs; strengthen sustainability and to conserve natural resources.

The proposed transactions with related parties are intended to be carried out on an arm's length basis and in the ordinary course of business.

Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), mandates prior approval of the Members through Ordinary Resolution for all 'material' Related Party Transactions. A transaction is considered 'material', if such transaction entered into/ to be entered into with a related party, individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crores (Rupees One Thousand Crores only) or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity, whichever is lower.

Since the aggregate value of proposed transactions with Allied Digital Services, LLC, USA (being a 'Related Party' as per Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations), as mentioned in Item no. 7 of this Notice is expected to exceed threshold limit of 10% of the annual consolidated turnover for the financial year ended March 31, 2023 of the Company, the Company proposes to seek approval of its Members for the proposed transactions by way of an Ordinary Resolution as per provisions of Regulation 23 of Listing Regulations.

The Board of Directors based on recommendation of the Audit Committee at their meeting held on May 18, 2022, have approved to enter into and/ or continue with contracts/ transactions previously entered into/ to be entered into, with Allied Digital Services, LLC, USA (whether individual transaction or transactions taken together or series of transactions or otherwise) in the ordinary course of business of the Company and at arm's length basis.

Details of the proposed transaction with Allied Digital Services, LLC, USA as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below:

Sr. No.	Particulars	Details		
1.	Name of the related party	Allied Digital Services, LLC, USA		
2.	Nature of Relationship	Subsidiary		
3.	Details of Transactions	Type, material terms and particulars of the proposed transaction	Tenure of the proposed transactions	Amount
	a) sale, purchase or supply of any goods or materials between the Company and Allied Digital Services, LLC, USA;	Sale and Purchase of IT Hardware and spare parts Material terms: at prevailing market price from time to time and payment terms as per the policy of the Company	Omnibus approval for the Financial Year 2023-24.	₹ 60.00 Crores
	b) availing or rendering of any services between the Company and Allied Digital Services, LLC, USA;	Rendering of Remote Management, Infrastructure and Management Services Material terms: As per the terms of the Contract.	Omnibus approval for the Financial Year 2023-24.	₹ 180.00 Crores
4.	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by value of the proposed transaction	49%*		
	Value of proposed transaction based on Percentage of Allied Digital Services, LLC, USA annual Standalone turnover	58%*		
5.	Aggregate Value of all transactions	₹ 240.00 Crores		
6.	Tenure	For the Financial Year 2023-24		
7.	Other details/disclosures	The transaction does not relate to any loans inter-corporate deposits, advances or investments made or given by the listed entity to Allied Digital Services, LLC, USA.		

Sr. No.	Particulars	Details
8.	Justification as to why the related party transaction is in the interest of the Company	▪ We being Indian Multi-national IT Company, having our subsidiaries in Multiple countries such as USA, UK, Ireland, Brazil, Japan, China, Singapore, etc. Though, in most of the countries we are having operations and intercompany transactions, our maximum transactions are with Allied Digital Services, LLC, USA. ▪ In fact, the volume of business in our US company is more than 80% of the overall volume of the entire group Companies put together. ▪ Our US Company is having their clientele spread across the globe and we the parent Company in India provide services to those clients remotely from India. ▪ Our US Company, outsource a portion of their scope of work through us, we being highly cost effective for them. ▪ Furthermore, all such transactions between US and other subsidiaries as well, all transactions are at arm's length prices and the same is being reviewed by Independent Auditor and the reports are submitted to the authorities every year.

** Based on the annual turnover as on March 31, 2022.*

Considering the nature of related party transactions entered into/ to be entered into by the Company with Allied Digital Services, LLC, USA, no valuation report is required for the said purpose.

Mr. Nitin Dhanji Shah and Mr. Prakash Shah hold Directorship on the Board of the Company and Allied Digital Services, LLC, USA. Mr. Nehal Shah being an immediate relative of Mr. Nitin Dhanji Shah & Mr. Prakash Shah and Mr. Sunil Bhatt is in employment at Allied Digital Services, LLC, USA. Apart from above, none of the Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested, financially or otherwise, in the said resolution.

All entities falling under definition of related party of the Company shall abstain from voting irrespective of whether the individual/entity is party to the particular transaction or not. The Board of Directors recommends the resolution set forth in Item No. 7 for approval of the Members as an Ordinary Resolution.

By Order of the Board of Directors
For **Allied Digital Services Limited**

Nitin Dhanji Shah
Chairman and Managing Director
DIN: 00189903

Place: Mumbai
Date: May 18, 2022

Registered Office:

Premises No. 13A, 13th Floor, Earnest House,
NCPA Road, Block III, Backbay Reclamation,
Nariman Point, Mumbai 400 021
CIN: L72200MH1995PLC085488
Website: www.allieddigital.net
Email: investors@allieddigital.net
Tel: +91 22 6681 6400
Fax: +91 22 2282 2030

BRIEF PROFILE OF THE DIRECTORS PROPOSED TO BE APPOINTED AT THE 28TH ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ['SS - 2'] ARE AS UNDER:

Name	Mr. Prakash Shah	Mr. Sunil Bhatt	Mr. Anup Kumar Mahapatra
Proposed Designation	Executive Director	Executive Director	Independent Director
Date of Birth (age)	April 18, 1962 (60 years)	September 11, 1974 (47 years)	April 4, 1963 (59 years)
Nature of his expertise in specific functional areas	Finance, Taxation, Accounts	Technology Innovation and Business Development	Banking
Qualifications	Bachelors Degree in Commerce, Diploma in Computer Management	Diploma in Computer Technology	Bachelor of Science in Agriculture
Experience	35+ years	27 years	34 years
Number of Shares held in the Company	8178348 Equity shares	45000 Equity shares	–
Terms and Conditions of Appointment/re-appointment	– During his tenure with the company he shall not disclose directly or indirectly any information/ document about the company. – During his employment with the company he may come across of companies' plans, policies, undisclosed records design and/ or strategies which are confidential in nature and he requires to maintain its confidentiality.	– During his tenure with the ompany he shall not disclose directly or indirectly any information/ document about the company. – During his employment with the company he may come across of companies' plans, policies, undisclosed records design and/ or strategies which are confidential in nature and he requires to maintain its confidentiality.	During his tenure with the company he shall not disclose directly or indirectly any information/ document about the company.
Date of Appointment on the Board	March 01, 2021	May 18, 2022 (Subject to approval of Central Government)	May 18, 2022
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Mr. Nitin Shah and Mr. Prakash Shah are brothers. Mr. Nehal Shah is a relative of Mr. Prakash Shah	–	–
Number of Meetings attended during the year	05	03	Not Applicable
Name of the other listed Companies in which also holds Directorship, Membership/ Chairmanship of Committees along with listed companies from which the person has resigned in the past three years	–	–	–
Last drawn remuneration	₹ 95,12,688/- per annum	Nil	Nil

Details of Remuneration sought to be paid	₹ 1,00,00,000/- per annum and commission, if any	Nil	**1. Sitting Fees** a. Board Meetings: ₹ 25,000/- per meeting b. Committee Meetings, if any: ₹ 15,000/- per meeting **2. Reimbursement of expenses -** For participation in the meetings of the Board, Committee and other official business of the Company

Annexure-A

Further Disclosure in pursuant to the provisions of Schedule V of the Companies Act, 2013 with respect to appointment of Mr. Sunil Bhatt as an Executive Director

I	GENERAL INFORMATION			
	1.	**Nature of Industry**	Information Technology	
	2.	**Date or expected date of commencement of Commercial production**	The Company has been engaged in the business of Information Technology for more than 2 decades.	
	3.	**In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus**	Not Applicable	
	4.	**Financial performance based on the given indicators**	Financial performance based on the Audited Accounts for the year ended March 31, 2022 is as under:	(₹ in Lakhs)
			Sales	12,258
			Profit after Tax	569
			Asset Turnover Ratio	0.21
			Current Ratio	4.05
			Profit to Net Sales	4.64%
	5.	**Export performance and net foreign exchange collaborations**	The total export sales realised during the year ended March 31, 2022 amounts to ₹ 5,668 Lakhs	
	6.	**Foreign investments or collaborations, if any**	The Company' total investment as on March 31, 2022 in its Foreign Subsidiary Companies is ₹ 14,872 Lakhs.	

II	**INFORMATION ABOUT THE APPOINTEE**		
	1.	**Background details**	Mr. Sunil Vasudev Bhatt has completed Diploma in Computer Technology from the Board of Technical Education in Maharashtra and has various technical and industry certifications. He is with Allied Digital Group since last 25 years and his expertise is in technology innovation, strategy, business development, product development, solution selling, go-to-market, and customer success. Mr. Sunil Vasudev Bhatt is a part the Core management group of the Allied Digital and currently he is a Chief Technology Officer in Allied Digital Services, LLC, USA. Considering his contribution in overall growth and management of the Company, he was re-designated as an Executive Director of the Company. He has deep exposure in Technology Innovation and Business Development.
	2.	**Past remuneration**	Nil
	3.	**Recognition or awards**	–
	4.	**Job profile and his suitability**	Mr. Sunil Vasudev Bhatt is energetic and dynamic; drives global solutions and services in various technology domains and Business Development. With passion for technology, he is deeply involved in to build innovative solutions and services to clients, building partner relationships and driving business growth globally.
	5.	**Remuneration proposed**	Nil
	6.	**Comparative remuneration profile with respect of industry, size of the company, profile with the position and person.**	Not Applicable
	7.	**Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.**	Apart from working as Chief Technology Officer in Allied Digital Services, LLC, USA, he does not have any other pecuniary relationship with the Company, subsidiaries, other Directors or managerial personnel of the Company.
III	**OTHER INFORMATION**		
	1.	**Reasons of loss or inadequacy of profits**	Company has made profit during the year and the Company is expected to perform even better in coming years. Productivity and profits are expected to be improved accordingly.
	2.	**Steps taken or proposed to be taken for improvement**	
	3.	**Expected increase in productivity and profits in measurable items**	
IV	**OTHER DISCLOSURE**		The other disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Directors' Report under the heading "Corporate Governance Report" forming part of the Annual Report for 2021-22

DIRECTORS' REPORT

Dear Members,

The Board of Directors ("Board") are pleased to present the Company's Twenty Eighth Annual Report on the business and operations together Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2022.

1. FINANCIAL PERFORMANCE:

The standalone and consolidated financial statements for the financial year ended March 31, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

Performance of the Company for the financial year 2021-22 compared with the previous financial year is as under:

(₹ In Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Total Operating Income	12,258	9,619	48,468	35,808
Other Income	238	406	238	406
Total Income	**12,496**	**10,024**	**48,705**	**36,213**
Less: Operating Expenditure	10,154	7,626	41,464	31,341
Profit before Interest, Depreciation, Amortization, Tax & Exceptional Item	**2,342**	**2,399**	**7,241**	**4,872**
Less: Finance cost	265	347	262	369
Less: Depreciation	1,269	1,267	2,027	2,154
Profit before Tax and Exceptional Item	**807**	**784**	**4,953**	**2,349**
Exceptional Item	-	-	2,399	-
Profit before Tax	**807**	**784**	**7,352**	**2,349**
Less: Provision for Taxation	409	18	1421	439
Less: Deferred Tax Liability	(171)	(11)	(171)	(11)
Net Profit after tax	**569**	**777**	**6,102**	**1,923**
Other Comprehensive Income	93	(76)	189	(92)
Shares of Profit/(Loss) of Associates & Joint Ventures	-	-	2	2
Total Comprehensive Income (after tax)	**662**	**701**	**6,292**	**1,832**
Attributable to Owners of the Company	**662**	**701**	**5,238**	**1,604**
Attributable to Non-Controlling Interest	-	-	1,054	228
Paid-up equity share capital (Face Value of ₹ 5/-)	2,710	2,535	2,710	2,535
Reserves excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year	46,577	45,303	50,428	44,527
Earning per Share				
Basic	1.09	1.55	11.66	3.82
Diluted	1.02	1.45	10.94	3.58

2. RESULT OF OPERATING PERFORMANCE, ONGOING PROJECTS & STATE OF AFFAIRS:

To help the business remains competitive, profitable and successful, we have setup certain key objectives and respective key performance indicators need to be defined, driven and continuously monitored. The objectives consist of high customer satisfaction, increase in market share, low employee attrition and optimized employee productivity.

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

The Company has taken huge strides in driving these objectives in multiple aspects.

- Setting up a center of excellence in service delivery to ensure -
  - o Customer visibility and transparency in the services delivered thus strengthening trust and improved customer satisfaction.
  - o Driving automation to save operational labor costs on mundane tasks (shift left initiative) and perform analytics of operational customer data.
  - o Cross functional and new technologies training to employees to make sure they are ready for new service offerings resulting to new customer acquisitions.
  - o Standardization of operational processes and consistent measurement of service performance matching to industry benchmarks thus optimizing employee productivity and controlling impact of attrition.
- Employee satisfaction improvement measures-
  - o In the COVID times, there has been an extra effort from our HR to manage employee health without customer service disruption.
  - o Augment benefits and timely merit appraisal to keep employees focus and excited.
  - o Provision internal succession planning as well as hire new fresh talents.
  - o Improve employee morale in this pandemic.
- Improved branding, company undertakes various initiatives such as social media communication, customer communication, new marketing initiatives and deeper partnership engagements.

a) Standalone Financial Statements:

During the year under review despite having a partial covid impact, your company achieved a promising revenue growth of 27% and also improved operating margin. However PAT level reduced marginally on account of notional expenses booked towards granting of ESOPs to its employees.

b) Consolidated Financial Statements:

During the year review your company achieved very encouraging results by growing its revenue by almost 35% and PAT level increased by 217%. Even without considering the exceptional income your company achieved 94% jump in PAT level.

c) Ongoing Projects:

The Company scaled to new heights, undertaking significant large projects and contracts. Some of the key ones completed under the Smart City business were, Aurangabad Smart City and Kalyan Dombivli Smart City. Two Major contracts, i.e. one from Global automobile Company, and second one from a very large Manufacturing conglomerate, and the total outsourcing commenced its execution.

The Company has active operations with its offices in Japan, China and Brazil. One of the major achievements was also the hiring of over 600+ people across the globe this financial year. Several new cybersecurity, cloud migration projects got executed in this financial year. The Company has been actively operating 100+ other contracts as a managed services business.

The Ongoing Projects & State of Affairs of the Company is presented as a part of Management Discussion and Analysis Report (MDAR) which forms part of this Annual Report.

Further information regarding the potential impact of COVID-19 and various steps taken by the Company are provided as part of the MDAR.

d) State of Affairs:

The financial year 2021-22 was one of the significant year in terms of growth and operational resilience. There have been significant new wins. The contracts and projects undertaken, outperformed the targets envisaged in the beginning of the financial year and the Company had been able to achieve highest ever turnover in the last 10-year history of the Company during the reported financial year.

The Company remains focused in its six business offerings gaining significant revenues and new business.

e) Revision of Financial Statement:

There was no revision in the financial statements pertaining to the previous financial year during the year under review.

f) Investor Education and Protection Fund:

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 178,859.75/- (One Lakh Seventy Eight Thousand Eight Hundred & Fifty Nine Rupees & Seventy-Five Paisa Only) is in unpaid/unclaimed dividend account of the company.

3. REPORT ON HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY:

a. The Company has nine (9) Foreign Subsidiaries, two (2) Indian Subsidiaries and three (3) Associate companies. The Company does not have any joint venture company.

Following are the details of Subsidiary and Associate companies:

Sr. No.	Name of Company	Subsidiary / Associate Company	Date of becoming of Subsidiary/ Associate Company
1.	Allied Digital Services, LLC (USA)	Subsidiary	July 02, 2008
2.	Allied Digital INC (USA)	Subsidiary	October 31, 2007
3.	Allied Digital Singapore Pte Limited	Subsidiary	October 12, 2010
4.	Allied Digital Asia Pacific Pty Limited (Australia)	Subsidiary	September 16, 2010
5.	Allied Digital Services (UK) Ltd.	Subsidiary	December 04, 2013
6.	Allied Digital Services (Ireland) Limited	Subsidiary	November 04, 2019
7.	En Pointe Technologies India Private Limited	Subsidiary	December 29, 2006
8.	Allied-eCop Surveillance Private Limited	Subsidiary	August 06, 2007
9.	Assetlite Equipment India Private Limited	Associate	September 26, 2009
10.	Soft Shell System (I) Private Limited	Associate	August 07, 2015
11.	Allied CNT Solutions Private Limited	Associate	July 06, 2004
12.	Allied Digital Services DO Brasil LTDA.	Subsidiary	September 10, 2021
13.	Allied Digital IT Services (Beijing) Co., Ltd	Subsidiary	November 29, 2021
14.	Allied Digital Services Japan G.K.	Subsidiary	April 01, 2021

There is no material change in the nature of the business of Subsidiaries or Associate Companies, during the year under review.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the 'Act'), the statement containing the salient features of the financial statement of Subsidiaries and Associates Companies in the prescribed Form AOC-1 is appended as ***"Annexure I"*** to the Directors' Report.

b. Material Subsidiaries:

Allied Digital Services LLC, USA is a Material Subsidiary whose income in the immediately preceding accounting year exceeds ten percent of the consolidated income of the Company and its Subsidiaries.

The Policy for determining Material Subsidiaries as approved by the Board may be accessed on the Company's website at the below link: https://www.allieddigital.net/in/downloads/Inv_Policies/Policy_on_Determination_of_MaterialSubsidiaries.pdf

4. RECENT DEVELOPMENTS:

The Company continues to gain momentum in multiple areas. Also, the Company has gained several smart city projects to implement path-breaking technology, they are Amritsar, Jalandhar, Sultanpur, Lucknow and Solapur.

The Company bagged another large financial services customer for application support. Cybersecurity business is gaining momentum for the Company as it is in close talks with multiple customers.

The Company has taken major strides in developing a first of its kind "Conversational AI based Digital Banking Platform" for which it has won the innovation award from leading banking industry conclave.

The Company also got into new global partnerships for RPA work. The Company has been nominated as a **"New Champion"** at World Economic Forum, which is a sense of pride as well as has embarked on Environmental, Social and Governance ("ESG") initiatives.

5. DIVIDEND:

Based on the performance of the Company for the year, the Board is pleased to recommend, a final dividend of ₹ 1.00 (Rupee One only) i.e. 20% per Equity Share of face value ₹ 5/- for the financial year 2021-22. The aforesaid dividend will involve a total payout of ₹ 5,42,05,528/- (Rupees Five Crore Forty Two Lakhs Five Thousand & Five Hundred Twenty Eight only) subject to the approval of Members at the ensuing Annual General Meeting of the Company. The proposed dividend payout is in accordance with the Company's Dividend Policy.

6. TRANSFER TO RESERVES:

The Company has not recommended transfer of any amount out of its profit to reserves during the year under review. Hence, the entire amount of profit for the year under review has been carried forward to the Profit and Loss Surplus Account.

7. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 from public during the year under review. However, as on the Balance Sheet date i.e. March 31, 2022, there are unclaimed fixed deposits amounting to ₹ 5.61 lakhs lying with the Company.

The details relating to deposits, covered as per the Chapter V of the Act, are as under:

(₹ in Lakhs)

Particulars	March 31,2022	March 31, 2021
Deposits accepted during the year	–	–
Deposits unclaimed at the end of the year	5.61	5.91
Repayment of deposits or payment of interest thereon	0.30	–
Default in repayment of deposits or payment of interest thereon	–	–

The Company has not accepted any other deposits during the year, which are not in compliance with the Chapter V of the Act.

8. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in the report, there were no material changes and commitments, occurred during the period between the end of the financial year to which the financial statements relate to and date of said report, which could affect the financial position of the Company.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All Related Party Transactions ("RPT") are reviewed and approved by the Audit Committee and Board, on quarterly basis. Omnibus approval is also obtained from the Audit Committee and the Board for Related Party Transactions which are of foreseeable and of a repetitive nature.

All RPT entered during the financial year under review were in Ordinary Course of the Business and at arm's length basis. None of the transactions entered into with the related parties, whether singly or taken together with the transaction entered into with the related party during the year, was materially significant related party transaction. The particulars of contracts or arrangements made with Related Parties pursuant to Section 188 of the Act is covered in Note 30(4) to the Standalone Financial Statements forming part of the Annual Report.

There were no transactions/contracts/arrangements with related party(ies), which are required to be reported in Form AOC-2.

The policy on RPT as approved by the Board has been uploaded on the Company's website and can be accessed at: https://www.allieddigital.net/in/downloads/Inv_Policies/Related_Party_Transaction_Policy.pdf.

Pursuant to Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, herein after referred to as "Listing Regulations", the Company has filed the reports on RPT with the Stock Exchanges i.e. BSE Limited & National Stock Exchange of India Limited and the same is also published on the website of the Company.

10. PARTICULARS OF LOANS, ADVANCES, GUARANTEES OR INVESTMENTS:

Disclosure on particulars of loans, advances, guarantees given and investments made pursuant to the provisions of Section 186 of Act, and Schedule V of the Listing Regulations are provided as part of the Financial Statements of the Company. Please refer to Note No.30(4) of the Standalone Financial Statements.

11. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Change in Board of Directors & Key Managerial Personnel:

The Board of the Company is duly constituted in accordance with the requirements of the Act, and the Listing Regulations.

Mr. Sunil Vasudev Bhatt (DIN: 09243963) was appointed as an Additional Director (Non-Executive & Non-Independent Director) of the Company with effect from July 30, 2021 and later his appointment was approved by the Members in the 27th Annual General Meeting of the Company held on September 13, 2021. Further, the Board at its meeting held on May 18, 2022, approved the appointment of Mr. Sunil Vasudev Bhatt as an Executive Director for a period of five (5) years commencing from May 18, 2022, subject to the approval of the Members of the Company and the Central Government.

Ms. Swanubhuti Jain (DIN: 09006117) was appointed as Additional Director (Non-Executive & Independent Director) with effect from July 30, 2021 and later her appointment was approved for a period of 5 (five) consecutive years upto March 31, 2026 by the members in the 27th Annual General Meeting of the Company held on September 13, 2021.

Pursuant to the provisions of Section 152 of the Act, Mr. Prakash Dhanji Shah (DIN: 00189842), Director, being the longest in the office, shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.

Ms. Shubhada Jahagirdar (DIN: 00895950), Independent Director, has resigned from the Company's Board due to her other personal and professional commitments with effect from the closure of business hours of October 28, 2021. The Board appreciates her valuable contribution to the Company during her tenure.

Mr. Shakti Kumar Leekha (DIN: 03246804) was appointed as an Independent Director for the term of five (5) years to hold office commencing from January 20, 2022 by the Members of the Company through Postal Ballot.

Mr. Anup Kumar Mahapatra (DIN: 08985605) was appointed as an Additional Director (Non-Executive & Independent Director) with effect from May 18, 2022, subject to the approval of the Members of the Company in the ensuing Annual General Meeting.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

b) Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Director appointed during the year:

As per Rule 8 of Companies (Accounts) Amendment Rules, 2019, in opinion of Board, Ms. Swanubhuti Jain (DIN: 09006117) and Mr. Shakti Kumar Leekha (DIN: 03246804) who have been appointed as Independent Directors, are persons of integrity and possess relevant expertise and experience.

c) Declaration given by the Independent Directors and Senior Management Personnel on compliance to Code of Conduct:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the prescribed criteria for Independence under the Section 149(6) of the Act, and Regulation 16(1)(b) and 25(8) of the Listing Regulations and have also confirmed that they have registered themselves with the Independent Director's Databank maintained by the Indian Institute of Corporate Affairs.

All Independent Directors have affirmed in compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV to the Act.

Also, the Directors and Senior Management Personnel have submitted disclosures under Regulation 26(3) of the Listing Regulations affirming compliance with the Code of Conduct for Directors and Senior Management Personnel.

d) Key Managerial Personnel (KMP):

During the year under review, there was no change in the KMP of the Company and the details of the KMP in terms of Section 203 of the Act are as below:

Mr. Nitin Dhanji Shah	:	Managing Director
Mr. Prakash Dhanji Shah	:	Whole-time Director
Mr. Paresh Bipinchandra Shah	:	Chief Executive Officer
Mr. Gopal Tiwari	:	Chief Financial Officer
Ms. Neha Sunil Bagla	:	Company Secretary

12. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. Board Meetings:

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses. Due to business exigencies, the Board has also been approving several proposals by way of passing circular resolutions from time to time.

Five (5) meetings of the Board were held during the year under review. The meetings were held on May 31, 2021, July 30, 2021, October 13, 2021, November 01, 2021, and January 31, 2022. Brief details of the said meetings are provided in the Corporate Governance Report, which is a part of this Annual Report.

In terms of requirements of Schedule IV of the Act, a separate meeting of Independent Directors was also held on November 01, 2021 to review the performance of Non-Independent Directors (including the Chairperson), the entire Board and its Committees thereof, quality, quantity, and timelines of the flow of information between the Management and the Board.

The Board affirms that the Company has complied with the applicable Secretarial Standards ('SS') issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to meetings of the Board and its Committees and General Meetings respectively, during the year under review.

b. Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Act, the Board, to the best of its knowledge and ability, confirm that:

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 as at March 31, 2022 and of the profit 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 annual accounts of the Company have been prepared on a going concern basis;
e. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were 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.

c. Committees of Board:

The Company has five (5) Board-level Committee(s), which have been established in compliance with the provisions of the Act, and Listing Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholder's Relationship Committee;
- Corporate Social Responsibility Committee; and
- Management Committee.

The details of meetings of the Committees held during the financial year under review along with attendance of members thereof, changes in the composition of Committees during the year and period till date and Role of the Committees are provided in the Corporate Governance Report which is part of this Annual Report.

I. Audit Committee:

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

II. Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Act, read with Regulation 19 of Listing Regulations, the Board has constituted the Nomination and Remuneration Committee, which inter-alia recommends to the Board the criteria for appointment of Director(s) along with the compensation, terms of Executive Directors and Senior Management Personnel's.

The Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and all other Employees of the Company. The said policy is hosted on the website of the Company. The web link of the same is as follows: https://www.allieddigital.net/in/downloads/Inv_Policies/Nomination_Remuneration_policy.pdf

III. Stakeholders' Relationship Committee:

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

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

In accordance with the requirement of the provisions of section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has constituted of CSR Committee. The said Committee has been entrusted with the responsibilities of formulating and recommending to the Board, Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The detailed report on CSR activities is attached as ***"Annexure II"*** to this report.

The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation. The CSR Policy of the Company can be accessed on the Company's website in the link provided herein below: https://www.allieddigital.net/in/downloads/Inv_Policies/CSR%20Policy.pdf

V. Management Committee:

The Management Committee is entrusted with the operational and administrative power and operate as per the authority given by the Board from time to time. The Committee comprises of three (3) members i.e. Mr. Nitin Shah, Chairman and Managing Director, Mr. Prakash Shah, Whole-time Director and Mr. Paresh Shah, Chief Executive Officer of the Company.

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

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are as follows:

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

One of the significant steps taken this year is the company's initiative to drive Environmental, Social and Governance ("ESG") objectives. The Company is now also a nominated member at the World Economic Forum.

The Company has always considered energy and natural resource conservation as a focus area. Though the operations of the Company are not energy intensive, it strongly believes that it is the need of the hour to do best efforts to conserve energy and natural resources like water.

The Company continues to take sustainable steps voluntarily to contribute towards better environment.

Selected few steps/impact are listed below:

- Use of natural Lightning and natural ventilation;
- Use of energy efficient electric equipment such as use of LED bulbs;
- Conservation of water, ensuring no leakages in taps;
- Encourage use of environment-friendly reusable water bottles;
- Car-pooling during meetings and encourage use of public transport;
- Discouraging use of non-disposable plastic bags, plates etc.;
- Switching off work stations and laptops;
- Controlling the air-conditioning equipment optimally in the premises;
- Educating employees and workers for energy conservation.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company is using electricity as main source of its energy requirement and does not have any alternate source of energy. However, the company is keen in promoting green solution to the customers, such as solar power devices wherever possible.

(iii) Capital investment on energy conservation equipment's:

There was no such investment in energy saving equipment during the year.

(iv) Environment Sustenance Project under World Economic Forum:

The Company, along with other leaders such as Microsoft and Deloitte have got involved into developing AI based prediction and proactive measures on Wild Forest Fires across the globe.

(v) E-Waste Management:

The Company is significantly contributing efforts to manage e-waste for its customers, as well as its own company assets. Also an initiative in shaping to plan e-waste collection in Mumbai on environment day.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

The Company has innovation as part of its motto. It is always thriven to be a pioneer for adoption new technologies, which either be useful for generating new business for its customers or for its self-use. It evaluates the best available technology for improving its performance and quality of its service operations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has adopted new technology to strengthen its infrastructure in the US, which is leveraged by many customers that has helped giving top quality uninterrupted services. It has adopted new technologies to apply to solve challenges faced by customers.

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

The Company has not imported technology during the three preceding years under review.

(iv) Expenditure incurred on Research and Development:

The Company has been continuously working on innovative projects, which are either part of-

- New features of their ADiTaaS product and global certification for PinkVerify, etc.
- New conversational AI based banking platform
- RPA and DevOps technologies for customers and self-use
- Doing proof-of-concepts on new technologies in cybersecurity, multi-cloud technologies, AI
- Investing in new technology training/learning.

14. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of the Foreign Exchange Earned and Outflow during the year are as follows:

(₹ In Lakhs)

Particulars	2021-22	2020-21
Earnings	5,806	3,722
Outflow (including Capital imports)	529	286
Net Foreign Exchange Earnings (NFE)	5,277	3,436
NFE/ Earnings (%)	**91**	**92**

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report, capturing the Company's performance, industry trends and other material changes with respect to the company and its subsidiaries, wherever applicable, are presented in a separate section forming a part of this Annual Report.

16. CORPORATE GOVERNANCE:

The Company believes in adopting best practices of Corporate Governance. These guiding principles are also articulated through the Company's code of business conduct, Corporate Governance Guidelines, as per Schedule V of Listing Regulations, the requisite certificate from the Practicing Company Secretary, confirming compliance of the conditions of Corporate Governance is annexed to the Report on Corporate Governance which is forming a part of this Annual Report.

17. ANNUAL RETURN:

Pursuant to section 92(3) and section 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft of Annual Return is available on the website of the company i.e.:
https://www.allieddigital.net/in/downloads/agm/2022/Draft_Form_MGT_7_2022.pdf

18. ANNUAL EVALUATION:

The evaluation framework for assessing the performance of Directors of the Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of the Company, among others.

Pursuant to the provisions of the Act and the Listing Regulations, the Directors have carried out the Annual Performance Evaluation of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees, and the Chairman of the Board.

The Nomination and Remuneration Committee considered and discussed the inputs received from the Directors and the outcome of such evaluation process was satisfactory, which reflected the overall engagement of the Board and its Committees with the Company.

Further, the Independent Directors at their meeting held on November 01, 2021, reviewed the performance of the Board, Chairman of the Board, Executive and Non- Executive Directors.

19. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Over the years, the Company has developed a robust familiarisation process for the newly appointed Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related regulations. This process includes providing an overview of the IT industry, the Company's business model, the risks and opportunities, their roles, rights and responsibilities vis-à-vis the Company etc. The link for accessing the said program is:

https://www.allieddigital.net/in/downloads/Inv_Policies/Familiarisation_Programme_Independent_Directors.pdf

20. THE VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns and to ensure strict compliances with ethical and legal standards across the company. The provisions of the said policy is in line with the provisions of the section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

The employees of the company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the website of the Company at:
https://www.allieddigital.net/in/downloads/Inv_Policies/Whistle_blower_and_vigil_mechanism.pdf.

There were no such reports, information received by the Chairman of the Audit Committee during the year under review.

21. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

a) Statutory Auditors

At the 25th Annual General Meeting held on September 10, 2019, M/s. Shah & Taparia, Chartered Accountant, Mumbai (Firm Registration No. 109463W) was appointed as the Statutory Auditor of the Company for second term of five (5) years i.e. from conclusion of Twenty Fifth Annual General Meeting until the conclusion of Thirtieth Annual General Meeting of the Company.

The Auditor's Report to the Members on Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022 is unmodified i.e., it does not contain any qualification reservation, adverse remark or disclaimer. The notes to accounts referred to in Auditors' Report are self- explanatory, and therefore, do not call for any further explanation or comments from the Board.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Rathi & Associates, Company Secretaries (Firm Registration No. P1988MH011900) as Secretarial Auditor to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report was issued by them in Form MR-3 which forms part of this report and is marked as ***"Annexure III".***

The Secretarial Audit Report for the financial year ended March 31, 2022, contains an observation regarding non-compliance with Regulation 24(1) of the Listing Regulations, read with explanation of "material subsidiary" The observation provides that the Company is yet to appoint its Independent Director on the Board of Director of its unlisted material subsidiary i.e. Allied Digital Services, LLC, USA.

The Board has taken note of the above observation and has explained that Allied Digital Services LLC, USA, has received consent letter from Ms. Swanubhuti Jain, one of the Independent Director of the Company, and that the Company is awaiting for completion of requisite actions by the Board of Directors of the Material Subsidiary for her appointment.

c) Internal Auditor

M/s. Satya Prakash Natani & Co., Chartered Accountant (Firm Registration No. 115438W), Internal Auditor of the Company have carried out Internal Audit in various areas/parameters for the financial year ended March 31, 2022. The findings of the Internal Auditor are discussed on quarterly basis at the meetings of the Audit Committee and Board and accordingly necessary steps are taken to implement the suggestions/recommendations, if any, of the said Internal Auditors.

d) Cost Auditor

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

e) Reporting of Frauds by Auditors

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Act, and rules made thereunder, by officers or employees reported by the Auditors of the Company during the course of the audit conducted.

f) Compliance with Secretarial Standards

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

22. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The Company's internal financial controls are commensurate with the scale and complexity of its operations. The Company has put in place adequate internal financial controls system over financial reporting which ensures that all transactions are authorized, recorded, and reported correctly in a timely manner. The Company's internal financial controls ensure the reliability of data and financial information, accuracy & completeness in maintaining accounting records and prevention & detection of frauds & errors.

23. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

Information required pursuant to Section 197 (12) of the Act, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in ***"Annexure IV"*** of this report.

There was no receipt of any remuneration or commission by the Managing Director or the Whole-time Director of the company from any of its subsidiary companies during the year under review.

24. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. Accordingly, the Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted a Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year ended March 31, 2022, no complaints were received by the Company pertaining to sexual harassment of women.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

26. RISK MANAGEMENT:

The Company has been very proactive in managing risks. Some of the risks worth to highlight in this financial year were of the continued pandemic. Due to a well-planned operational resilience that continued from the previous year, there was no business impact. Also, due to conclusion of significant large wins in the start of the financial year, another significant risk was to timely hire huge scale of resources across the globe. The Company's Human Resource ("HR") played an outstanding role in hiring varied talent and thus avoiding risk of losing any business.

The current financial year, has started with a new risk of employee attrition due to growing demand for IT resources across the globe. There is impending risk on retaining higher profit margins due to increased cost of hiring as well as retaining resources.

27. EMPLOYEE STOCK OPTION PLAN:

The members at the 26th Annual General Meeting held on September 03, 2020 approved **'ADSL - Employees Stock Option Plan 2020'** ("ADSL ESOP 2020"). The Company has also received In-principle approval from BSE Limited and National Stock Exchange of India Limited on February 09, 2021 and February 12, 2021 respectively.

The ADSL ESOP 2020 is in line with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as amended from time to time. The Company has obtained a certificate from the Secretarial Auditor of the company stating that the ADSL ESOP 2020 has been implemented in accordance with the SEBI SBEB Regulations and the resolutions have been duly passed by the Members. The said certificate is available for inspection for the Members in electronic mode.

The objects of the ADSL ESOP 2020 is to reward the eligible employees of the company and its holding company or its subsidiary company (ies) in India and abroad for their performance and to motivate them to contribute to the growth and profitability of the Company. The options will be exercisable into equity shares as per the terms and conditions as stipulated in ADSL ESOP 2020. The ADSL ESOP 2020 is being administered and monitored by the Nomination and Remuneration Committee of the Board in accordance with the applicable Securities and Exchange Board of India Guidelines. The Company in its meeting held on July 30, 2021 and October 13, 2021 approved the grant of 18.00 lakhs and 16.20 lakhs options respectively under the ADSL ESOP 2020 to the eligible employees.

There is no material change in the ADSL ESOP 2020 during the year under review. The relevant disclosures pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI SBEB Regulations, as amended from time to time are available on the website of the company i.e. www.allieddigital.net and the same is marked as ***"Annexure V"*** to this Directors' report.

28. PREFERENTIAL ALLOTMENT

The Company allotted 40 lakhs Convertible Equity Warrants on Preferential basis to Mr. Nitin Dhanji Shah, (Promoter), Chairman and Managing Director of the Company on September 16, 2020 at the price of ₹18.80 per warrant, (Face Value – ₹ 5 per share, Premium – ₹ 13.80 per share).

The Company received upfront payment of 25% of the warrants allotted at the time of subscription, from the said allottee. As per terms of issue of warrants, the warrant holder shall deposit the balance 75% for conversion of warrants into equity shares while exercising right to subscribe.

Post receiving of the balance 75% payment, conversion of 40 lakhs warrants were made to the said allottee on March 01, 2021 and October 13, 2021 respectively. The details of the said allotment is as under:

Date	Name of the Allottee, Category	No. of share warrants Converted	No. of fully paid up Equity shares allotted, Price per share	Shareholding post Conversion	
				Pre	Post
March 01, 2021	Mr. Nitin Dhanji Shah (Promoter)	5,00,000	5,00,000 shares Price – ₹ 18.80 per share (including premium of ₹ 13.80 per share)	14783031	15283031
October 13, 2021	Mr. Nitin Dhanji Shah (Promoter)	35,00,000	35,00,000 shares Price - ₹ 18.80 per share (including premium of ₹ 13.80 per share)	15283031	18783031

The Company has also received the trading approval from BSE Limited and National Stock Exchange of India Limited on April 28, 2021 and November 17, 2021 for the said 5,00,000 Equity Shares and 35,00,000 Equity Shares allotted respectively.

The proceeds of the Preferential Allotment are utilized by the Company for objects stated in the explanatory statement to the Notice of 26th Annual General Meeting of the Company.

29. GENERAL:

The Directors states that, no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to the same during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
3. Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiaries.
4. Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
5. Difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

30. ACKNOWLEDGEMENT:

The Board wishes to place on record its sincere gratitude and appreciation of the contributions made by the employees of the Company and its subsidiaries for their hard work, solidarity, cooperation and dedication during the year. The Directors of the Company thank the customers, clients, vendors and other business associates for their continued support in the Company's growth.

The Directors express their deep sense of gratitude to the Government Authorities, Financial Institutions, Stakeholders, Business Associates for their support and look forward to their continued association in future.

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Place: Mumbai
Date: May18,2022

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

ANNEXURE –I

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in Lakhs)

1	Name of the subsidiary	Allied Digital Services, LLC (USA);	Allied Digital INC (USA)	Allied Digital Singapore Pte Ltd	Allied Digital Asia Pacific PTY LTD (Australia)	Allied Digital Services (UK) Ltd.	Allied eCop Surveillance Pvt. Ltd.	Allied Digital Services (Ireland) Limited	En Pointe Technologies India Pvt. Ltd.	Allied Digital Services Japan G.K.	Allied Digital Services Do Brazil Ltda.	Allied Digital IT Services (Beijing) Co., Ltd.
2	Nature of the Company	Subsidiary										
3	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	April 01, 2021 to March 31, 2022										
4	The date since when subsidiary was acquired	July 02, 2008	October 31, 2007	October 12, 2010	September 16, 2010	December 04, 2013	August 06, 2007	November 04, 2019	December 29, 2006	April 01, 2021	September 10, 2021	November 29, 2021
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries	USD @ $ 75.91	USD @ $ 75.91	SGD @ $ 56.05	AUD @ $ 56.89	GBP @ 99.74	₹	Euro £ 84.12	₹	JPY @ 0.62	-	-
6	Share capital	4,555	0	0	0	1	11	1	1	6	-	-
7	Reserves & surplus	8,259	(1,092)	(35)	(425)	2	(8)	13	65	124	-	-
8	Total Assets	25,246	9,872	2	23	52	9	26	66	830	-	-
9	Total Liabilities	16987	10,964	37	448	49	6	12	0	700	-	-
10	Investments	-	-	-	-	-	-	-	-	-	-	-
11	Turnover	41,104	-	-	-	266	-	245	-	775	-	-
12	Profit before taxation	6,415	-	0	0	(13)	-	11	-	131	-	-
13	Provision for taxation	1,010	-	-	-	(4)	-	4	-	2	-	-
14	Profit after taxation	5,404	-	0	0	(9)	-	7	-	130	-	-
15	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
16	Extent of Shareholding (%)	51	100	100	100	95	80.01	100	100	100	100	100

'0' denotes value less than ₹50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Notes:

1. Names of subsidiaries which are yet to commence operations: **Allied Digital Services Do Brazil Ltda. and Allied Digital IT Services (Beijing) Co., Ltd.**
2. Names of subsidiaries which have been liquidated or sold during the year: **Allied Digital Services Oy.**

Part "B": Associates and Joint Ventures

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

(Information in respect of each associate is presented with amounts in Lakhs)

Sr. No.	Name of the Associates / Joint Ventures	Assetlite Equipment India Private Limited	Softshell Systems India Private Limited	Allied CNT Solutions Private Limited
1	Latest audited Balance Sheet date	March 31, 2022		
2	Date on which the Associate or Joint Venture was associated or acquired	September 26, 2009	August 07, 2015	July 06, 2004
3	Shares of Associates held by the company on the year end			
	I. No of shares	-	1,17,924	1,42,000
	II. Amount of Investment in Associates	-	600.00	22.00
	III. Extent of Holding	-	20.34%	47.33%
4	Description of how there is significant influence	Common Directorship in the Company	Equity shareholding of more than 20 %of the total capital	Equity shareholding of more than 20% of the total capital
5	Reasons why Financial of the Associate is not consolidated	Financial Statements of aforesaid associate company is not consolidated as there is no direct investment	N.A.	N.A.
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	(34.52)	654.17	(58.26)
7	Profit / Loss for the year			
	i. Considered in Consolidation	-	2.09	(0.06)
	ii. Not Considered in Consolidation	4.39	-	-

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

Place: Mumbai
Date: May18,2022

Annexure II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

1. A brief outline of the Company's CSR policy:

At Allied Digital Services Limited, the CSR has been an integral part of Company since its inception.

The Company's, CSR initiative focus on the holistic development of our host communities while creating social, environmental and economic value to the society.

2. The Composition of the CSR Committee:

The Corporate Social Responsibility Committee ('CSR Committee') of the Board is responsible for overseeing the execution of the Company's CSR Policy and ensuring that the CSR Objectives of the Company are met. The CSR Committee comprised of the following members as on March 31, 2022:

Sl. No.	Name of Director	Designation/ Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	**Ms. Swanubhuti Jain#**	Chairperson/Independent Director	01	01
2.	**Mr. Prakash Shah**	Member/Whole-time Director	01	01
3.	**Dr. Shrikant Parikh**	Member/Independent Director	01	01

 # Ms. Swanubhuti Jain was inducted as the Chairperson of the CSR Committee w.e.f. November 1, 2021, as Ms. Shubhada Jahagirdar, ceased to be the member of the CSR Committee w.e.f. October 28, 2021.

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

Composition of CSR Committee: https://www.allieddigital.net/in/downloads/pdf/composition_of_committees_27_april_22.pdf
CSR Policy: https://www.allieddigital.net/in/downloads/Inv_Policies/CSR%20Policy.pdf
CSR projects approved by the Board: https://www.allieddigital.net/in/downloads/Inv_Policies/Board_Approved_CSR_Projects_2021_22.pdf

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

Not Applicable for the year under review.

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for financial year (in ₹)
1	2020-21	32,964	Nil

6. Average Net Profit of the Company as per section 135(5): ₹ 9,09,18,950/-

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 18,18,379/-

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c).: ₹ 18,18,379/-

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
18,19,473/-	NIL	-	-	NIL	-

*Decimals rounded off.

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	ADSL Vaccination Drive	Promoting Healthcare	Yes	Maharashtra, West Bengal	Mumbai, Pune, Kolkata	8,09,927	Yes	NA	-
2.	Grains Distribution	Promoting Healthcare	No	Gujarat	Jamnagar	3,10,546	Yes	NA	-
3	Health and Social Work	Promoting Healthcare	Yes	Maharashtra	Mumbai	19,000	No	Gujarati Enrichment Organisation Forum	CSR00006286
4	Transform the lives of people facing or living with sight loss	Promoting Healthcare	Yes	Maharashtra	Mumbai	10,000	No	Vision Foundation of India	CSR00002065
5	"Vocational Training for reaching to unreached" Rural Development, Community Mobilization and Livelihood Promotion Activities	Promotion of Education	No	Gujarat	Gujarat	6,70,000	No	Brahmarshi Gyan Savrdhak Trust	CSR00010542
	TOTAL					**18,19,473**			

**Decimals have been rounded off*

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 18,19,473/-.

(g) Excess amount for set off, if any :

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	18,18,379
(ii)	Total amount spent for the Financial Year	18,19,473
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,094
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,094

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

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

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

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

a) Date of creation or acquisition of the capital asset(s) - None

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 Board of Directors of
Allied Digital Services Limited

Place: Mumbai
Date: May 18, 2022

Nitin Shah
Chairman and Managing Director
DIN: 00189903

Swanubhuti Jain
Chairperson of CSR Committee
DIN: 09006117

Annexure III

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members
Allied Digital Services Limited
Premises No.13 A,13th Floor,
Earnest House, NCPA Road,
Block III, Nariman Point,
Mumbai-400021.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Allied Digital Services Limited (herein after 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 and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 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 on 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 there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

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

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

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

(vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report: -

i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company i.e. Information Technology Act, 2000 as amended from time to time;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 based on the information provided to us.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except *compliance with Regulation 24(1) of the LODR Regulations, 2015, read with explanation of "Material Subsidiary" as provided thereunder, with respect the appointment of at least one Independent Director of the Company on the Board of Directors of unlisted material subsidiary namely Allied Digital Services, LLC.*

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the directors have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence dissenting views were not required to be captured and recorded as part of 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.

As regards, events/actions having a major bearing on the Company's affairs in pursuance of the referred laws, rules, regulations, guidelines, standards, etc. We report that during the year under report, the Company;

i. Granted 34,20,000 Stock Options to the employees of the Company in pursuance of 'ADSL-Employees Stock Option Plan 2020';

ii. Allotted 35,00,000 (Thirty-Five Lakhs) Equity Shares pursuant to exercising of rights attached to the Convertible Equity Warrants to Mr. Nitin Dhanji Shah (Promoter of the Company) at ₹ 18.80/- (Rupees Eighteen and Paise Eighty only) per share which includes premium of ₹ 13.80/- (Rupees Thirteen and Paise Eighty only) per share.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA RAJAT LAHOTY
PARTNER

FCS No. 8568
C.P. No. 10286
UDIN: F008568D000340042

Date: May 18, 2022
Place: Mumbai

Note: This report should be read with our letter which is annexed as Annexure-I and forms an integral part of this report.

ANNEXURE – I

To,
The Members
Allied Digital Services Limited
Premises No.13 A,13th Floor,
Earnest House, NCPA Road,
Block III, Nariman Point,
Mumbai-400021.

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

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

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

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

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA RAJAT LAHOTY
PARTNER
FCS No. 8568
C.P. No. 10286
UDIN: F008568D000340042

Date: May 18, 2022
Place: Mumbai

Annexure-IV

DETAILS OF REMUNERATION

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each Director during the Financial Year 2021-22 are as under:**

Sr. No.	Name and Designation of Director	Remuneration (₹ In Lakhs)	% Increase in Remuneration in the Financial Year 2021-22	Ratio
1.	Mr. Nitin Shah Chairman & Managing Director	370.09	93.13	102.22
2.	Mr. Prakash Shah Whole-time Director	95.13	1.85	26.28
3.	Mr. Nehal Shah Director	7.20	–	1.99
4.	Mr. Sunil Bhatt Director	–	–	–
5.	Dr. Shrikant Parikh* Independent Director	N.A.	–	–
6.	Ms. Swanubhuti Jain* Independent Director	N.A.	–	–
7.	Mr. Shakti Kumar Leekha* Independent Director	N.A.	–	–
8.	Mr. Milind Kamat* Independent Director	N.A.	–	–
9.	Mr. Paresh Shah Chief Executive Officer	12.01	–	–
10.	Mr. Gopal Tiwari Chief Financial Officer	48.77	–	–
11.	Ms. Neha Bagla Company Secretary	10.13	–	–

**Non-Executive Directors have received only sitting fees and no other remuneration have been paid to them.*

ii. **The percentage increase in the median remuneration of employees in the Financial Year:**
The Median remuneration of the employees is ₹3,62,052 in the financial year 2021-22 as compared to ₹ 3,50,658 in the financial year 2020-21. Hence there is an increase of 3.25% in median remuneration in the financial year 2021-22.

iii. **There were1450 permanent employees on the rolls of Company as on March 31, 2022**

iv. **The key parameter for any variable component of remuneration availed by the directors:**
In line with the overall performance of the company.

v. **Average percentile Increase 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:**
The said increase in the salaries of employees was in line with the individual performance of the employees, project requirements and market projection in the financial year 2021-22. The increase in total managerial remuneration was linked with the overall performance of the Company.

vi. **Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:**
It is hereby affirmed that the remuneration paid is as per the Policy for Nomination & Remuneration of the Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

Place: Mumbai
Date: May18,2022

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) Top ten employees of the Company in terms of remuneration drawn during the year:

Sr. No.	1	2	3	4	5	6	7	8	9	10
Name	**Utpal Chakraborty**	**Jawahar Ali**	**Sunil Nair**	**Mohinder Chandna**	**Vinod Nair**	**Rajesh Rajgor**	**Amit Vora**	**Manish Chougule**	**Adil Wadia**	**Ramachandar Ramamurthy**
Designation	Chief Digital Officer	CEO-ISG	Country Head –Sales	VP - Operations	AVP Governance & Service Delivery	VP - Service Delivery	General Manager – SCM	AVP Services Delivery	Country Manager– Technology Support	Business Head
Remuneration paid (₹)	50,00,004	30,00,000	30,00,000	30,00,000	28,00,000	27,99,996	27,00,000	27,00,000	26,32,727	26,00,008
Qualifications	Master of Science in Information Technology	Bachelor of Science	Bachelor of Science	B.E. Electrical	Bachelor of Science	MBA	B.Com	MBA-IT	B.E in Electronics	Diploma In Management Studies
Experience (years)	23	27+	19+	26+	18	19	25+	18	33+	31
Date of commencement of employment	October 04, 2021	June 13, 2005	August 03, 2009	August 20, 2012	November 08, 2021	January 24, 2022	February 01, 2017	January 31, 2022	January 11,2010	October 18, 2021
Age (years)	49	68	46	59	42	43	51	38	56	54
Previous Employment	YES BANK	CMS Computers Ltd.	Zenith Infotech	Reliance Communications	JMC Projects Limited	Seckure IT Works Pvt. Ltd.	-	Comnet Solutions Pvt Ltd	CMS Computers Ltd.	Team Computers Pvt Ltd
Percentage of equity shares held in the Company along with his spouse and dependent children	Nil	0.03**	Nil	Nil	Nil	Nil	0.00*	Nil	Nil	Nil
Whether relative of Director or Manager	No	No	No	No	No	No	No	No	No	No

** Amit Vora holds 271 Equity Shares of the Company*

*** Jawahar Ali holds 13637 Equity Shares of the Company*

b) Employees of the Company in terms of remuneration drawn as per Sub-Rule (i) to (iii) of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Nil

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

Place: Mumbai
Date:May 18, 2022

Annexure V

THE DISCLOSURES UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014, AS AMENDED FROM TIME TO TIME ON EMPLOYEE STOCK OPTION PLAN ("ESOP") FOR THE YEAR ENDED MARCH 31, 2022

Sr. No	Particulars	Remarks
A	Disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	The Company has granted the options to its employees under the ADSL - Employee Stock Option Plan 2020, however, the said options are still under vesting period. Hence, none of the options have been vested as on March 31, 2022.
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time	1.02
C	i. A description of each ESOP that existed as any time during the year including general terms and conditions of each ESOP, including – (a) Date of shareholders' approval (b) Total number of options approved under ESOP (c) Vesting requirements (d) Exercise price or pricing formula (e) Maximum term of options granted (f) Source of shares (primary, secondary or combination) (g) Variation in terms of options	As Annexure No. ESOP-1
	(ii) Method used to account for ESOP – Intrinsic or Fair Value	The Company uses the Fair value based method of accounting for stock options granted
	(iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	N.A.
	(iv) Option movement during the year (for each ESOP)	As Annexure No. ESOP-2
	(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	As Annexure No. ESOP-3
	(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	
	a) Senior Managerial personnel;	As Annexure No. ESOP-4
	b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	As Annexure No. ESOP-4a
	c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None of the employees were granted more than 1% of issued capital

Sr. No	Particulars	Remarks
	(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
	a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	As Annexure No. ESOP-3
	b) the method used and the assumptions made to incorporate the effects of expected early exercise;	
	c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	
	d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	
D	Disclosures in respect of grants made in three years prior to IPO under each ESOP	N.A.
E	Details related to ESPS	N.A.
F	Details related to SAR	N.A.
G	Details related to GEBS / RBS	N.A.
H	Details related to Trust	N.A.

There are no material changes and that the existing ESOP of the company are in compliance with the regulations prescribed by the Securities and Exchange Board of India.

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

Place: Mumbai
Date:May 18, 2022

Annexure No. ESOP-1

Particulars	ADSL - Employee Stock Option Plan 2020 ("ESOP-2020")
(a) Date of shareholders' approval	September 03, 2020
(b) Total number of options approved under ESOP	40,00,000
(c) Vesting Requirements	Vesting under these scheme will commence after a period of 12 months from the date of grant as decided by the Board / Nomination and Remuneration Committee from time to time
(d) Exercise price / pricing formula	The Exercise price may vary for each grant as may be decided by the Nomination and Remuneration Committee in conformity with the 'Guidance Note on accounting for Employee Share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time. Nomination and Remuneration Committee may determine exercise price which may be at discount to the market value but shall not be less than the face value of equity shares of the Company.
(e) Maximum term of options granted	5 years from the date of respective vesting of options
(f) Source of shares (primary, secondary or combination)	Primary Shares
(g) Variation in terms of options	No Variation

Annexure No. ESOP-2

Option movement during the year (for each ESOP)

Number of options outstanding at the beginning of the period	40,00,000
Number of options granted during the year	34,20,000
Number of options forfeited / lapsed during the year	–
Number of options vested during the year	–
Number of options exercised during the year	–
Number of shares arising as a result of exercise of options	–
Money realised by exercise of options (₹)	–
Loan repaid by the Trust during the year from exercise price received	N.A.
Number of options outstanding at the end of the year	5,80,000
Number of options exercisable at the end of the year	–

Annexure No. ESOP-3

April 01, 2021 to 31 March, 2022	
Phase I	**Grant 1**
Weighted average exercise price of Options granted during the Period whose	
a) Exercise price equals market price	Nil
b) Exercise price is greater than market price	Nil
c) Exercise price is less than market price	₹ 20.00
Weighted average fair value of Options granted during the period whose	
a) Exercise price equals market price	Nil
b) Exercise price is greater than market price	Nil
c) Exercise price is less than market price	₹ 54.42

Phase II	Grant 2	Grant 3
Weighted average exercise price of Options granted during the Period whose		
a) Exercise price equals market price	Nil	Nil
b) Exercise price is greater than market price	Nil	Nil
c) Exercise price is less than market price	₹ 20.00	₹ 78.00
Weighted average fair value of Options granted during the period whose		
a) Exercise price equals market price	Nil	Nil
b) Exercise price is greater than market price	Nil	Nil
c) Exercise price is less than market price	₹ 66.28	₹ 40.70

ESOP-2020 Grant date wise assumptions used in the model are as follows :

Phase I	Grant 1
Variables	
Price of the underlying share in market at the time of the option grant (₹)	70.35
Expected Volatility (%)	58.69
Riskfree Interest Rate (%)	6.188
Expected Life (in years)	2
Dividend yield (%)	Not factored separately
Fair Value (₹)	53.23

Phase II	Grant 2	Grant 3
Variables		
Price of the underlying share in market at the time of the option grant (₹)	82.35	82.35
Expected Volatility (%)	59.60	59.60
Riskfree Interest Rate (%)	6.318	6.318
Expected Life (in years)	2	2
Dividend yield (%)	Not factored separately	Not factored separately
Fair Value (₹)	65.12	32.00

Annexure No. ESOP-4

Option granted to the Senior Managerial Personnel during the year :

Sr. No	ID	Employees Name	Designation	Grant Date	Exercise Price (₹)	Option Granted	Scheme Name
1.	140	Jawahar Mohammad Ali	Chief Executive Officer - ISG	July 30, 2021	20	42500	ADSL – Employees Stock Option Plan-2020
2.	5886	Adil Keki Wadia	Country Manager - Technology Support	July 30, 2021	20	40000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	50000	
3.	10843	Gopal Tiwari	Chief Financial Officer	July 30, 2021	20	50000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
4.	11062	Neha Aditya Goenka	Company Secretary & Compliance Officer	July 30, 2021	20	27000	ADSL – Employees Stock Option Plan-2020
5.	11221	Amit Jayantilal Vora	General Manager - SCM	July 30, 2021	20	51300	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
6.	11647	Raghuvir Suryakant Kamat	General Manager - Projects	July 30, 2021	20	21000	ADSL – Employees Stock Option Plan-2020
7.	11754	Adriel Dsouza	Vice President	July 30, 2021	20	38300	ADSL – Employees Stock Option Plan-2020
8.	12119	Bhupesh Manoharlal Jain	Assistant General Manager-Accounts & Finance	July 30, 2021	20	25000	ADSL – Employees Stock Option Plan-2020
9.	12184	Mohinder Chandna	Vice President - Operations	July 30, 2021	20	39000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	50000	
10.	12396	Nair Sunil Sundaram	Country Head - Sales	July 30, 2021	20	49000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	50000	
11.	6138	Paresh Shah	Chief Executive Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	

Sr. No	ID	Employees Name	Designation	Grant Date	Exercise Price (₹)	Option Granted	Scheme Name
12.	5774	Kapil Mehta	Chief Financial Officer & Chief Operating Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
13.	5829	Sunil Bhatt	Chief Technology Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
14.	5979	Manoj Shah	Chief Information Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
15.	5635	Ashish Raghute	Senior VP (AMSP)	July 30, 20 21	20	50000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
16.	3844	Hubert Wong	Vice President Service Operations	July 30, 2021	20	50000	ADSL – Employees Stock Option Plan-2020
				October 13, 2021	78	100000	
17	11644	Deepti Kadam	Sr. Manager, HR Operations	July 30, 2021	20	15000	ADSL – Employees Stock Option Plan-2020
18	11950	Allwyn D'Souza	Sr. Manager, Talent Acquisition	July 30, 2021	20	15000	ADSL – Employees Stock Option Plan-2020

Annexure No. ESOP-4a

Options granted to any Employee amounting to 5% or more of options granted during the year:

Sr. No	ID	Employees Name	Designation	Grant Date	Exercise Price (₹)	Option Granted	Scheme Name
1	6138	Paresh Shah	Chief Executive Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan- 2020
				October 13, 2021	78	100000	
2	5774	Kapil Mehta	Chief Financial Officer & Chief Operating Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan- 2020
				October 13, 2021	78	100000	
3	5829	Sunil Bhatt	Chief Technology Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan- 2020
				October 13, 2021	78	100000	
4	5979	Manoj Shah	Chief Information Officer	July 30, 2021	20	75000	ADSL – Employees Stock Option Plan- 2020
				October 13, 2021	78	100000	

For and on behalf of the Board of Directors of
Allied Digital Services Limited

Nitin Shah
Chairman & Managing Director
DIN:00189903

Prakash Shah
Whole-time Director
DIN:00189842

Place: Mumbai
Date:May 18, 2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Overview

Global Overview

The world economy has dipped across the globe triggered by the Ukraine-Russia war and as the world comes out of the pandemic, Geopolitics is impacting the supply chain. We see a broader and deep impact on the economy. There is clear sign of a recession, resulting due to high rate of inflation across the globe. Currently, we are at the peak of inflation. Climate change may impact 2 degrees of increase in temperatures in coming few years which can lead to many floods and famines. The US financial markets are down on average of 25% as of now. India markets are down almost 20%. We could thus see a tougher business growth in mid part of this financial year.

Focusing on IT industry, due to the upswing in stock markets last calendar year, there has been good investments in transformation which has resulted in huge demand for IT resources in past 6 months. IT investments primarily across the US and India have been on major rise the entire last financial year. With inflation at the peak, the current financial year for IT across the globe can be a roller coaster ride, with the IT markets rising from the start of 2023. AI, Cybersecurity, and Cloud are at centerstage. Startups are strongly leveraging IT. Globally; in-spite of impact due to macro-economic factors, this world will continue to witness a technology led revolution this decade.

B. Our Business

For Allied Digital Services Limited ("ADSL"), we have delivered record growth in revenues, profits as well as many customer logos. As predicted in our last year insights, this year has been phenomenal. We have added over 700 employees last calendar year. Our strategic investments in AI as early adoption have become a contributor to innovation. We have won several smart city projects. Our operational planning to scale the organization has resulted in a successful outcome. Lastly, our roadmap has ensured that we are firing indeed all six cylinders of our offerings.

While the business team has been busy adding new customers, our delivery team has accurately executed major delivery actionables. In-spite of global resource attrition and resource acquisition challenges, our support teams of HR and Finance have lifted themselves to deliver adequate staffing and cash flow to drive the projects. We are seeing the new service governance models in action and now see a leapfrog jump in our delivery operations too. We expanded in Japan, China and Brazil and are delivering projects optimally. These further yields more global avenues for growth for the company.

Our continued focus on introspection as well as skill upgrade trainings during peak covid times has helped us build a strong roadmap for coming years, with sufficient clarity on the business growth.

Last year, your company got nominated by World Economic Forum as a new champion and is actively participating in global sustainability initiatives. One important initiative we have taken up this year is to proactively measure ourselves on the Environment, Social and Governance ("ESG") initiative. Hence, we will be actively monitoring respective attributes under ESG and intend to report our ESG work. Recently we had a representation at the global CEO strategy dialogue meet in Geneva.

Besides, our A.I. innovation "FinoAllied" in banking is fast catching attraction among banking segments and associated digital media and is proud winner of multiple innovation awards.

Managed IT Services Business

In India, our pipeline continues to be strong this year, as large customers are looking for high quality, comprehensive IT managed service providers and leading master system integrator. Several large projects are under execution and some in deal pipeline. Cloud transformation business is growing rapidly. Our new offerings in cybersecurity, "AIM 360" is fast gaining market attraction amid exploding demand for cybersecurity and governance.

Our global operations, especially the US have contributed to the growth in a big way. The completed financial year, we witnessed major cost inflation in the US, but due to our fine-tuned delivery models, have managed to deliver services very well. We are further tuning our business model to ensure continued growth in our business.

Some key customers added this year are,

- Global digital workplace transformation for a global automotive company worth up to USD 100M being delivered in 35+ countries
- Total Infrastructure managed services, IT contracts outsourcing and digital transformation for one of India's largest manufacturing conglomerate worth Rs 250+ crores
- Large cloud migration and IT services integration project for one of large healthcare services mergers in the US
- Large Application support outsourcing of one of India's leading private banks
- Five new smart city projects, namely, Lucknow, Solapur, Amritsar, Sultanpur and Jullundur

- Several Cyber-Security solutions implementation and managed security services in India
- Large end user services outsourcing for medical services organization in the USA

From our strategy perspective, we have continued our roadmap of six service and solutions offerings, namely.

- Cloud migration projects and cloud engineering
- Enterprise managed IT services
- Digital transformation – AI and Automation projects
- Smart city solutions
- Cybersecurity services and solutions
- Digital workplace services and solutions

Master Systems Integration - Smart City Solutions

This has also been a blockbuster year for smart city business. We bagged several smart city orders for Punjab (Amritsar, Sultanpur and Jalandhar), Lucknow and are just declared winners for Solapur city.

While we continue to deliver Pune city project as an extension to our previous contract, new contract for 5 years is due. Also, we are in regular operational maintenance phase for Rajkot, Kalyan-Dombivli, Aurangabad and continue to work on Bidkin.

Our re-skilled engineering services division is also now bidding international IoT based system integration projects. Our current smart city pipeline is robust and is bidding also for enterprise IoT projects.

Trending Transformation Technologies - Artificial Intelligence and DevOps

Innovation, being an important pillar for growth, we have been hugely successful in developing our first conversational AI based platform "FinoAllied." Your company got recognized for this product innovation from major banking agency in India. This platform will enable small and midsize banks to quickly digitalize their traditional banking cost-effectively, making them on-par with few large private banks in India and be able to deliver a large spectrum of services to a larger urban/rural customer base. This is an innovative digital fabric, cloud native, with voice and multi-lingual support and available on "pay-as-you-use" basis with enhanced customer analytics and experience.

We have also transitioned our ADiTaaS platform as cloud-native platform due to increased focus on DevOps. We have taken up RPA projects to enhance our skills in automation. ADiTaaS, a "PinkVERIFY" certified product is already moving to an "AI based Service" platform, having many features such as smart routing, dynamic dashboard, and conversational AI.

In the current year, we have further envisaged growth in various data science and AI projects as we continue to invest into innovation that directly value-adds to our business growth.

This financial year, we have won the following awards:

Most promising Business Leader of Asia	Nitin Shah	Economic Times
Business Leader of the Year	Paresh Shah	World Leadership Congress
Technoviti Innovation Award	Allied Digital	Banking Frontiers
Best Digital Innovation of the Year	Allied Digital	UBS Forum

C. Financial Highlights

The key financial highlights of the company for the financial year ended March 31, 2022 are given below

(₹ in Lakhs)

Particulars	Standalone			Consolidated		
	2021-22	2020-21	Y-o-Y Change	2021-22	2020-21	Y-o-Y Change
Revenue	12,258	9,619	27%	48,468	35,808	35%
EBIDTA	2,342	2,398	-2%	7,260	4,872	49%
PBT	807	784	3%	7,352*	2,349	213%
PAT	569	777	-27%	6,101*	1,923	217%

**Including exceptional income of INR 23.80 Crs*

Revenue: *During the year under review company was awarded with some of the large volume accounts as well as operations also started in newly incorporated overseas subsidiaries.*

EBIDTA: *Company achieved proportionately higher consolidated EBIDTA amount in comparison to the volume of business.*

Profitability: Promising consolidated higher profitability margins due to cost optimization, better operational efficiency and exceptional income during the year. Standalone PAT margin reduced mainly on account of booking of notional loss towards granting of ESOPs to the employees.

Key Financial Ratios

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Debtors Turnover (times)	0.89	0.64	2.67	1.95
Inventory Turnover (times)	0.45	0.25	1.83	1.53
Interest Coverage Ratio (times)	9.41	6.89	34.62	12.06
Current Ratio (times)	4.05	2.91	3.74	2.75
Debt Equity Ratio (times)	0.09	0.12	0.08	0.11
Operating Profit Margin (%)	19	25	15	14
Net Profit Margin (%)	5	8	13	5
Return on Equity (%)	1.17	1.64	11.72	4.04

- *Debtors turnover and Inventory turnover ratios has improved marginally mainly due to higher turnover achieved during the year at standalone and consolidated level as well.*
- *Debt Equity and Interest Coverage Ratio has improved considerably mainly due to reduction in debt, corresponding reduced finance costs and improved profitability during the year.*
- *As explained above higher Return on Equity is on account of better profitability due to cost optimization, better operational efficiency and exceptional income during the year.*

D. Key Drivers of Growth

Innovation and Adaptability

Innovation plays key role in our IT business, as IT is the key enabler for every industry. We are early adopters of trending technologies. This also helps us guide the customer roadmap. Last financial year, we did several transformation projects such as cloud migration, multi-cloud applications. This year, we will continue to invest in areas such as AI, RPA, Cybersecurity, and certain startup incubation. Every business is adopting AI as primary technology to sharpen their business products and services as AI has become mainstream and easy enabler to build strong prescriptive and predictive analytics. As you may know, cybersecurity is in extremely high demand; more digitalization is also attracting frauds and every organization must be proactive to ensure resilience to cyberattacks and incidents.

We have reached new horizons in leveraging latest trending industry tools and platforms in cybersecurity which has further helped in getting some exceptionally good projects. We have attained tremendous expertise in various aspects of cybersecurity. We have also embarked on initiative of supporting some prestigious universities in India to setup a center of excellence in IoT and smart cities.

Our company is actively promoting startups in their new innovations as well as in supporting certain non-profit organizations to drive their modern technology enabled initiatives.

Putting Design Thinking methodologies in practice within the company, the leadership continues to ideate and build new customer solutions for newly defined problems.

New markets/Opportunities

In these tough competition times, technology is now proven to be the key enabler for bringing business resilience as well as drive new initiatives. As we predicted ourselves to be at a threshold for massive growth last year, the same is coming true. We see new opportunities of growth in countries like Japan, Germany, UK, and Latin America.

As we see the situation of pandemic improving, ADSL will soon invest resources into building new partnerships for business growth strategically in Europe as well as rest of the world. Our new partnerships are also flourishing, while the older partnerships are yielding us exceptionally large and strategic business opportunities.

Human Resource

Human resource practices have been hugely instrumental in the company's growth. On all counts, be it managing resources efficiently, hiring new resources for rapidly scaling existing or new projects, the human resource division has been a pillar of strength. During the growing covid-19 pandemic, the team has played a leadership role in ensuring smooth service delivery by driving "Work from home" policies as well as motivating employees yet ensuring compliance. The department has been driving continuous communication and providing extra care to support and field staff across the globe.

HR has been leading big initiatives such as vaccination for the employees as well as their families. Another area where our global HR has exceeded expectations is in hiring new leadership roles and massive hiring scalability; Your company is in process of hiring over 500 employees this year. The total permanent employee strength as on March 31, 2022 stood at 1450.

Government Initiatives

In the financial year gone by, Government of India has announced major initiatives to leverage technology as an enabler for India's growth. The US government too has announced a major investment of up to 1 trillion dollars to revamp the infrastructure. India is seen globally as fore runner for growth and IT is going to play a pivotal role. Allied Digital perceives this as major opportunity to fuel growth in digitalization across all sectors. Your company has thus uplifted its HR policies for continuous training and working with universities to attract new talent.

E. The ESG Initiative

ESG is the acronym for **E**nvironmental, **S**ocial, and (Corporate) **G**overnance.

This is an initiative a company adopts as a practice to support environmental issues, social challenges as well as to monitor its own ethical corporate governance. The initiative involves measurement and reporting of activities of the company to improve the environment, undertake social cause work and ensure follow ethical corporate governance practices.

ADSL has been doing several such activities and has adopted fair governance as its core value in its value pyramid of 7 layers and plays active role in public facing technology projects such as smart cities. Your company has been listing these activities but from this year plans to formalize and report these activities under the global ESG metrics framework.

ESG facilitates top-line growth overall, attracts talent, reduces costs, and forge a sense of trust amongst customers. Organizations with good ESG practices score higher in terms of reputation and carry less risk as sustainability is incorporated in their governance and core value.

The current financial year has been challenging due to various recent and ongoing global challenges including, geopolitical stability (like Ukraine-Russia war, US-China relationship), climate change, unethical business practices. food, energy shortage, soil pollution and hunger. All this is leading to more economic disparity, sustainability challenges and long-term planet impact. Hence there is dire need for adoption of ESG to do a bit for the current and future well-being of this planet, the community around us and ensure fairness in running the organization.

For investors, it enhances their confidence on how the company is planning long term sustainability and to determine any unforeseen risks.

ESG reports include qualitative and quantitative information pertaining to its three key topics.

Environmental: What is an organization doing to be a steward of the environment? The environmental umbrella covers:

Examples	ADSL Initiatives
How a company is combatting climate change	Several energy saving activities in premises ADSL is involved with Microsoft and Deloitte to work on Wildfire prediction and situation management
What a company is doing to reduce carbon emissions	ADSL supports car-pool and work from home
How the company is preserving biodiversity, improving air and water quality, combatting deforestation, or responsibly managing its waste	ADSL plans to support tree plantation activities ADSL globally adopts practices of filtered water and restricts use of bottled water discouraging use of plastic. ADSL is engaging NGO agencies to drive e-waste management
How the company is responsibly using resources and its supply chain	ADSL is proactively monitoring its resource usage including electricity bills, supply chain risks on various electronic goods with OEMs

Social: What is an organization doing to improve lives? The social umbrella covers:

Examples	ADSL Initiative
How a company nurtures its people and workplace	ADSL has documented comprehensive HR policies and made them available online. Besides, HR frequently updates employees on pandemic. Also rewards and recognition programs are conducted. ADSL believes in "Employee nurturing as everyday' s role of a manager"

Examples	ADSL Initiative
Gender, disability parity initiatives	ADSL adheres to its policy of being gender neutral and support opportunity for disabled
The company's employee engagement	The company has been globally promoting equal opportunity and diversity. It has strong "Core Value Pyramid" where Ethics and Integrity is at top and believes in "walk the talk." Company also publishes periodic newsletters to employees
Data Protection and privacy	ADSL drives a huge practice on cybersecurity for customers and follows similar practices internally, including ISO 27001, 20000 and SOC 2 compliance. It has also set up a "Center of Excellence" to drive by example. There is frequent campaign on Data protection, privacy, and cybersecurity awareness
Community involvement	Several CSR activities such as Padma Pragna Private Trust Women empowerment initiatives Free Covid vaccination drives
Human Rights and labor standards	ADSL complies to statutory regulations and labor laws.

Governance: What is an organization doing to stay ahead of corruption and ensure its investments remain sustainable in the future? The governance umbrella covers:

Examples	ADSL initiative
A company's internal controls	Internal controls at ADSL include Whistle blower policy Employee grievance and support services online and offline Open door policy Mandatory onboarding procedures to communicate policies, code of conduct and "Core Value Pyramid" Continuous communication during leadership town hall sessions
Policies, principles, and procedures governing leadership, board composition, executive compensation, audit committee structure, shareholder rights, bribe	Being a public listed company, all required statutory and regulatory compliances are in place.

Your company this year plans to actively formalize these initiatives in a global measurable report.

ADSL active role in global ESG initiatives

Your company, as you would know is nominated "new champion" at world economic forum. It actively participates in the global forum meetings. Your company is proud to inform that various blogs written by our leaders on technology related ESG are published in the global forum. Some of the listings are as followsn

1. Artificial empathy: The upgrade AI needs to speak to consumers
2. Should cybersecurity be made part of the school curriculum?
3. The talent pipeline: Keeping pace with emerging technologies

The company is actively involved in supporting an "AI based prediction model" along with organizations like Microsoft and Deloitte for wildfires that destroys large forest every year.

Our company has adopted a slogan of "Technology for Everyone."

- Being a leading master systems integrator for smart city projects, it is already playing a leading role in enabling technology for broader sections of the society. Improving the quality of life for urban population. This implies safety and security for the citizens, citizen centric services, water and waste management, transportation etc.
- Also, our new innovative product "FinoAllied" is promising major financial inclusion initiatives as per the new initiative of Digital India, to ensure small and medium banks can digitalize and take services to the rural population in India and global.
- Besides, our company is actively implementing cloud migration projects to ensure efficient, cost-effective and energy saving use of technology for the customers.

Below is the map of Allied Digital depicted in World Economic Forum

F. Risks, Concerns and Threats

Volatile Global Outlook

Like any other corporate with global presence, the company is exposed to interest rate risk, currency fluctuations, credit risk and regulatory risks. In the US, the inflation increases, and war related fears has put some challenges in workforce shortage as well as pressure on attrition and even bring some recession challenges. However, our HR is pro-actively working to ensure the business growth is not hampered. Company's internal audits ensures a robust risk management readiness. Risks are reviewed on the quarterly basis by the management. This year, too some global and India related macro-economic risks are posing challenges due to imposing war related issues, climate change and post-pandemic economic changes. With some proactive measures such as adopting ESG initiatives, thus de-risking the supply chain we are further controlling these risks.

Technology

Technology is related to innovation and change imminent. This means we must be in forward adoption mode for modern technologies and promote innovative solutions, thus enhancing the potential to tap new business opportunities. The company continuously engages in training and skill development programs to update the knowledge base. Allied Digital has clearly defined its six technology towers to do business. It now has a clear roadmap for next three years of its operation and will focus on new opportunities. It will continue to invest into R&D to develop new offerings across the geographies.

Today the most growing risk for managed service providers and industry is cybersecurity. In the last financial year, we have spent additional resources to revamp our internal operations with enhanced IT security. This is the need of the hour and due to large new business contracts being executed this year, we have also enhanced our cybersecurity insurance limits.

We believe in leveraging technologies like AI and block-chain to benefit of an enterprise that improves sustainability of the customer's organization as well as the community.

Compliance Risk

Company's operations are spread across the globe and hence it becomes imperative for the organization to comply with legal and regulatory laws of various countries. Failing to comply with the specific country's laws and regulation may expose the company to legal and financial penalties and dilute the brand image. Identified key stakeholders across sales and business units and corporate functions ensure compliance of all applicable laws on a continuous basis. Any changes in the applicable regulations are updated and monitored by respective departments. The company has also appointed third-party agencies, to support standard compliance in certain countries, for reducing local statutory risks.

As per every year, from operations perspective, we ensure our compliances, such as ISO, CMMI, PinkVERIFY remain active and intact. This year we are adding new metrics on ESG.

Delivery Risk

As there is immense competition in standard core services, there is a constant risk of losing the customer or incurring penalties when not delivered to topmost standards. Customers are looking for continuous value augmentation from service providers. Especially in India, the enterprises put constant pressure to not just exceed the KPI but also give discounts because of the pandemic and a value-add with some free project delivery. Such pressure on margins is well understood. Your company has supported some discounts and done some value-additions to the customers. We address this situation in two parts. One is through shift-left automation, which implies routine tasks get automated. For example, our managed services team has built smart dashboard analytics for customers and partners. About 300 different daily routine tasks are digitalized and automated. The other approach is to take care of increased operational costs in our pricing to new prospects.

This year, to counter inflation challenges, your company has also approached existing global and large Indian customers for a rate increase to best sustain our profitability.

Payment delays are frequent challenges, at various levels across the globe. In India, government payments do get delayed. However, our finance team does rigorous follow-ups to get the receivables and has been successful in managing this risk. Of course, in covid times, this has been more painful, but our finance has managed to maintain the cash flow seamlessly, without taking additional debt pinches.

Contract Management

Sometimes ambiguities are created in the scope of work which leads to unaligned expectations from the parties involved in the project. We have standardized certain contracts and are constantly putting efforts into stronger contract management and building deeper insights into customers' environments to avoid risks of service failure at desired levels. Our contracts team is constantly fine-tuning new and renewal contracts in the current business context.

Employee Related Risk

As a service-centric, talent-driven organization, one of our key strategies, is to have the best talent, with highly specialized skills in each part of our business. We balance the right levels at the right locations, and at the appropriate time, to enhance our differentiation and competitiveness.

Our attrition rate has reduced over the last year in India, though some challenges have emerged in the US, as the local inflation is higher than in the past few years. Allied Digital is mitigating risks by cross-training and working diligently with in-house as well as third-party recruiters. In Europe, due to immigration law changes, there are attrition issues, but Allied has developed a constant vigilance in its delivery operations so that the customer deliverables are never affected.

Due to active HR and leadership roles, we have been able to keep the morale of employees high as ever. We are also embarking on a larger pool of fresh workforce from institutions, giving them training and doing internal promotions. This helps in managing attrition as well as keeps the cost of new lateral hiring in control Adequate business insurance policies are also in place on errors, omissions, and general liability.

Internal Control systems

Adequate internal controls ensure that transactions are authorized, recorded, and reported correctly and assets are safeguarded against loss from unauthorized use or disposition. In addition, operational controls, and fraud risk controls, cover the entire spectrum of internal financial controls. Your company has put a lot of emphasis on improving the internal control systems in multiple areas such as Finance, Sales, Legal and HR.

- In finance, the internal checks and balances are managed by a formal system of internal audits. The alert mechanism is in place for regulatory changes. The transition to GST-compliant processes was smooth. The Company has appointed, M/s. S.P. Natani, Chartered Accountants, Mumbai as Internal Auditors of the Company to conduct the Internal Audit.
- On the sales front, more emphasis is given to customer credit checks, profitability, and sales closures.
- On the delivery and operations end, we improved on alerts communication, automation, and customer systems health checks. This has vastly improved the overall quality of delivery, reducing customer concerns.
- In the US, new software has been implemented for managing contracts. We plan to implement the same in India. This software will enable us to reduce business risk and improve compliance by bringing best practices in contract management.
- We have embarked on a major initiative of CMMI Level 3 compliance this year. The work is in the last stage for achieving the certification before this year-end.

Other initiatives such as management performance audits were also successfully implemented last year. The quality management system of the company is ISO certified each year.

Disclosure of Accounting Treatment :

The Financial Statements of the Company have been prepared in accordance with the procedure/process provided for in the applicable Accounting Standards. There is no alternative treatment adopted in preparation of the FinancialStatmeents during the year under review.

G. Way Forward

- Our clear roadmap is showing remarkable success. We would continue to achieve new business growth by fine-tuning our operational models to take care of global inflationary risks.
- We see big growth in AI and automation, which is gradually becoming a mainstream business.
- We have many smart city projects implementation underway, so are active in delivering the order books but the pipeline looks good for growth.
- Our new partnerships and geographical expansion continue. This will result in new business wins across the globe.
- The finance and HR support teams are doing a spectacular job in managing the cost of operations.
- Our new ESG initiative will play a crucial role in improving our company's brand, and our global business context and win more trust in our existing customers and prospective customers as well.
- We continue to improve on our service governance scale to new heights as a strong differentiator.

The management is currently looking at various alternatives to monetize the Hard Assets (Real Estate) of the company as the real estate market has been sluggish during the pandemic but is on an upward trend.

In summary, the last year has been phenomenal in revenues. Moreover, the number of customers and partnerships is growing across the globe. This financial year is a busy delivery year, with plenty of projects in hand, bringing booked revenues for the next 3-4 years. We may see certain new business growth impact for a quarter or two this year due to macro-economic impact, but continue to see an upward growth, with increasing brand value and continue to deliver some pioneering projects in trending technologies. Your company is continuously growing in its brand value and its achievements are increasingly noticed in digital media year after year.

Our motto of "Passion, Teamwork and Innovation" continues to drive us along with your good wishes.

CORPORATE GOVERNANCE REPORT

◊ CORPORATE GOVERNANCE PHILOSOPHY

In Allied Digital Services Limited, Corporate Governance philosophy stems from our belief that Corporate Governance is a key element in improving efficiency, growth, enhancing investor's confidence and return to the Members. Accordingly, the Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders, thereby paving the way for its long term"

The Company is committed to ethical and transparent business practices. Corporate Governance encapsulates an implied agreement between business and society.

◊ GOVERNANCE STRUCTURE

The Board of Directors ("Board") takes over the role of Corporate Governance. Governance is the practice of the Board coming together to make decisions about the direction of the Company. Good governance principles are fundamental to the work that Board do. The Board has to exercise strategic oversight over business operations while directly measuring and rewarding management's performance. Simultaneously the Board also ensures the compliances with the legal framework, integrity of financial accounting and reporting systems and credibility in the eyes of the stakeholders through proper and timely disclosures. The Board of the company is central to its decision making and governance process.

a) Board of Directors:

The Composition of the Board represents optimum combination of the knowledge, experience and skills which are required by the Board to discharge its responsibilities effectively. The Board of the Company comprises of eight (8) Directors with optimum combination of Executive and Non-Executive Directors i.e., three (3) Executive Directors and five (5) Non-Executive Directors including an Independent Woman Director and each of them are professionals in their respective areas of specialization. The Chairman of the Company is an Executive Director and more than 50% of the Board consist of Non-Executive Directors.

The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). None of the Non-Executive Directors have attained the age of 75 years. The Board periodically reviews the compliance reports of all laws applicable to the company.

In terms of the provisions of the Act and the Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on March 31, 2022, none of the Directors of the Company:

- holds Directorship positions in more than twenty (20) companies [including ten (10) public limited companies and seven (7) listed companies;
- holds and serves Independent Director position in more than seven (7) listed companies;
- holds Executive Director position and serves as an Independent Director in more than three (3) listed companies; and
- is a Member of more than ten (10) Committees and/or Chairperson of more than five (5) Committees, across all the Indian public limited companies in which they are Directors.

A certificate has been received from M/s. Rathi & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company as on 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 statutory authorities is marked as ***"Annexure I"***

- **Matrix setting out the core Skills/Expertise/Competence of the Board of Directors**

The Board of the Company comprises of highly qualified members and leaders in their respective fields who possess required skills, expertise and competence that allow them to make effective contribution to the Board and its committees.

The Board has identified the following core skills/expertise/competence of the Directors in context of the Company's business and it's Industry for effective functioning:

Global Business	Experience of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions, knowledge of foreign exchange markets trends.
Strategy and Planning	Corporate planning and strategy, driving changes and long-term growth, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments, risk management.
Governance and Regulations	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values
Technology	Understanding of technology, ability to create innovation and design solution or create new business models using the latest technologies.
Financial	Ability to analyse and understand the key financial statements, assess financial viability of the projects, risk factors & efficient use of resources, experience in the fields of taxation, audit, financial management, banking and internal controls.
Leadership	Extended leadership experience with practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent along with driving change and long-term growth.
Business Diversity and Transformation	Diversity of thought, experience, knowledge, perspective, gender and culture brought to the board by individual members. Varied mix of strategic perspectives, geographical focus with knowledge and understanding of key geographies making fundamental changes in how business is conducted in order to help cope with new developing competences and making better use of existing competences.
Values	Personal characteristics are in line with the Company's ethics and values, such as integrity, accountability, and high-performance standards.
Stakeholders Management	Experience of dealing with government officials, regulators, customers, boards, partners and suppliers, employees; and broader community for corporate social responsibility agenda.

Below is a list of core skills, expertise and competencies of the individual Directors:

Name of Directors	Global Business	Strategy & Planning	Governance & Regulations	Technology	Financial	Leadership	Business Diversity & Trans-formation	Values	Stakeholders Management
Mr. Nitin Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Prakash Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Nehal Shah	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Sunil Bhatt	✓	✓	✓	✓	–	✓	✓	✓	✓
Dr. Shrikant Parikh	✓	✓	–	✓	✓	✓	–	✓	✓
Mr. Milind Kamat	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Swanubhuti Jain	–	✓	–	–	–	✓	✓	✓	✓
Mr. Shakti Kumar Leekha	✓	✓	✓	✓	–	✓	✓	✓	✓

Composition of the Board and the Directorship(s)/ Committee Membership(s)/ Chairmanship(s) held as on March 31, 2022 is as follows:

Name of Director and Director Identification Number (DIN)	Category/Designation	No. of Director-ship(s) in other Com-panies[1]	No. of Membership(s) / Chairmanship(s) in other Companies*		Director-ship in other listed com-pany (ies) and category of director-ship	No. and percentage of Equity Shares held in the Company as on March 31, 2022
			Member	Chairman		
Mr. Nitin Shah DIN: 00189903	Chairman & Managing Director (Promoter)	–	-	-	-	1,87,83,031 (34.65%)
Mr. Prakash Shah DIN: 0018942	Whole-time Director (Promoter)	–	-	-	-	81,78,348 (15.09%)
Mr. Nehal Shah DIN: 02766841	Executive Director (Promoter Group)	–	-	-	-	1,11,800 (0.21%)
Mr. Sunil Bhatt^ DIN: 09243963	Non-Executive & Non-Independent Director	-	-	-	-	45,000 (0.08%)
Dr. Shrikant Parikh DIN: 01735830	Non-Executive & Independent Director	–	-	-	-	-
Mr. Milind Kamat DIN: 01772084	Non-Executive & Independent Director	-	-	-	-	-
Ms. Swanubhuti Jain# DIN: 09006117	Non-Executive & Independent Director	2	2	-	Motilal Oswal Financial Services Limited - Independent Director	-
Mr. Shakti Kumar Leekha$ DIN: 03246804	Non-Executive & Independent Director	-	-	-	-	950 (0.00%)

[1] *The Directorships, held by the Directors as mentioned above, do not include Directorship(s) in Private Limited Companies, Foreign Companies and Section 8 Companies have not been considered.*

* *In accordance with Regulation 26 of the Listing Regulations, Chairmanship(s) / Membership(s) of only Audit Committee and Stakeholders' Relationship Committee in all Indian Public Limited Companies have been considered.*

^ *Mr. Sunil Bhatt was appointed with effect from July 30, 2021.*

\# *Ms. Swanubhuti Jain was appointed with effect from July 30, 2021.*

$ *Mr. Shakti Kumar Leekha was appointed with effect from January 20, 2022.*

- **Independent Director**

  Independent Director plays a significant role in upholding corporate governance norms and ensuring fairness in decision-making and safeguarding the interests of all stakeholders, particularly the minority shareholders. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, control and business performance.

  The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the Listing Regulations. The Nomination & Remuneration Committee of the Company identifies candidates based on certain laid down criteria and takes into consideration the need for diversity of the Board and accordingly make its recommendations to the Board.

During the year under review, Ms. Swanubhuti Jain (DIN: 09006117) has been appointed by the Members as an Independent Director for the first term at the Annual General Meeting held on September 13, 2021 for a period of five (5) consecutive years commencing from July 30, 2021 upto March 31, 2026. Further, Mr. Shakti Leekha (DIN: 03246804) has been appointed by the Members as an Independent Director for the first term through postal ballot for a period of 5 (five) consecutive years commencing from January 20, 2022.

Ms. Shubhada Jahagirdar (DIN: 00895950), has resigned from the post of an Independent Director of the Company due to her other personal and professional commitments with effect from the closure of business hours of October 28, 2021. The said Director has confirmed to the Company that there is no other material reason other than provided herein above. The Board appreciates her valuable contribution to the Company during her tenure and wishes her luck for her future endeavours.

- **Declaration by Independent Directors:**

  In terms of Regulation 25(8) of Listing Regulations, all the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have also confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The maximum tenure of the Independent Directors is in compliance with the provisions of the Listing Regulations and the Act.

  Further, the Independent Directors have included their names in the Independent Director's Databank maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

  In the opinion of the Board, all the independent Directors of the company fulfill the conditions specified in the Listing Regulations and are independent of the management of the company.

- **Number of Independent Directorships:**

  As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director and Whole-time Director of the Company do not serve as an Independent Director in any listed entity.

- **Independent Directors' Meeting**

  During the financial year 2022, one (1) meeting of the Independent Directors was held on November 01, 2021. The Independent Directors of the Company meet without the presence of the Executive Directors and other Non-Executive Directors or any other Management Personnel. The Independent Directors, inter-alia, reviewed and evaluated:

  - the performance of Non-Independent Directors, Board as a whole;
  - Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
  - the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and
  - other related matters.

  All the Independent Directors of the Company attended the said meeting. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

- **Familiarisation programme imparted to Independent Directors:**

  Familiarisation Programmes are conducted for the Independent Directors to enable them to understand their roles, rights and responsibilities. The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Regular updates are given in the Board and Committee meetings on business performance including Finance, Sales, Operations, Business strategy, etc.

  When a director is inducted on the Board, a comprehensive Induction Programme is conducted describing organisation structure, ethics and compliance practices, company policies, etc.

  Details of such familiarisation programmes for the Independent Director(s) are available on the website of the Company and can be accessed through the following link:
  https://www.allieddigital.net/in/downloads/Inv_Policies/Familiarisation_Programme_Independent_Directors.pdf

b) Board Procedure and Meetings:

The Board is the head body constituted by the shareholders for managing and supervising the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served.

The Company have defined guidelines and has established framework for the meetings of the Board and its Committees. The agenda for the Board Meetings broadly covers the information required as enumerated in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations. The Company Secretary under the direction of the Chairman and in consultation with the Whole-time Director and the Chief Financial Officer prepare the detailed agenda for the meetings. The Board meets at least once in every quarter to review the quarterly results and other items of the agenda and adequate notice is given to all directors for the Board Meetings along with the agenda with detailed notes which is sent at least seven days in advance before the scheduled meetings other than those held at a shorter notice to transact urgent business.

During the year under review and due to the ongoing Covid-19 pandemic and restrictions imposed, all the Committee and Board Meetings had an option of Video Conferencing (VC). All Directors were also provided VC facility to participate in the meetings of the Board and the Committees.

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance. Further the important decisions taken at the Board/Committee Meetings are communicated to the concerned departments.

During the financial year ended March 31, 2022, five (5) Board Meetings were held on May 31, 2021, July 30, 2021, October 13, 2021, November 01, 2021 and January 31, 2022. The maximum interval between any two meetings was well within the maximum allowed gap, as stipulated under Section 173(1) of the Act, Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

The 27th Annual General Meeting of the Company was held on September 13, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the physical presence of the members of the Company as a common venue as per the Circular issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

c) The following table gives the attendance record of the Directors of the Company in the Board Meetings and General Meeting held during the reporting period:

Name of Directors	No. of Board Meetings held during the tenure of the Director	No. of Board Meetings attended	Attended Previous Annual General Meeting
Mr. Nitin Shah	05	05	Yes
Mr. Prakash Shah	05	05	Yes
Mr. Nehal Shah	05	05	Yes
Mr. Sunil Bhatt*	03	03	Yes
Dr. Shrikant Parikh	05	05	Yes
Ms. Shubhada Jahagirdar **	03	03	Yes
Mr. Milind Kamat	05	05	Yes
Ms. Swanubhuti Jain#	03	03	Yes
Mr. Shakti Leekha$	01	01	Not applicable

** Mr. Sunil Bhatt was as a Director appointed on July 30, 2021.*
*** Ms. Shubhada Jahagirdar resigned from the post of Directorship w.e.f. October 28, 2021.*
 # Ms. Swanubhuti Jain was appointed as an Independent Director appointed on July 30, 2021.
$ Mr. Shakti Leekha was appointed as an Independent Director on January 20, 2022.

d) Relationship between the Directors inter-se:

Mr. Nitin Shah, Chairman & Managing Director and Mr. Prakash Shah, Whole-time Director of the Company are brothers. Mr. Nehal Shah, Director is the son of Mr. Nitin Shah, Chairman & Managing Director and relative of Mr. Prakash Shah, Whole-time Director.

None of the Directors other than the above-mentioned Directors are related to each other.

e) Number of shares and convertible instruments held by Non-Executive Directors:

Mr. Shakti Kumar Leekha (DIN: 03246804) holds 950 shares of the Company and Mr. Sunil Vasudev Bhatt (DIN: 09243963) holds 45000 shares of the Company.

Other than the above, none of the Non-Executive Directors of the company hold any shares and/or convertible instruments in the Company.

f) Risk Management:

Business Risk Evaluation and Management is an on-going process within the Company. The Company has a dynamic risk management framework to identify, monitor, mitigate and minimise risks as also to identify business opportunities. The Company also pursues a comprehensive risk management programme as an essential element of sound corporate governance and is committed to continuously embedding risk management. The risks are reviewed periodically for the change in nature and extent of the major risks identified since the last assessment. Systematic and proactive identification of risks and mitigation thereof enables effective or quick decision making and boosts the performance of the organisation.

◊ COMMITTEES OF THE BOARD:

The Board committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas / activities which concern the Company and need a closer review. They are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by members of the Board, as a part of good corporate governance. During the year, all the recommendations of the committees of the Board have been accepted by the Board, which were mandatorily required.

All the Committees have detailed terms of reference approved by the Board which outlines the composition, scope, powers & duties and responsibilities. The Chairperson of the respective Committee updates the Board about the summary of the discussions held in the Committee meetings. The minutes of the Committee meetings are sent to all Committee Members individually for their approval/ comments as prescribed in Secretarial Standards-1 and after the minutes are duly approved, these are circulated to the Board and presented at the Board Meetings.

The Board has established the following statutory and non- statutory committees:

I. AUDIT COMMITTEE:

a) Brief Description:

The Audit Committee acts as an interface between the Management, Statutory Auditor, Internal Auditor and Board for monitoring the financial reporting process. The Board has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Chief Financial Officer is the permanent invitee to the Audit Committee. The committee members may invite the Statutory Auditor/Internal Auditor/Secretarial Auditor and any other concerned officers of the Company in the meeting, whenever required on case-to-case basis. The Company Secretary acts as the Secretary of the Audit Committee.

b) Terms of reference:

The primary responsibilities and role of the Audit Committee, inter-alia, are:

i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
ii. Recommending to the Board, the appointment, re-appointment, terms of appointment and if required, the replacement or removal of the auditors and fixation of audit fees;
iii. Approval of payment to statutory auditors for any other non-audit services rendered by the statutory auditors;
iv. Reviewing with the management, the quarterly/annual Standalone and Consolidated financial result/statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters to be specified in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions;
    g. Modified opinion(s) in the draft audit report;
v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, 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;
vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
viii. Approval or any subsequent modification of transactions of the Company with related parties;
ix. Scrutiny of inter-corporate loans and investments;
x. Valuation of undertakings or assets of the company, wherever it is necessary;
xi. Evaluation of internal financial controls and risk management systems;
xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
xiii. 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;
xiv. Discussion with internal auditors of any significant findings and follow up there on;
xv. 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;
xvi. 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;

xvii. To look 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;

xviii. To review the functioning of the Whistle Blower mechanism;

xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

xxi. Consider and comment on rationale, cost benefits and the impact of schemes involving merger, demergers, amalgamation etc., on the listed entity and its shareholders;

xxii. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee mandatorily review the following information:

i. Management Discussion and Analysis of financial condition and results of operations;

ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;

iii. Internal audit reports relating to internal control weaknesses; and

iv. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

v. Statement of deviations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

c) Composition of the Committee:

The composition of the Audit Committee of the Company is in accordance with the provisions of Section 177 of the Act and in terms with Regulation 18 of Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Risk and International Finance. The Audit Committee comprises of three (3) Members out of which two (2) are Independent Directors and one (1) Executive Director of the Company.

Five (5) meetings of the Audit Committee were held during the financial year 2021-2022. These were held on May 31, 2021, July 31, 2021, October 13, 2021, November 01, 2021 and January 31, 2022. The attendance of each committee member is as under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1	**Dr. Shrikant Parikh**	Chairman	Independent Director	05	05
2	**Mr. Milind Kamat**	Member	Independent Director	05	05
3	**Mr. Prakash Shah**	Member	Whole-time Director	05	05

All the recommendations of the Audit Committee have been accepted by the Board.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 13, 2021.

II. NOMINATION & REMUNERATION COMMITTEE:

a) Brief Description:

The objective of Nomination and Remuneration ('NR") Committee is to ensure a fair transparent and equitable remuneration to employees and Directors based on quality of people, their performance and capability to run the company successfully. The purpose of the NR Committee is to assist the Board in ensuring that the Board and Executive Committee retain an appropriate structure, size and balance of skills to support the strategic objectives and values of the firm.

b) Terms of reference:

The purpose and responsibilities of the Committee shall include matters as prescribed under applicable law or by the Board in compliance with applicable law from time to time, which inter-alia includes the following:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration of the directors, key managerial personnel and other employees;

ii. For every appointment of an independent director, the NR Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

iii. Formulation of criteria for evaluation of performance of Independent directors and the Board of Directors;

iv. Devising a Policy on diversity of Board of Directors;

v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

vi. Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management; and

viii. Administration of the Employee Stock Option Plan (ESOP), if any.

c) Composition of the Committee:

The composition of the NR Committee of the Company is in accordance with the provisions of Section 178 of the Act, and in terms with Regulation 19 of Listing Regulations. The NR Committee comprises of three (3) Independent Directors of the Company.

One (1) meeting of the NR Committee was held during the financial year 2021-2022. It was held on July 30, 2021. The Company Secretary acts as the Secretary to the Committee. The Chairman of the NR Committee was present at the Annual General Meeting of the Company. The attendance of each committee member at the meetings was under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1	**Dr. Shrikant Parikh**	Chairman	Independent Director	01	01
2	**Mr. Milind Kamat**	Member	Independent Director	01	01
3	**Ms. Shubhada Jahagirdar***	Member	Independent Director	01	01
4	**Ms. Swanubhuti Jain#**	Member	Independent Director	01	Not applicable

 # Ms. Swanubhuti Jain was appointed on the Board on July 30, 2021

** Ms. Shubhada Jahagirdar ceased to be the Member of the Committee due to her resignation from the post of Directorship w.e.f. October 28, 2021*

d) Performance Evaluation Criteria for Independent Directors:

In compliance with the provisions of the Act and the Listing Regulations, the Board works with the NR Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Committees and Executive/ Non-Executive/ Independent Directors through a peer evaluation excluding Director being evaluated.

Independent Directors have three key roles i.e. governance, control and guidance. Some of the performance indicators based on which the independent indicators are evaluated include:

- Possession of skills, experience and level of preparedness which allows the person to clearly add value to discussions and decisions;
- Attendance and active contribution to all Board debates and discussions;
- Collaboration and encouragement of healthy discussion among Board members;
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings; and
- Contribution to enhance overall brand image of the Company.

To improve the effectiveness of the Board and its Committees as well as individual Directors, a formal and rigorous Board review/ evaluation is internally undertaken on an annual basis. For the financial year 2021-22, the process took the form of questionnaires followed by structured review with Independent and Executive Directors, Board of the Company and Committees of the Board. Further all the Directors expressed their satisfaction with the evaluation process.

The performance evaluation of Executive Directors and Key Managerial Personnel carried out by the Independent Directors in the manner mentioned above, taking into consideration the performance against the corporate goals and objectives on the basis of performance parameters set for each Executive Director and Key Managerial Personnel.

e) Disclosure of Remuneration paid to Director:

- **Pecuniary relationship or transactions of the Non-Executive Director's vis-a-vis the Company:**

Apart from Mr. Sunil Vasudev Bhatt, who is working as Chief Technology Officer in Allied Digital Services, LLC, USA, one of the subsidiary of the company, there are no pecunlary relationship or transactions of the other Non-Executive Director's vis-a-vis the Company.

- **The criteria for making payments to Executive Directors of the Company are as under:**

The Executive Directors remuneration (along with the revision) is determined and recommended by the NR Committee to the Board. The Board considers and if it is deemed fit, the Board approves the recommendation of NR Committee subject to the approval of the members of the Company. The revision in remuneration of the Executive Director is done taking into account their individual performance and as well performance of the Company. The Company also confirms that the remuneration paid to the Directors is in accordance with the provisions of the Act.

Mr. Nitin Shah, Chairman and Managing Director and Mr. Prakash Shah, Whole-time Director, were re-appointed for a period of five (5) years from April 01, 2021 to March 31, 2026 and Mr. Nehal Shah, Executive Director was re-appointed for a period of three (3) years w.e.f. July 30, 2021.

- **Details of remuneration paid to Executive Directors for the year ended March 31, 2022 are as under:**

Executive Director	Designation	Remuneration during 2021-22			
		All Elements of remuneration package i.e. salary, allowances and other benefits, etc.	Fixed Component & performance linked incentives along with the performance criteria	Service Contract, Notice Period, severance fees	Stock Options details, if any
Mr. Nitin Shah	Chairman & Managing Director	₹ 370.09 Lakhs [Refer Note (a)]	Nil	Refer Note (b)	Nil
Mr. Prakash Shah	Whole-time Director	₹ 95.13 Lakhs [Refer Note (a)]	Nil	Refer Note (b)	Nil
Mr. Nehal Shah	Director	₹ 7.20 Lakhs [Refer Note (a)]	Nil	Refer Note (c)	Nil

a) *The amount include perquisite includes allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family, education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.*

b) *The tenure of Managing Director and Whole-time Director can be terminated by six months' notice on either side. No severance fees is payable to the Managing Director or Whole-time Director.*

c) *Mr. Nehal Shah, Director can be terminated by six months' notice on either side.*

- **The details and criteria for making payments to Non-Executive Directors of the Company are as under:**

Non-Executive Independent Directors are paid remuneration in form of sitting fees for attending the Board and Committee meetings. The details of the same alongwith their shareholding for the financial year ended March 31, 2022 are as under:

Name of the Non-Executive Director	Sitting Fees paid for the F.Y. 2021-22	No. of Shares held
Mr. Milind Kamat	₹ 230000	–
Dr. Shrikant Parikh	₹ 245000	–
Ms. Shubhada Jahagirdar*	₹ 90000	–
Ms. Swanubhuti Jain	₹ 130000	–
Mr. Shakti Kumar Leekha	₹ 25000	950
Mr. Sunil Bhatt**	–	45000

** Ms. Shubhada Jahagirdar ceased to be the Member of the Committee due to her resignation from the post of Directorship w.e.f. October 28, 2021*

*** Mr. Sunil Bhatt is a Non-Executive & Non-Independent Director, therefore he does not draw sitting fees.*

III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) Brief Description:

The main objective of the Stakeholders Relationship Committee is to resolve the grievances of 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.

b) Terms of reference:

The terms of reference of the Stakeholders Relationship Committee as per the applicable laws are as follows:

i. Resolving the 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.;
ii. Review of measures taken for effective exercise of voting rights by shareholders;
iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

c) Composition of the Committee:

As on March 31, 2022, the Stakeholders' Relationship Committee comprises of two (2) Independent Directors and one (1) Executive Director.

One (1) meeting of the Stakeholders' Relationship Committee was held during the financial year 2021-2022 i.e. January 31, 2022, Ms. Neha Sunil Bagla, Company Secretary acts as the Secretary to the Committee. The Chairman of the Stakeholders' Relationship Committee was present at the Annual General Meeting of the Company to address the shareholders queries. The attendance of each committee member is as under:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1.	**Mr. Milind Kamat**	Chairman	Independent Director	01	01
2.	**Dr. Shrikant Parikh**	Member	Independent Director	01	01
3.	**Mr. Prakash Shah**	Member	Whole – time Director	01	01

d) Compliance Officer:

The Compliance Officer briefs the Committee on the grievances /queries of the investors received and the steps taken by the Company for redressing the said grievances.

Details of Compliance officer as per Listing Regulations are as follows:

Ms. Neha Sunil Bagla
Company Secretary & Compliance Officer
Premises No.13A, 13th Floor, Earnest House,
NCPA Road, Block III, Nariman Point
Mumbai – 400021
Tel : +91 22 6681 6400
Fax : +91 22 2282 2030
Email : investors@allieddigital.net

e) Investor's/ Shareholders' Grievance Redressal:

The Company has always valued its Stakeholders relationships. Accordingly, continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. During the financial year under review, the complaints and queries received from the shareholders were general in nature and were mainly pertaining to the non-receipt of annual report. All the complaints were resolved to the satisfaction of the investors.

The Status of the Investors Complaints as on March 31, 2022 is as follows:

Source of Complaint	No. of Complaints received	No. of Complaints resolved	Not resolved to the satisfaction of shareholders	No. of Complaints Pending
Directly from Investors	7	7	0	0
Through SEBI, Stock Exchanges.	0	0	0	0
Total	7	7	0	0

To redress the shareholders grievances, the company has a dedicated Email Id i.e. investors@allieddigital.net to which investors may send complaints.

IV. MANAGEMENT COMMITTEE:

a) Brief Description & Composition of the Committee:

The Management Committee was constituted by the Board on April 28, 2009. The Committee is entrusted with the operational and administrative power. The Committee comprises of three (3) Members i.e. Mr. Nitin Shah, Chairman and Managing Director, Mr. Prakash Shah, Whole-time Director and Mr. Paresh Shah, Chief Executive Officer of the Company.

b) Meeting of the Management Committee:

During the Financial Year 2021-22, One (1) meeting of the Management Committee was held on February 02, 2022.

c) Terms of reference of the Committee, inter alia, includes the following:

i. To borrow monies not exceeding specified sum or such other amount as may be authorized by the Shareholders at the General Meeting, together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) from Financial Institutions /Banks and others from time to time;
ii. To authorize Employees of the Company for purchase whether on hire purchase or otherwise or sale of vehicle;
iii. To open Bank Accounts and to authorize Directors/Authorized Signatories to operate the said Bank Accounts;
iv. To withdraw /change the authority to operate any of the Company's Bank Account;
v. To appoint attorney for and on behalf of the Company for specific /general purposes;
vi. To authorize Company Executives to represent the Company and sign and execute all the documents and papers related to the Central Government, State Government, Local Authority or any other authority in relation to the business of the Company;

vii. To take premises on leave and license / lease to be used as office/store /godown of the company or for the purpose of residence of employees or for any other purpose;

viii. To grant authority for opening Branches/Godowns at different places in the country or abroad subject to such permission as may be required from different authorities;

ix. To authorize Company Executives for obtaining Telephone /Electricity connections or other permissions in the name of the Company;

x. To decide on filing recovery on suits against distributors/dealers/customers and to authorize company's executives to prosecute the same;

xi. To file criminal proceedings against those misusing the company's rights under the Design, Patents, Trademarks and Copyright Laws, if any;

xii. To authorize company's executives to defend civil suits filed by third parties against the company;

xiii. Other general day-to-day affairs of the Company.

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

a) Brief Description:

The Corporate Social Responsibility ("CSR") Committee's prime responsibility is to assist the Board in discharging its social responsibilities by formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy' ("CSR Policy").

b) Terms of reference:

The Terms of reference of the CSR Committee are as under:

i. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Act;

ii. Formulate and recommend to the Board an Annual Action Plan in pursuance of its CSR Policy, which are include the items mentioned in rule 5 (2) of the Companies (CSR Policy) Rules, 2014;

iii. Recommend the amount of expenditure to be incurred on activities referred under the CSR Policy;

iv. Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company;

v. Making decision with respect to the Company's CSR Policy;

vi. Monitor the CSR Policy of the Company from time to time;

vii. Such other power to be exercised by the CSR Committee pursuant to circulars, notifications issued by Statutory and Regulatory Authorities from time to time;

viii. Such other activities as the Board determine as they may deem fit in line with the CSR Policy.

c) Composition of the Committee:

In compliance with the requirement of Section 135 of the Act, the Company has constituted a CSR Committee consisting of three (3) Directors out of which two (2) Directors are Independent Directors and one (1) Executive Director. The Company Secretary acts as the Secretary to the said Committee.

During the year under review, One (1) meeting of CSR Committee was held on January 31, 2022.The detailed composition and attendance of the CSR Committee is given below:

Sr. No.	Name of Members	Designation	Category of Director	No. of meetings held during the year	No. of meetings attended
1	**Ms. Swanubhuti Jain***	Chairperson	Independent Director	01	01
2	**Dr. Shrikant Parikh**	Member	Independent Director	01	01
3	**Mr. Prakash Shah**	Member	Whole-time Director	01	01

** Ms. Shubhada Jahagirdar resigned from the Directorship of the Company on October 28, 2021, in regards to that Ms. Swanubhuti Jain was appointed as the Chairperson of the CSR committee w.e.f. November 1, 2021*

VI. RISK MANAGEMENT COMMITTEE:

As per Regulation 21(5) of the Listing Regulations, the company was not covered in top 1000 listed entities determined on the basis of market capitalisation as at the end of March 31, 2022 hence the requirement to constitute the Risk Management Committee was not applicable to the Company during the reporting period.

◊ GENERAL BODY MEETINGS:

Details of Annual General Meetings held in last three (3) years along with Special Resolutions passed thereat are as follows:

Financial Year	Day, Date, Time and Venue of AGM	Particulars of Special Resolution(s)
2020-21	**Day and Date** Monday, September 13, 2021 **Time** 02:00 P.M. **Venue:** Video conference and Other Audio-Visual Means	1. To approve the re-appointment of Mr. Nitin Dhanji Shah (DIN: 00189903) as the Chairman & Managing Director of the Company 2. To approve the re-appointment of Mr. Prakash Dhanji Shah (DIN: 00189842) as the Whole-time Director of the Company of the Company. 3. To approve the appointment of Ms. Swanubhuti Jain (DIN: 09006117), as an Independent Director of the Company. 4. To approve the re-appointment of Mr. Nehal Nitin Shah (DIN: 02766841), as an Executive Director of the Company. 5. To approve the appointment of Mr. Sunil Bhatt (DIN: 09243963), as the Non-Executive Director of the Company
2019-20	**Day and Date** Thursday, September 03, 2020 **Time** 02:00 P.M. **Venue:** Video conference and Other Audio-Visual Means	1. Approval for Revision in Remuneration of Mr. Nitin Shah, Chairman and Managing Director of the Company. 2. Approval for Revision in Remuneration of Mr. Prakash Shah, Whole-time Director of the Company. 3. To approve 'ADSL - Employees Stock Option Plan 2020' 4. To extend approval of 'ADSL - Employees Stock Option Plan 2020' to the employees of Holding Company and its Subsidiary Company(ies). 5. To Grant options to issue securities equal to or exceeding One per cent but not exceeding Two per cent of the issued Capital of the Company during any One financial year to identified employees under ADSL - Employees Stock Option Plan 2020 6. To approve issue and allotment of 40,00,000 (Forty Lakhs) Convertible Equity Warrants on Preferential basis to the Promoter of the Company.
2018-19	**Day and Date** Tuesday, September 10, 2019 **Time** 04:00 P.M. **Venue:** Walchand Hirachand Hall, 4th Floor, IMC Building, Indian Merchant Chamber Marg, Churchgate, Mumbai – 400020	Nil

During the year under review, No Extra-Ordinary General Meeting ("EGM") of the Shareholders was held.

Postal Ballot:

During the year, following Resolution was passed by the Company through Postal Ballot:

Special Resolution:

Sr. No	Particulars of Resolution
1.	Appointment of Mr. Shakti Kumar Leekha (DIN: 03246804) as an Independent Director of the Company for a period of five years with effect from January 20, 2022

Voting Pattern:

Particulars	No. of Shareholders	No. of Votes	% of Votes
Votes in favour of the Resolution	252	29014913	99.99*
Votes against the Resolution	14	3198	0.01*

*Rounded off

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated December 21, 2021 to the Members, seeking their consent with respect to appointment of Mr. Shakti Kumar Leekha (DIN: 03246804) as an Independent Director of the Company for a period of five (5) consecutive years with effect from January 20, 2022 In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Act read with the Management Rules, the Company had provided remote e-Voting facility to all the Members of the Company.

The Company engaged National Securities Depository Limited (NSDL) to provide e-Voting facility to its Members. The Board appointed Mr. Himanshu S. Kamdar, Partner of M/s. Rathi & Associates, Practicing Company Secretaries as the Scrutinizer for conducting Postal Ballot in a fair and transparent manner. The voting was conducted through electronic mode. The notice of Postal Ballot was accompanied with detailed instructions to enable the members to understand the procedure and manner in which Postal Ballot voting (including remote e-voting) to be carried out. The voting result, along with the Scrutinizers Report, was displayed on the website of the Company i.e. www.allieddigital.net and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

1. DISCLOSURES:

i. Related Party Transactions:

Details of related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the key managerial personnel, their subsidiaries or relatives, etc. are presented in the Note no.30(4) forming part of financial statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters.

During the year under review, the Company has not entered into any transaction of a material nature with its Subsidiaries, Promoters, Directors or their Relatives, the Management, Senior Key Management, Personnel, or their relatives any Designated Persons, etc., that may have any potential conflict with the interest of the Company at large.

All Related Party Transactions that were entered into during the financial year under review were on arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations. None of the transactions entered into with related parties falls under the scope of Section 188(1) of the Act. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable.

The Company's Policy on materiality of related party transactions and on dealing with related party transactions is hosted on its website and can be accessed at the link:

https://www.allieddigital.net/in/downloads/Inv_Policies/Related_Party_Transaction_Policy.pdf

The Company has submitted to the Stock Exchange disclosures of related party transactions on a consolidated basis, in accordance with Regulation 23(9) of Listing Regulations.

ii. Compliances by the Company:

The Company has complied with the requirements of the Stock Exchanges where the securities of the Company are listed i.e. BSE Limited & National Stock Exchange of India Limited, the Securities and Exchange Board of India (SEBI) and or by any Regulatory Authorities on matters related to the capital market and no penalties/ strictures have been imposed on the Company during the last three years.

iii. Vigil Mechanism / Whistle Blower Policy and Access of personnel to the Audit Committee:

The Whistle Blower mechanism provides a secured framework through which Directors, Employees and their representative bodies and all stakeholders of the Company can report their genuine concern, unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy.

The mechanism provides for adequate safeguards against victimization of director(s) or employee(s) who avail the mechanism and make provision for direct access to the Chairman of the Audit Committee. The policy has been posted on the website of the Company at: https://www.allieddigital.net/in/downloads/Inv_Policies/Whistle_blower_and_vigil_mechanism.pdf

iv. Compliance with Mandatory & Non-mandatory requirement:

The Company is fully complaint with all the mandatory Corporate Governance specified in Regulation 17 to 27, clauses (b) to (i) and (t) of sub Regulation (2) of Regulation 46 read with Schedule V of Listing Regulations. The company has disclosed all the requirements on its website i.e. www.allieddigital.net.

Adoption of non-mandatory requirements as prescribed under Listing Regulations are reviewed by the Board from time to time.

The Company has been a strong believer in good Corporate Governance and has been adopting the best practices that have evolved over the decades.

During the year under review, there is no audit qualification in the Company's standalone financial statements. The Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.

v. Web link for policy for determining 'material' subsidiaries:

The Company has formulated and adopted a policy for determining Material Subsidiary in line with the requirements of the Listing Regulations. The policy aims to set out the principles for determining a material subsidiary. The Policy on the Material Subsidiary is available on the website of the Company at :
https://www.allieddigital.net/in/downloads/Inv_Policies/Policy_on_Determination_of_Material_Subsidiaries.pdf

vi. Disclosure of commodity price risks and commodity hedging activities:

The Company does not deal in commodities and hence the disclosure relating to Commodity price risks and commodity hedging activities are not required.

vii. Details of utilization of funds raised through Preferential allotment:

During the year under review, the company has raised ₹ 493.50 lakhs through preferential allotment of 40 lakhs convertible equity warrants to Mr. Nitin Dhanji Shah (Promoter) Chairman and Managing Director of the Company, out of which balance 35 lakhs convertible equity warrants were converted into equity shares. All the funds raised are duly utilized as per the objects stated in the offer letter.

viii. Employees Stock Option Plan :

At the 26th Annual General Meeting held on September 03, 2020, the Members approved 'ADSL - Employees Stock Option Plan 2020' (ADSL ESOP 2020) covering 40,00,000 equity shares. There is no material changes in the ADSL ESOP 2020 during the year under review. The relevant disclosures pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as amended from time to time, is forming part of this Annual report.

ix. Means of Communication:

Effective Communication of Information is an essential component of Corporate Governance. The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website i.e. www.allieddigital.net.

Financial Results: The Company's Board approved quarterly / half yearly / annually financial results are forthwith sent to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited, where the shares of the are listed and the same are published in 'Business Standard' (English language) and 'Nava Kaal' (Marathi language) newspaper and are simultaneously displayed on its website i.e. www.allieddigital.net.

Website: Company's corporate website i.e. www.allieddigital.net provides comprehensive information on company's portfolio of businesses. The website has an entire section dedicated to Company's profile, its core values, vision and mission, corporate governance, business lines and industry sections. An exclusive section on 'Investors' enables them to access information at their

convenience. Annual Report containing, inter alia, Audited Annual Accounts, Consolidated accounts, Director's Report, Auditor's Report, Management Discussion and Analysis Statement, Corporate Governance Report and other important information is circulated to members and others entitled thereto. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.

The Press Releases giving an analysis of the performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders immediately after the financial results are communicated to the Stock Exchanges. The Company did not make any presentation to the institutional investors or to the analysts and therefore, no details of the presentations have been communicated to the Stock Exchanges.

Intimation to the Stock Exchanges: The Company intimates the Stock Exchanges (i.e. BSE and NSE, where the shares of the company are listed) all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders and are required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations.

NSE Electronic Application Processing System: As per the mandate received from National Stock Exchange of India Limited ('NSE'), the Company has been uploading its Financial Information, Shareholding Pattern, Report on Corporate Governance, other material events/ information and other mandatory compliances on the dedicated website of NSE i.e. https://neaps.nseindia.com/NEWLISTINGCORP/

Online Portal-BSE Corporate Compliance & Listing Centre: As per the mandate received from BSE Limited ('BSE'), the Company has been uploading its Financial Information, Shareholding Pattern, Report on Corporate Governance , other material events/ information and other mandatory compliances on the dedicated website of BSE i.e. http://listing.bseindia.com/login.aspx

Designated Exclusive email-id: To serve the investors better and, as required under Regulation 46(2)(j) of the Listing Regulations, the Company's Investor Grievance Redressal Division has a designated email address for investor complaints i.e. investors@allieddigital.net. The Company's Compliance Officer monitors this email constantly.

x. Code of Conduct:

The company has adopted a code of conduct for all Board and Designated Senior Management. All Board and Senior Management personnel have affirmed compliance with the code of conduct. The Code of Conduct is available on the website of the Company i.e. www.allieddigital.net.

xi. Disclosure in relation to the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to provide an environment, which is free of discrimination, intimidation, and abuse. It also believes that it's the responsibility of any organisation to protect the integrity and dignity of employees and also to avoid conflicts and disruptions in the work environment.

- No. of Complaints received during the financial year 21-22: Nil
- No. of Complaints disposed during the financial year 21-22: N.A.
- No. of Complaints pending during the financial year 21-22: N.A.

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

Details relating to fees paid to Statutory Auditors are given in Note no. 27(A) to the Standalone Financial Statements and Note no. 28(A) to the Consolidated Financial Statements.

xiii. As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the Shares in the Suspense Account are as follows:

Aggregate No. of Shareholders and the Outstanding shares in the suspense Account lying at the beginning of the year	No. of the Shareholders who approached the Company for transfer of shares from the suspense account during the year	No. of the Shareholders whom shares are transferred from the suspense account during the year	Aggregate No. of Shareholders and the Outstanding shares in the suspense Account lying at the end of the year	Voting rights of shares shall remain frozen till the rightful owner of such shares claims the shares
1 Shareholder and 280 Eq. Shares	-	-	1 Shareholder and 280 Eq. Shares	280 Eq. Shares

2. GENERAL SHAREHOLDER INFORMATION:

A) Annual General Meeting details:

Date : Time: Venue:	July 28, 2022 4:00 p.m. IST Video conference ("VC") and Other Audio-Visual Means ("OAVM")
Financial Year :	April 1, 2021 to March 31, 2022
Financial Calendar (Tentative):	Financial Reporting for: **For the Quarter ended** / **Tentative Date** June 30, 2022 — By August 14, 2022 September 30, 2022 — By November 14, 2022 December 31, 2022 — By February 14, 2022 March 31, 2023 — By May 30, 2023
Book Closure date:	July 22, 2022 to July 28, 2022
Dividend Payment date:	On or before August 26, 2022
Registered Office of the Company:	Premises No. 13A, 13th Floor, Earnest House, NCPA Road, Block III, Nariman Point Mumbai – 400 021. Email: investors@allieddigital.net Website: www.allieddigital.net
List of Stock Exchanges where the Shares of the Company are listed:	National Stock Exchange of India Limited (NSE)(Stock Code/ Symbol: ADSL) Address: Exchange Plaza, Plot No. C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 Tel.: +91–22– 26598100/8114, Fax: +91–22–26598120
	BSE Limited (BSE)(Stock Code/ Script Code: 532875) Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel.: +91–22–22721233/4, Fax: +91–22– 22721919
Reason for suspending of Securities from trading, if any	Not Applicable
Listing Fees and Custodian Fees to Depositories	The Company has paid Annual Listing fees for the year 2022-2023 to both the Stock Exchanges and the Company has paid Annual Custodian Fees to each of the depositories based on the number of folios as on March 31, 2022.
ISIN of Company' Equity Shares:	INE102I01027
Corporate Identification Number (CIN):	L72200MH1995PLC085488

B) Registrar and Share Transfer Agent:

For both Physical and Demat (Common Registrar)

Link Intime India Private Limited,
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai- 400083.
Tel. No. : +91-022-4918 6270
Fax No. : +91-22-4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

C) Dividend

The Board at their meeting held on July 30, 2021, recommended a final dividend of ₹ 0.75 per Equity share (i.e. 15%) of face value of ₹ 5/- each for the financial year ended 2020-2021 and the dividend was paid before October 12, 2021.

The Board at their meeting held on May 18, 2022, recommended a final dividend of ₹ 1.00 per Equity share (i.e. 20%)of face value of ₹ 5/- each for the financial year 2021-22. The aforesaid dividend is subject to the approval of the members at the ensuing Annual General Meeting of the Company and if approved the final dividend shall be paid/credited on or before August 26, 2022

D) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is engaged in IT Consulting & Software Services, therefore does not use any commodity for its business activities. Accordingly, the company is not exposed to any commodity price risk.

The Company is exposed to foreign exchange fluctuations risks on account of receivables from export of services to its foreign subsidiary companies as well as payables towards borrowings in foreign exchange from a bank. The Company has put in place internal hedging mechanism to mitigate the risks arising on account of this.

E) Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings of its debts as BWR BBB- by Brickworks Rating India Pvt.Ltd. There has been no revision in credit rating during the financial year 2021-22.

F) Share Transfer System:

The Company has a Stakeholders' Relationship Committee to examine and redress complaints received by shareholders and investors. The Stakeholder's Relationship Committee meets as often as required to approve transfer of shares and the status of share transferred to the Board. Transfers of dematerialized shares are done through the depositories with no involvement of the Company.

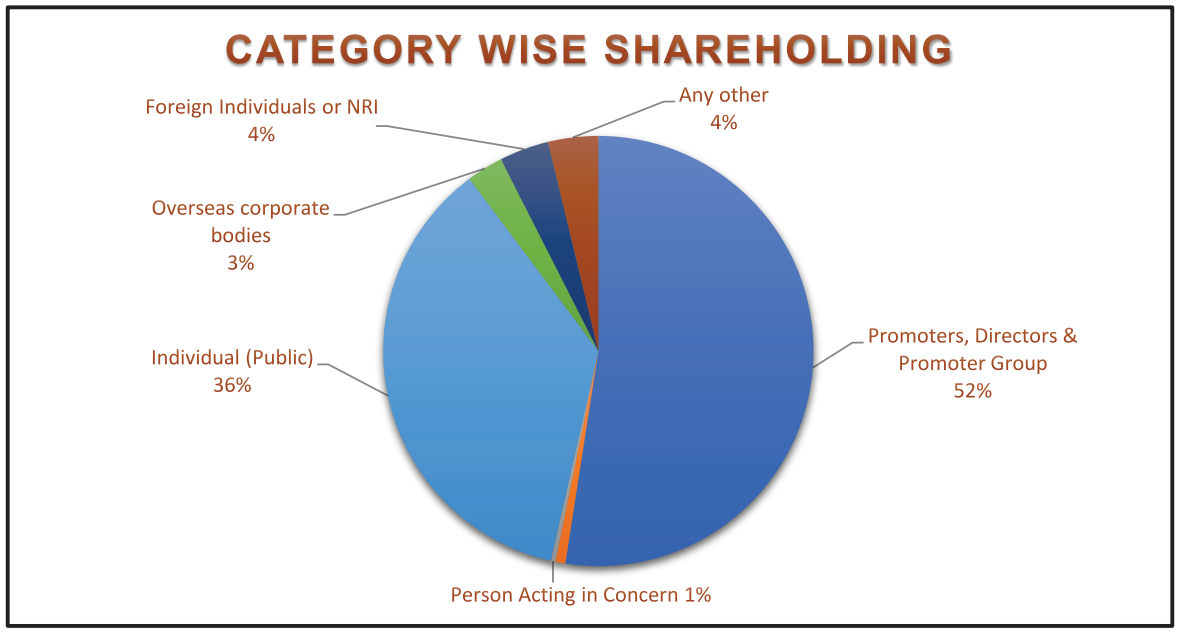
The shares sent for physical transfer are generally registered and returned within a period of 30 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained annual certificate from the Practising Company Secretary for due compliance of share transfer formalities and has also filed the same with the Stock Exchanges.

G) Distribution of Share Holding as on March 31, 2022:

Equity Shares slabS	Shareholders		Shares	
	Number	Percentage (%)	Number	Percentage (%)
1-500	34705	88.06	3545417	6.54
501-1000	2259	5.73	1859598	3.43
1001-2000	1107	2.81	1701294	3.14
2001-3000	368	0.93	942803	1.74
3001-4000	212	0.54	770043	1.42
4001-5000	157	0.40	745593	1.38
5001-10000	297	0.75	2262173	4.17
> 10001	305	0.77	42378607	78.18
TOTAL	**39410**	**100.00**	**54205528**	**100.00**

H) Category wise Shareholding as at March 31, 2022:

Category	No. of Shares Held	Percentage to total Number of Shares (%)
Promoters, Directors & Promoter Group	28434574	52.46
Person Acting in Concert	408212	0.75
Foreign Portflio Investors	182895	0.34
Foreign Institutional Investor	–	–
Individual (Public)	19637429	36.23
Overseas corporate bodies	1490000	2.75
Foreign Individuals or NRI	2013143	3.71
Any other	2039275	3.76
Total	**54205528**	**100.00**



I. Dematerialization of Shares and Liquidity:

As on March 31, 2022, 52665422 equity shares representing 97.16% of the total equity share capital of the Company were held in dematerialised form with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The break-up of equity shares held in physical and dematerialized form as of March 31, 2022 is given below:

Particulars	No. of Shares	Percentage (%)
Physical Shares	1540106	2.84
Held in dematerialised form in CDSL	10552991	19.47
Held in dematerialised form in NSDL	42112431	77.69
Total	**54205528**	**100.00**

J. Outstanding Global Depository receipt (GDRs)/American Depository Receipt (ADRs) /Warrants or any Convertible Instruments, conversion date, likely impact on equity:-

There are no GDRs/ADRs/ or any other instrument likely to impact the equity share capital of the Company as on March 31, 2022.

K. Plant Location:

The Company is into providing IT service only hence does not have any plant.

L. E-mail Id for Investor's Grievances:

The Company has designated separate E-mail Id for the investor grievance and Redressal and to improve the quality of the services to the investor. The e-mail address for investor grievance is : investors@allieddigital.net

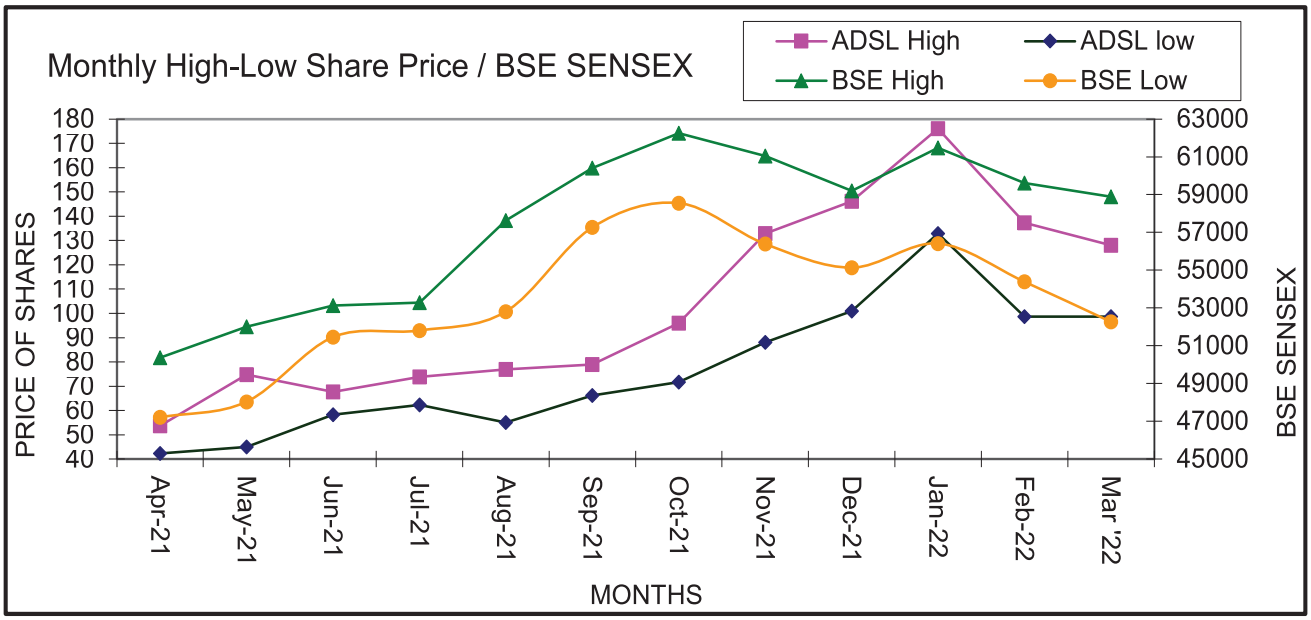
M. Address for Correspondence

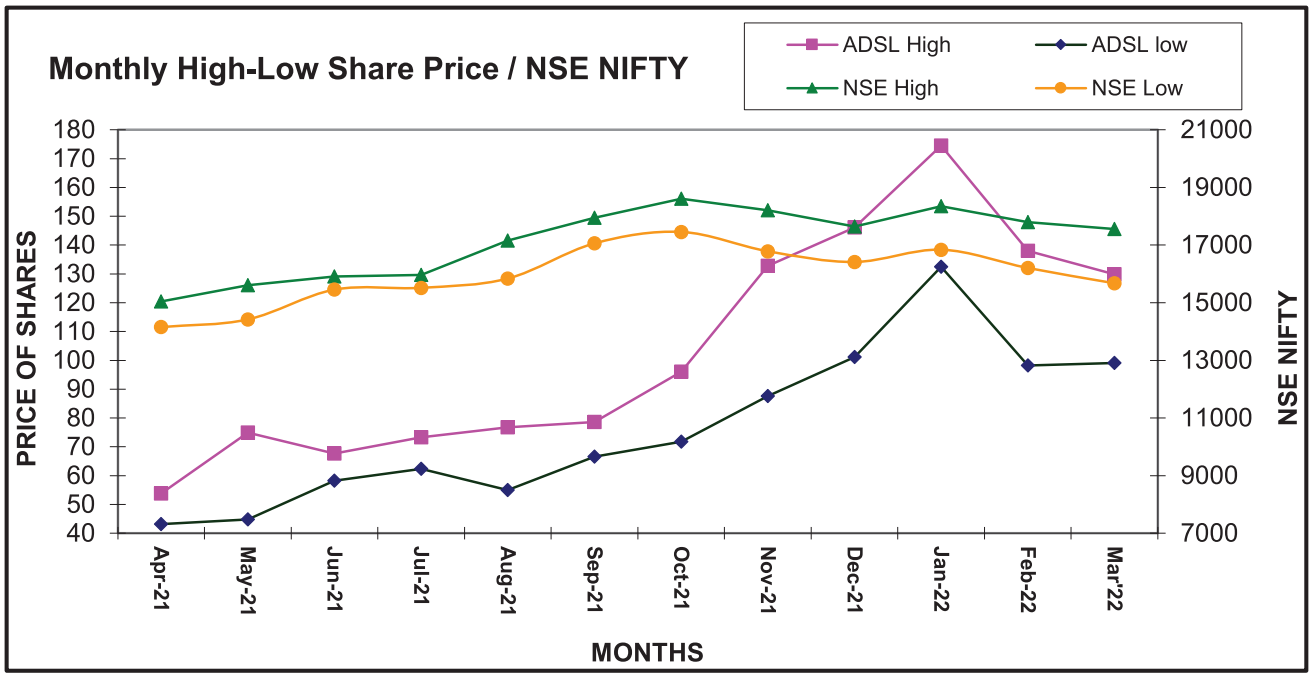
For any other query relating to shares:	For general correspondence:
Link Intime India Private Limited C-101,247 Park, L B S Marg, Vikhroli West,Mumbai-400083. Tele: +91 22 49186270 Fax: +91 22 49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in	**Company Secretary** **Allied Digital Services Limited,** Premises No. 13A, 13th Floor, Earnest House, NCPA Road, Block III, Nariman Point Mumbai – 400 021 Tel: +91 22 6681 6400 • Fax: +91 22 2282 3030 Email: investors@allieddigital.net Website: www.allieddigital.net

N. Market information:

Monthly high and low prices of the Company's Equity Shares and performance in comparison to BSE Sensex and NSE Nifty from April 01, 2021 to March 31, 2022 are noted herein below:

Month	ADSL on BSE		SENSEX			ADSL on NSE		S & P CNX Nifty		
	High	Low	High	Low	Volume	High	Low	High	Low	Volume
Apr-21	53.65	42.30	50375.77	47204.5	468008	53.75	43.20	15044.35	14151.4	38,69,255
May-21	74.75	45.00	52013.22	48028.07	1125912	74.95	44.75	15606.35	14416.25	97,71,517
Jun-21	67.60	58.30	53126.73	51450.58	822949	67.65	58.25	15915.65	15450.90	75,13,731
Jul-21	73.80	62.30	53290.81	51802.73	862045	73.25	62.30	15962.25	15513.45	82,31,689
Aug-21	76.90	55.00	57625.26	52804.08	1078727	76.80	55.00	17153.5	15834.65	84,39,326
Sep-21	78.95	66.20	60412.32	57263.90	514571	78.65	66.60	17947.65	17055.05	50,65,292
Oct-21	95.95	71.70	62245.43	58551.14	1014214	96.00	71.75	18604.45	17452.90	1,22,35,222
Nov-21	132.80	88.00	61036.56	56382.93	921502	132.75	87.60	18210.15	16782.40	1,67,55,572
Dec-21	146.10	100.95	59203.37	55132.68	869591	146.10	101.10	17639.50	16410.20	82,95,696
Jan-22	176.00	132.90	61475.15	56409.63	1022894	174.50	132.50	18350.95	16836.80	92,21,993
Feb-22	137.25	98.70	59618.51	54383.20	484392	138.00	98.25	17794.60	16203.25	40,24,147
Mar-22	128.00	98.60	58890.92	52260.82	334638	129.85	99.10	17559.80	15671.45	32,14,662





3. Discretionary Requirements under Regulation 27 of Listing Regulations:

The status of compliance made by the Company with discretionary recommendations of the Regulation 27 of the Listing Regulations is provided below:

The Board: The Chairman is an Executive Director and hence, this provision is not applicable.

Shareholders' Rights: As the quarterly, half yearly and yearly financial performance along with significant events are published in the newspaper and are also posted on the Company's website.

Modified Opinion in Auditor's Report: The Auditors' Report on Company's Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022 is of an unmodified opinion.

Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee and are invited to be present as Invitees at the Audit Committee Meetings held every quarter.

4. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

5. CEO and CFO Certification:

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company has given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations. The CEO and CFO has also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the CEO and CFO forms part of this report and marked as ***"Annexure II"***.

6. Certificate on Corporate Governance:

Certificate from the M/s. Rathi& Associates, Practicing Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, forms part of this report and is marked as ***"Annexure III"***.

Annexure I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V – Part C – Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Allied Digital Services Limited
Premises No.13A, 13th Floor,
Earnest House, NCPA Road,
Block III, Nariman Point,
Mumbai: 400 021.

Sub: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Allied Digital Services Limited having CIN: L72200MH1995PLC085488, and having registered office at Premises No.13A,13th Floor, Earnest House, NCPA Road, Block III, Nariman Point, Mumbai 400021 (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 ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1.	Mr. Nitin Dhanji Shah	00189903	10/02/1995
2.	Mr. Prakash Dhanjibhai Shah	00189842	10/02/1995
3.	Mr. Shrikant Navnitlal Parikh	01735830	23/05/2006
4.	Mr. Milind Madhav Kamat 99	01772084	11/06/2020
5.	Mr. Nehal Nitin Shah	02766841	30/07/2018
6.	Ms. Swanubhuti Jain	09006117	30/07/2021
7.	Mr. Sunil Vasudev Bhatt	09243963	30/07/2021
8.	Mr. Shakti Kumar Leekha	03246804	20/01/2022

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 **Rathi & Associates**
Company Secretaries

NEHA RAJAT LAHOTY
PARTNER
M. NO.: FCS 8568
COP NO.: 10286
UDIN: F0085681D000339943

Date: May 18, 2022
Place: Mumbai

Annexure II

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

(Pursuant to Part B Schedule II read with Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors
Allied Digital Services Limited

We, Paresh Shah, CEO and Gopal Tiwari, CFO, of Allied Digital Services Limited, to the best of our knowledge and belief, hereby certify that:

I. We have reviewed Financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief :
   - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
   - 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.

II. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

III. 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 we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

IV. We have indicated to the Auditors and audit committee-
   - significant changes, if any in internal control over financial reporting during the year;
   - significant changes, if any in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company internal control system over financial reporting.

For **Allied Digital Services Limited**

Place: Mumbai
Date: May 18, 2022

Paresh Shah
Chief Executive Officer

Gopal Tiwari
Chief Financial Officer

Annexure III

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Allied Digital Services Limited

We have examined the compliance of all the conditions of Corporate Governance by Allied Digital Services Limited (CIN: L72200MH1995PLC085488) ("the Company") for the Financial Year ended March 31, 2022 having its registered office situated at Premises No.13A,13th Floor, Earnest House, NCPA Road, Block III, Nariman Point, Mumbai 400021, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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 and representations made to us by the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance for the year ended March 31, 2022 as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 and on behalf of
Rathi & Associates
Company Secretaries

NEHA RAJAT LAHOTY
Partner
Membership No. 8568
COP No: 10286
UDIN: F008568D000339976

Place: Mumbai
Date: May 18, 2022

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members
Allied Digital Services Limited

In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and the designated employees in the Senior Management of the Company have affirmed compliance with their respective Codes of conduct for the financial year ended March 31, 2022.

For **Allied Digital Services Limited**

Paresh Shah
Chief Executive Officer

Place: Mumbai
Date: May 18, 2022

Independent Auditor's Report

To The Members of Allied Digital Services Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Allied Digital Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for opinion

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

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1.	**Revenue recognition** **Fixed price contracts** The Company engages in Fixed price contracts, including contracts with multiple performance obligations. Revenue recognition in such contracts involves judgments relating to identification of distinct performance obligations, determination of transaction price for such performance obligations and the appropriateness of the basis used to measure revenue recognised over a period.	**Principal Audit Procedures** Our audit procedures included; ▪ Obtained an understanding of the systems, processes and controls for evaluation of fixed price contracts to identify distinct performance obligations and recognition of revenue. Evaluated the design and operating effectiveness of internal controls including IT controls relating to recording of the contract value, determining the transaction price, allocation of consideration to different performance obligations, measurement of efforts incurred and process around estimation of efforts required to complete the performance obligations and the most appropriate method to recognise revenue.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
	In case of Fixed price contracts where performance obligations are satisfied over a period of time, revenue is recognised using the percentage of completion method based on management's estimate of contract efforts. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. These contracts may also involve recognizing onerous obligations that require critical estimates to be made by the management. In case of Fixed price maintenance contracts, revenue is recognised either on a straight line basis or using the percentage of completion method or at an amount equal to sums billed to customer, depending on the most appropriate method that depicts the value of service delivered to the customer.	▪ On selected sample of contracts, we tested that the revenue recognised is in accordance with the revenue recognition accounting standard. We - evaluated the identification of performance obligations; - considered the terms of the contracts to determine the transaction price, - determined if the Company's evaluation of the method used for recognition of revenue is appropriate; - tested the Company's calculation of efforts incurred, estimation of contract efforts including estimation of onerous obligation, through a retrospective review of efforts incurred with estimated efforts; - assessed appropriateness of contract assets/ unbilled revenue on balance sheet date by evaluating underlying documentation. ▪ Tested aged contract assets to assess possible delays in achieving milestones, which may require a change in estimated efforts to complete the remaining performance obligations. ▪ Performed analytical procedures over revenue and receivables.
2	**Evaluation of tax positions and litigations** The Group operates in multiple global jurisdictions which requires it to estimate its income tax liabilities according to the tax laws of the respective tax jurisdictions. Further, there are matters of interpretation in terms of application of tax laws and related rules to determine current tax provision and deferred taxes. The Group has material tax positions and litigations on a range of tax matters primarily in India. This requires management to make significant judgments to determine the possible outcome of uncertain tax positions and litigations and their consequent impact on related accounting and disclosures in the consolidated financial statements.	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: ▪ Testing the design, implementation and operating effectiveness of the Group's key controls over identifying uncertain tax positions and matters involving litigations/disputes. ▪ Obtaining details of tax positions and tax litigations for the year and as at 31 March 2022 and holding discussions with designated management personnel. ▪ Assessing and analysing select key correspondences with tax authorities and inspecting external legal opinions obtained by management for key uncertain tax positions and tax litigations. ▪ Evaluating underlying evidence and documentation to determine whether the information provides a basis for amounts reserved/not reserved in the books of account. ▪ Involving our internal tax specialists and evaluating management's underlying key assumptions in estimating the tax provisions and estimate of the possible outcome of significant tax litigations; and ▪ In respect of tax positions and litigations, assessing the computation of provisions and consequent impact on related accounting and disclosures in the financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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 during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude tht there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.

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

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

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

   c) The 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 Flow dealt with by this Report are in agreement with the relevant books of account.

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

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

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

   g) 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 explanation given to us, the remuneration paid during the current year by the holding company is in accordance with the provisions of Section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations as at 31st March, 2022 on its financial position in its standalone financial statements - [Refer Note No 30(3)]

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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.

b) 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; and

c) 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 subclause (iv) (i) and (iv) (ii) contain any material mis-statement.

i) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

M. No. 103840
Place: Mumbai
Date: 18th May, 2022
UDIN: 22103840AJEUFG5209

Annexure 'A' to the Independent Auditor's Report

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment. 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. 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 material 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 and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(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 the 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 has been physically verified by the management during the year. 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 10% or more in the aggregate for 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 on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) The Company has made investments during the year. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any person.

(a) According the information and explanations given to us, the company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii) (a) of the Order is not applicable.

(b) The investments made by the company are not prejudicial to the interest of the Company.

(c) The company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(b) to clause 3(iii)(f) of the Order in respect of the same are not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the FY 2021-22. However, in respect of existing deposits the outstanding amount towards the principal and interest in respect of some unclaimed deposits are as under:

Principal Amount due as on 31.03.2022	Interest Due upto 31.03.2022	Total Dues as at 31.03.2022
₹ 5.61 Lakhs	Rs 1.05 Lakhs	Rs 6.67 Lakhs

To the best of our knowledge and as per the information and explanations provided to us by the management, during the year no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us there were no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues which have not been deposited by the Company on account of disputes, except as mentioned hereunder:

Name of the Statute	Nature of Dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Penalty u/s 271(1)(c)	Rs 32.82 Lakhs	AY 2006-07	Commissioner of Income Tax Appeals, Mumbai
Income Tax Act, 1961	Penalty u/s 271(1)(c)	Rs 18.22 Lakhs	AY 2010-11	Commissioner of Income Tax Appeals, Mumbai

(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 any loans or other borrowings 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) According to the information and explanations given to us by the management, the Company has obtained term loans during the year and have been applied for the purposes for which those were raised.

(d) Based upon the audit procedures performed and the information and explanations given by the management, no funds raised on short term basis have been utilised by the Company for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the 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 or associates as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The company did not raise any money by way of initial public offer or further public offer including debt instruments. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) During the year, the company has made preferential allotment of shares. The requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) There were no whistle blower complaints received during the year. Accordingly clause 3(xi)(c) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) 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 Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanation 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 Companies Act, 2013 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) and (b) of the Order is not applicable.

(b) 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.

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

(xx) 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 Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

M. No. 103840
Place: Mumbai
Date: 18th May, 2022
UDIN: 22103840AJEUFG5209

Annexure "B" to the Independent Auditor's Report

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to the standalone financial statements of Allied Digital Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Director'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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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 system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

M. No. 103840
Place: Mumbai
Date: 18th May, 2022
UDIN: 22103840AJEUFG5209

Balance Sheet

(₹ In Lakhs)

Particulars	Note	As on 31st March 2022	As on 31st March 2021
ASSETS			
Non-Current assets			
Property, Plant and Equipment	2	4,497	4,400
Right of Use Asset	3	358	66
Investment Property	4	7,937	8,023
Intangible Assets	5	2,441	3,366
Financial Assets			
Investments	6	15,699	15,556
Loans	7(i)	252	252
Other Financial Assets	8(i)	340	273
Other Non-Current Assets	9(i)	1,078	1,554
Asset classified as held for sale	10	59	59
Total Non-Current Assets		**32,661**	**33,549**
Current assets			
Inventories	11	3,789	3,474
Financial Assets			
Trade Receivables	12	13,838	13,694
Cash and Cash Equivalents	13(i)	15	222
Other bank balances	13(ii)	942	1,153
Loans	7(ii)	195	144
Other Financial Assets	8(ii)	5,227	5,266
Other Current Assets	9(ii)	2,502	2,752
Total Current Assets		**26,508**	**26,705**
Total Assets		**59,169**	**60,254**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	2,710	2,535
Other Equity	15	46,577	45,303
Total Equity		**49,287**	**47,838**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16(i)	463	468
Other Financial Liabilities	17(i)	362	77
Deferred Tax Liabilities (Net)	19	2,512	2,683
Total Non-Current Liabilities		**3,337**	**3,228**
Current Liabilities			
Financial Liabilities			
Borrowings	16(ii)	3,793	5,031
Trade Payables	20		
-Trade payables to Micro and Small enterprises		-	-
-Trade payables to other than Micro and Small enterprises		1,919	3,385
Other Financial Liabilities	17(ii)	42	7
Provisions	18	791	764
Total Current Liabilities		**6,545**	**9,187**
Total Equity and Liabilities		**59,169**	**60,254**

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date

For Shah & Taparia
Chartered Accountants

Ramesh Pipalawa
M. No. 103840
FRN: 109463W

Place: Mumbai
Date: 18th May, 2022

For Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

Statement of Profit & Loss Account

(₹ In Lakhs)

Sr. No.	Particulars	Note	Year Ended 31st March, 2022	Year Ended 31st March, 2021
1	**Revenue**			
a)	Revenue from Operations	21	12,258	9,619
b)	Other Income	22	238	405
	Total Income		**12,496**	**10,024**
2	**Expenses**			
a)	Material purchases & direct expenses	23	2,859	2,412
b)	Changes in inventories	24	(315)	10
c)	Employee benefits expenses	25	5,830	3,546
d)	Finance Cost	26	265	347
e)	Depreciation and amortization expenses	2	1,269	1,267
f)	Other expenses	27	1,780	1,659
	Total Expenses		**11,689**	**9,240**
3	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items**		**807**	**784**
4	**Exceptional Items**		-	-
5	**Profit / (Loss) from ordinary activities before tax**		**807**	**784**
6	**Tax expense**			
	Tax expense for current year		409	131
	MAT Credit		-	(114)
	Deferred Tax		(171)	(11)
7	**Net Profit / (Loss) from ordinary activities after tax**		**569**	**777**
8	**Other Comprehensive Income (after tax)**			
a)	Items that will not be Reclassified to P&L			
	Actuarial Gain/(Loss) on Gratuity	28	93	(76)
b)	Items that will be Reclassified Subsequently to P&L		-	-
9	**Total Comprehensive Income (after tax)**		**661**	**701**
10	**Paid-up equity share capital (Face Value of ₹ 5/- each)**		2,710	2,535
11	**Reserves Excluding Revaluation Reserves as per balance sheet of previous accounting year**		46,577	45,303
12	**Earning per Share (Refer Note 29) (Face Value of ₹ 5/- each)**			
a)	Basic		1.09	1.55
b)	Diluted		1.02	1.45

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date

For Shah & Taparia
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Ramesh Pipalawa
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Place: Mumbai
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For Allied Digital Services Limited

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Whole Time Director

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Company Secretary

Cash Flow Statement for the year ended on 31st March, 2022

(₹ In lakhs)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**CASH FLOW FROM OPERATING ACTIVITIES**		
(a)	**Profit/Loss as per Profit & Loss Account**	**569**	**777**
	Adjustments:		
	Actuarial Gain/(Loss) on gratuity	93	(76)
	Depreciation and amortization expenses	1,269	1,267
	Provision for Share-based compensation expense	393	-
	Unrealized Foreign Exchange Gain	(115)	-
	Income from Investing Activities	(56)	(107)
	Income Taxes	(171)	(11)
	Finance Cost	265	347
	Other Adjustments	(13)	(12)
	Operating profit before working capital changes	**2,235**	**2,185**
	Net Changes in		
	Inventories	(315)	10
	Trade receivables	(144)	2,866
	Loans and advances	(51)	(7)
	Other Financial Assets	(28)	(1,391)
	Other assets	726	(1,672)
	Trade payables	(1,466)	(715)
	Liabilities & Provisions	177	(132)
	Other Current Liability	27	76
	Net Cash generated from Operating Activities	**1,162**	**1,221**
II	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Fixed Assets/Intangible Assets	(338)	(362)
	(Recognition)/Derecognition of ROU Assets	(314)	80
	Investments in Subsidiaries	(130)	-
	Interest received	56	107
	Net Cash generated from Investing Activities	**(726)**	**(176)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**		
	From borrowings	412	657
	Repayment of loan	(1,025)	(577)
	Proceeds from issue of Share Warrants	483	259
	Dividend Paid	(380)	(251)
	Lease payment	(79)	(27)
	Finance Cost	(265)	(347)
	Net Cash generated from Financing Activities	(855)	(287)
	Net Increase / (Decrease) in Cash and Cash Equivalents	(418)	758
	Add: Cash and cash equivalents at the beginning of the period (B)	1,375	617
	Cash and cash equivalents at the end of the period (A+B)	**957**	**1,375**
	Supplementary Information		
	Restricted Cash Balance & Cash Equivalent		
	Earmarked Balances		
	(Balance in Fixed Deposit with banks pledged against guarantees given by bank)	587	1,103
	Fixed Deposits with original maturity exceeding 90 days	355	50
	Total	**942**	**1,153**

The accompanying notes form an integral part of the Standalone financial statements
As per our report of even date attached

For Shah & Taparia
Chartered Accountants

Ramesh Pipalawa
M. No. 103840
FRN: 109463W

Place: Mumbai
Date: 18th May, 2022

For Allied Digital Services Limited

Nitin Shah
Chairman &
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Prakash Shah
Whole Time Director

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1) Corporate information

Allied Digital Services Limited (referred to as "ADSL" or the "Company") is renowned as a leading Global IT Transformation Architect, having its operations in pan India, USA, Australia, Europe and Middle East Asia with an impeccable track record for designing, developing, deploying digital solutions and delivering end-to-end IT infrastructure services. It provides wide range of information technology and consultancy services including Infrastructure Services, End user IT Support, IT asset life cycle, enterprise applications and integrated solutions.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. The Company has its primary listings on the BSE and NSE in India. The company has presence in pan India and it has Subsidiary companies in USA, UK, Singapore, Australia, Ireland, Brazil, Japan and China.

2) Significant Accounting Policies

Basis of preparation and presentation

a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

1. Derivative financial instruments;
2. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
3. Share based payment transactions and
4. Defined benefit and other long-term employee benefits

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in ₹, the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

c) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities at the date of the financial statements. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed under "**Summary of significant accounting policies"**. Accounting estimates could change from period to period. Actual results may differ from these estimates.

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

Summary of significant accounting policies

(i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(ii) Foreign currency transactions and balances are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

(iv) Investment in subsidiaries: Investment in subsidiaries is measured at cost.

(v) **Current v/s Non-current classification**

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset /liability is current when it is:

- Expected to be realised/settled or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised / settled within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other assets/ liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(vi) Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(vii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represent Solely Payments of Principal and Interest(SPPI)

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(viii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(ix) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

a) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

b) Derivative financial instruments: Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

(x) Property, plant and equipment

a) Recognition and measurement: Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) Depreciation: The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease if any and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives for the current and comparative period of significant items of property, plant and equipment are as follows

Type of Asset	Method	Estimated useful life
Leasehold Land	Straight line	99 Years
Freehold & Leasehold Buildings	Straight line	60 Years
Furniture and Fixtures	Straight line	10 Years
Computers and IT Equipment's	Straight line	3 Years
Servers	Straight line	6 Years
Motor Vehicles	Straight line	8 Years
Office Equipment's	Straight line	5 years
Civil and Plumbing Work	Straight line	60 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress (if any).

c) **Impairment**: Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years

(xi) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The estimated useful lives of intangibles are as follows:

Type of Asset	Method	Estimated useful life
Intellectual Property	Straight line	10 Years

(xii) Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

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

(xiii) Inventories

Inventory comprising traded hardware and software are valued at lower of cost and net realisable value. Costs comprise cost of purchase and directly attributable costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(xiv) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(xv) Provisions, Contingent Liabilities and Contingent Assets:

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 for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

(xvi) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Provident Fund:

Eligible employees of the company receive benefits from employee's provident fund Organisation, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

(xvii) Share based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the phantom stock options plan. Any changes in the liability are recognized in statement of profit and loss.

(xviii) Revenue

The Company derives revenue primarily from IT Infrastructure Services, Enterprise Application & Integrated Solutions and related services. The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured.

Revenue on time-and-material contracts is recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement. Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue)

In arrangements for IT and ITeS related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering IT and ITeS related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For IT and ITeS and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenues for the years ended March 31, 2022 and March 31, 2021 are as follows :

(₹ in Lakhs)

Particulars	Year ended	
	31st March 2022	31st March 2021
Revenue from Services	11,789	9,138
Revenue from products	469	472
Other Operating Income	0	9
Total revenue from operations	**12,258**	**9,619**

'0', it denotes value less than ₹50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Disaggregate revenue information

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

(₹ in Lakhs)

Revenue by Offerings	Year ended 31st March 2022	Year ended 31st March 2021
Infrastructure Management Services	3,923	2,886
End User Services	8,335	6,733
Total	**12,258**	**9,619**

(₹ in Lakhs)

Revenue by Geography	Year ended 31st March 2022	Year ended 31st March 2021
India	6,435	5,897
USA	5,787	3,684
UK	36	38
Total	**12,258**	**9,619**

Infrastructure Management services

Infrastructure Management services comprise service and solution offerings of the Company that enable our clients to transform their businesses. We have added many medium enterprises government businesses for Network Operations Centre (NOC) and Security Operations Centre (SOC) services along with traditional Managed Services business.

End user services

Core services comprise traditional offerings of the Company that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, facility management services, traditional enterprise application implementation, support and integration services and Annual Maintenance Contracts.

Trade receivables and contract balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for fixed-price maintenance contracts is recognized on a straight-line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed-price development contracts is based on percentage-of-completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2022, the Company recognized revenue of ₹1095 Lakh from Opening unearned revenue as of April 1, 2021.

Performance Obligations and Remaining Performance Obligations

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

(xix) Income taxes

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

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary difference arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary difference. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c) Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilised when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilised in the specified future period.

(xx) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xxi) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xxii) Foreign Currency Transactions:

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

(xxiii) Leases

i) The Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The lease rentals charged during the period are as follows

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Lease rentals recognized during the period	10	26

ii) The Company as a Lessee:

The Company, as a lessee, recognises a right of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(xxiv) Fair value hierarchy

Level wise disclosure of financial instruments

Particulars	As at March 31,2022	As at March 31,2021	Level	Valuation techniques and key inputs
Non-current investments in equity shares measured at FVTOCI	NA	NA	1	Quoted bid prices in an active market
Non-current investments in unquoted preference shares measured at FVTPL	204	188	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Long term borrowings (including current maturities)				
Carrying value	NA	NA	2	Discounted cash flow – observ-able future cash flows are based on terms discounted at a rate that reflects market risks
Fair value	NA	NA		
Foreign currency options – Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)

Particulars	As at March 31,2022	As at March 31,2021	Level	Valuation techniques and key inputs
Foreign currency options – Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Foreign currency forward contracts – Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Commodity forward contracts – Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Interest rate swaps – Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Interest rate swaps - Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short term nature.

Sensitivity Analysis of Level III

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 10 Lakh (₹ 10 Lakh)

Reconciliation of Level III fair value measurement: (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	188	174
Additional investment	-	-
Reclassification of allowance for loss	-	-
Allowance for loss	-	-
Gain recognised in the statement of profit and loss	16	14
Closing balance	**204**	**188**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows :

(₹ in Lakhs)

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Premises	2,734	236	-	2,969	397	36	-	433	2,536	2,338
Civil and Plumbing Work	1,835	44	-	1,879	296	31	-	327	1,551	1,539
Furniture and Fixtures	3,305	58	-	3,363	3,015	137		3,152	211	292
Office Equipments	18	-	-	18	18	-		18	0	3
Motor Vehicles	343	-	-	343	153	26		179	164	191
Computers and IT Equipments	3,735	-	-	3,735	3,698	2		3,700	34	37
Computers (Given on lease)	158	-	-	158	158	-		158	-	-
Total	**12,127**	**338**	**-**	**12,465**	**7,736**	**232**	**-**	**7,968**	**4,497**	**4,400**

NOTE - 3 : RIGHT OF USE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Immovable Property	80	314	-	394	13	22	-	35	358	66
Total	**80**	**314**	**-**	**394**	**13**	**22**	**-**	**35**	**358**	**66**

NOTE - 4 : INVESTMENT PROPERTY

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Leasehold Land	2,282	-	-	2,282	266	22	-	288	1,994	2,012
Premises	6,873	-	-	6,873	862	68	-	930	5,943	6,011
Total	**9,155**	**-**	**-**	**9,155**	**1,128**	**90**	**-**	**1,218**	**7,937**	**8,023**

NOTE - 5 : INTANGIBLE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Computer Software Licenses	76	-	-	76	75	0	-	75.57	1	1
Intellectual Property Rights	9,360	-	-	9,360	5,995	925	-	6,920	2,440	3,365
Total	**9,436**	**-**	**-**	**9,436**	**6,070**	**925**	**-**	**6,995**	**2,441**	**3,366**
Grand Total	**30,799**	**652**	**-**	**31,450**	**14,948**	**1,269**	**-**	**16,217**	**15,233**	**15,855**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows

NOTE -2: PROPERTY PLANT & EQUIPMENT

(₹ In Lakhs)

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2020	Add during the year	Deletions	As at 31-03-2021	Upto 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Premises Lease Hold	2,734	-	-	2,734	362	34		397	2,338	2,373
Civil and Plumbing Work	1,823	12	-	1,835	266	30		296	1,539	1,547
Furniture and Fixtures	3,271	35	-	3,305	2,850	167		3,017	292	426
Office Equipments	18	-	-	18	18	0		18	3	3
Motor Vehicles	256	87	-	343	137	16		153	191	120
Computers and IT Equipments	3,734	1	-	3,735	3,695	2		3,698	37	43
Computers (Given on lease)	156	-	-	156	158	-	-	158	-	-
Total	**11,992**	**135**	**-**	**12,127**	**7,486**	**250**	**-**	**7,736**	**4,400**	**4,512**

NOTE - 3 : RIGHT OF USE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2020	Add during the year	Deletions	As at 31-03-2021	Upto 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Immovable Property	203	-	(123)	80	36	20	(44)	13	66	167
Total	**203**	**-**	**(123)**	**80**	**36**	**20**	**(44)**	**13**	**66**	**167**

NOTE - 4 : INVESTMENT PROPERTY

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2020	Add during the year	Deletions	As at 31-03-2021	Upto 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Leasehold Land	2,282	-	-	2,282	244	22	-	266	2,012	2,035
Premises Lease Hold	6,873	-	-	6,873	795	68	-	862	6,011	6,079
Total	**9,155**	**-**	**-**	**9,155**	**1,038**	**90**	**-**	**1,128**	**8,023**	**8,113**

NOTE - 5 : INTANGIBLE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2020	Add during the year	Deletions	As at 31-03-2021	Upto 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Computer Software Licenses	76	-	-	76	76	0	-	76	1	1
Intellectual Property Rights	9,131	229	-	9,360	5,089	906	-	5,995	3,365	4,046
Total	**9,208**	**229**	**-**	**9,436**	**5,164**	**906**	**-**	**6,070**	**3,366**	**4,047**
Grand Total	**30,559**	**363**	**(123)**	**30,799**	**13,725**	**1,267**	**(44)**	**14,948**	**15,855**	**16,838**

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 6: Investments

i) Non Current Investments

₹ In Lakhs

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Unquoted, Long Term, Trade: (Carried at Cost)		
(a)	**Investment in Equity instruments of Subsidiaries**		
(i)	**Allied Digital Services LLC (USA)** 306017 (Previous year: 306017) equity shares of USD 10 each, fully paid up	7,531	7,531
(ii)	**Allied Digital Inc (USA)** 10,000 (Previous year: 10,000) equity shares of USD 0.0001/- each fully paid up	7,075	7,075
(iii)	**Allied Digital Singapore Pte Limited** 100 (Previous year: 100) equity shares of SGD 1 each, fully paid up	6	6
(iv)	**Allied Digital Asia Pacific Pty Limited (Australia)** 100 (Previous year: 100) equity shares of AUD 1 each, fully paid up	128	128
(v)	**Allied E-Cop Surveillance India Pvt. Ltd** 86010 (Previous year: 86010) equity shares of ₹ 10/- each fully paid up	1	1
(vi)	**Allied Digital Services (UK) Ltd.** 900 (Previous year: 900) equity shares of GBP 1 each fully paid up	1	1
(vii)	**Enpointe Technologies (India) Private Limited** 999 (Previous Year : 999) equity shares of ₹ 100 Each fully paid up	1	1
(viii)	**Allied Digital Services OY** 0 (Previous year: 2500) equity shares of EURO 1 each, fully paid up	-	2
(ix)	**Allied Digital Services (Ireland) Limited** 1000 (Previous year: 1000) equity shares of EURO 1 each, fully paid up	1	1
(x)	**Allied Digital Services Japan G.K.** 1,000,000 (Previous year: 0) equity shares of JPY 1 each, fully paid up	6	-
(xi)	**Allied Digital Services DO Brasil LTDA.** 775,000 (Previous year: 0) equity shares of BRL 1 each, fully paid up	124	-
		14,874	**14,746**
(b)	**Investment in Equity instruments of Associates:**		
(i)	**Soft Shell System (I) Pvt Ltd** 117,924 (Previous year.117924) equity shares of 10/- each fully paid up	600	600
(ii)	**Allied CNT Solutions Pvt. Ltd.** 142,000 (Previous Year: 142,000) equity shares of ₹ 10/- each fully paid up	22	22
		622	**622**
(c)	**Investment in Other Equity instruments:**		
(i)	**Uthopia Green Trans Pvt ltd** 200 (Previous Year: 200) equity shares of ₹ 10/- each fully paid up	0	0
		0	**0**
(d)	**Investment carried at Fair Value through Amortized Cost**		
(i)	**Devyog Builders Pvt Ltd** 450,000 (Previous Year : 450,000) Preference Shares @ 100/-	204	188
		204	**188**
	Total Non Current Investments	**15,699**	**15,557**

Note :

Aggregate amount of quoted investments	NIL	NIL
Market value of quoted investments	NIL	NIL
Aggregate amount of unquoted investments	15,699	15,556
Aggregate amount of impairment in value of Investment	NIL	NIL
Investment Carried at cost	15,495	15,368
Investment Carried at amortized cost	204	188
Investment carried at fair value through other comprehensive income	NIL	NIL
Investment carried at fair value through profit and loss	NIL	NIL
Total Investments	**15,699**	**15,556**

Wherever the amount is '0', it denotes value less than Rs.50,000/- as all value is rounded off to the nearest Rs. 1 Lakh.

Note 7 : Loans

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non-Current (Unsecured, considered good)**		
	Others	252	252
		252	**252**
(ii)	**Current (Unsecured, considered good)**		
	Loans to Staff	195	144
		195	**144**
	Total loans	**447**	**396**

Note 8: Other Financial Assets

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non-Current**		
	Unsecured, considered good		
(a)	Security Deposits		32
(b)	Others	240	241
		340	**273**
(ii)	**Current**		
	Unsecured, considered good		
(a)	Security Deposits	4	4
(b)	Unbilled revenue	3,311	3,683
(c)	Accrued Income	1,366	958
(d)	Accrued Interest	61	53
(e)	Others	484	568
		5,227	**5,266**
	Total Other Financial Assets	**5,567**	**5,539**

Note 9: Other Assets

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non-Current**		
	Receivables from Government Authorities	1,078	1,554
		1,078	**1,554**
(ii)	**Current**		
(a)	MAT Credit Entitlement	1,327	1,573
(b)	Prepaid expenses	29	40
(c)	Capital Advances	1,146	1,138
		2,502	**2,752**
	Total Other Assets	**3,580**	**4,306**

Note 10: Asset classified as held for sale

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Asset classified as held for sale	59	59
	Total	**59**	**59**

Note 11: Inventories

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Stock in Trade	3,789	3,474
	Total	**3,789**	**3,474**

Note : Inventories consists of Spare parts and IT Hardware products. Inventories are carried at lower of cost and net realisable value.

Note 12: Trade Receivables

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Current		
	Total receivables considered good-Unsecured	13,903	13,734
	Less: Allowance for doubtful trade receivables	(65)	(40)
	Total trade receivables	**13,838**	**13,694**

Note 13 (i): Cash and Cash Equivalents:

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(a)	Balances with Banks		
	In Current Account	14	222
(b)	Cash on hand	1	0
	Total Cash and Cash Equivalents	**15**	**222**

Wherever the amount is '0', it denotes value less than ₹50,000/- as all value is rounded off to the nearest ₹ 1 Lakh.

Note 13 (ii): Other Balances with Bank:

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Balances with Banks		
	Earmarked Balances *	587	1,103
	Fixed Deposits	355	50
	Total	**942**	**1,153**

* Earmarked balances with banks primarily relate to Margin money for the Bank Guarantees.

Trade receivables ageing schedule for the year ended on 31st March, 2022

(₹ in Lakhs)

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2022							
Undisputed trade receivables – considered good	673	3,442	1,131	1,877	840	5,941	13,903
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
	673	3,442	1,131	1,877	840	5,941	13,903
Less: Allowance for doubtful trade receivables							(65)
Total Trade Receivables							**13,838**

Trade receivables ageing schedule for the year ended on 31st March, 2022

(₹ in Lakhs)

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2021							
Undisputed trade receivables – considered good	249	2,674	905	1,496	1,986	6,424	13,734
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
	249	2,674	905	1,496	1,986	6,424	13,734
Less: Allowance for doubtful trade receivables							(40)
Total Trade Receivables							**13,694**

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 14: Share Capital

(a) Authorized, Issued, Subscribed & Paid - up and par value per share

(₹ in Lakhs)

Share Capital	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹ 5 each with voting rights	6,00,00,000	3,000	6,00,00,000	3,000
Issued				
Equity shares of ₹ 5 each with voting rights	5,42,05,528	2,710	5,07,05,528	2,535
Subscribed & Paid up				
Equity shares of ₹ 5 each with voting rights	5,42,05,528	2,710	5,07,05,528	2,535

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(₹ in Lakhs)

Particulars	Opening Balance	Issued during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2022			
- Number of shares	5,07,05,528	35,00,000	**5,42,05,528**
- Amount in ₹ Lakh	2,535	175	**2,710**
Year ended 31 March, 2021			
- Number of shares	5,02,05,528	5,00,000	5,07,05,528
- Amount in ₹ Lakh	2,510	25	2,535

Note:

The company had allotted 40,00,000 Nos of Convertible Equity warrants to Mr. Nitin Dhanji Shah, Chairman and Managing Director with an option to convert the same in equal number of equity share at a price of ₹ 18.80 per warrant, including premium of ₹ 13.80 per share on a face value of ₹ 5.00 per share. Pursuant to the terms of Convertible Equity Warrants, Company allotted 5,00,000 (Nos) of equity shares to Mr. Nitin Dhanji Shah at a price of ₹ 18.80 per share (Including a premium of ₹ 13.80 per share) on 1st March, 2021 and reaining 35,00,000 (Nos) of equity shares were allotted on 13th October,2022 Funds received against the allotments are being utilised towards the prescribed object.

(c) Rights, Preferences and restrictions related to equity shares

The company has only one class of equity share having par value of ₹ 5 per share. Each holder of equity share is entitled to one vote per share.

(d) Disclosure of shareholding of promoters as at March 31, 2022 is as follows :

Name of Shareholder	As at 31 March 2022		As at 31 March 2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity shares with voting rights					
Nitin Dhanji Shah	1,87,83,031	34.65	1,52,83,031	30.14	4.51
Prakash Dhanji Shah	81,78,348	15.09	81,78,348	16.13	(1.04)

(e) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 March 2022		As at 31 March 2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity shares with voting rights					
Nitin Dhanji Shah	1,87,83,031	34.65	1,52,83,031	30.14	4.51
Prakash Dhanji Shah	81,78,348	15.09	81,78,348	16.13	(1.04)

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 15: Other Equity

(i) Reserves and Surplus

₹ In Lakhs

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(a)	**Capital Redemption Reserve**		
	Opening Balance	30	30
Add/Less:	Transaction during the year	-	-
	Closing Balance	**30**	**30**
(b)	**Securities Premium Account**		
	Opening Balance	37,088	37,019
Add:	Securities premium credited on allotment of equity shares	483	69
	Closing Balance	**37,571**	**37,088**
(c)	**General Reserves**		
	Opening Balance	2,058	2,058
Add/Less:	Transaction during the year	-	-
	Closing Balance	**2,058**	**2,058**
(d)	**P&L Surplus**		
	Opening balance	5,977	5,451
Add:	Net Profit for the current year	569	777
Less:	Equity Dividend	(380)	(251)
	Closing Balance	**6,166**	**5,977**
	Total Reserves and Surplus	**45,825**	**45,153**

(ii) Other component of equity

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(a)	**Employee Stock Options Outstanding**		
	Opening	-	-
Add:	Transaction during the year	675	-
	Closing Balance	**675**	**-**
(b)	**Other Comprehensive Income**		
	Opening	(15)	60
Add:	Transaction during the year	93	(75)
	Closing Balance	**78**	**(15)**
	Total Other Component of Equity	**752**	**(15)**
(iii) Money received against share warrants			
	Opening	165	-
Add:	Money received against share warrants during the year	319	165
Less:	Shares Issued against the warrants during the year	(483)	-
	Closing Balance	**-**	**165**
	Total	**46,577**	**45,303**

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 16: Borrowings

(₹ in Lakhs)

Sr.No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non Current Borrowings**		
	Secured		
	At Amortised Cost		
	Term Loans		
	From Bank		
a.	**Indian Bank**		
	Secured by equitable mortgage of the immovable property situated at Unit 1 & 2, 5th Floor, Globsyn Crystal, Sector V, Salt Lake, Kolkata	381	356
b.	**HDFC Bank Ltd.**	43	63
	Equitable mortgage of Vehicles		
	From Others		
a.	**BMW Financial Services Ltd.**	38	49
	Equitable mortgage of Vehicles		
		463	**468**
(ii)	**Current Borrowings**		
	Secured		
	From Banks		
a	Loans repayable on demand	1,969	2,695
b	Current Maturities	62	169
	Unsecured		
a	Loans and advances from related parties (Repayable on Demand)	1,747	2,151
b	Unsecured Loan Others	10	10
c	Unclaimed Balances Public Deposits	6	6
		3,793	**5,031**
	Total Borrowings	**4,256**	**5,499**

Detail of secured short - term borrowing along with security and term of repayment:

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Loans repayable on demand		
From banks:		
Barclays Bank Foreign Currency Loan	1,005	1,461
Indian Bank	965	1,234
Loans repayable on demand from banks	**1,969**	**2,695**

(i) Details of Security Offered to Banks for loans repayable on demand

Following securities have been offered to Barclays banks

(a) First charge on Office no. 13A, Earnest House, NCPA Road, Nariman Point, Mumbai

(b) Pari pasu charge with Indian Bank on movable assets except vehicles

(c) Pari pasu charge with Indian Bank on current assets

(d) Personal Guarantee of Promoters

Following securities have been offered to Indian Bank

(a) First charge on property Office no. 405 & 406, 4th Floor, Seepz, SEZ, M I D.C., Marol, Andheri-East, Mumbai
(b) First charge on property at Unit 1 & 2, 5th Floor, Globsyn Crystal, Sector V, Salt Lake, Kolkata
(c) First charge on liquid asset in the form of fixed deposits.
(d) Pari pasu charge with Barclays Bank on movable assets except vehicles
(e) Pari pasu charge with Barclays Bank on current assets
(f) Personal guarantee of Promoters

Note 17: Other Financial Liabilities

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Other Non-Current Financial Liabilities**		
	Lease Liability	362	77
		362	**77**
(ii)	**Other Current Financial Liabilities**		
	Others	42	7
		42	**7**
	Total Other Financial Liabilities	**404**	**84**

Note 18: Provisions

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Current Provisions		
	Provision for Expenses	793	764
	Total Current Provisions	**793**	**764**

Note 19: Deferred tax liabilities

The net deferred tax as at 31st March, 2022 comprises of the following components:

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Deferred Tax Liability		
	Property, Plant And Equipments And Intangible Assets	2,512	2,683
	Net Deferred Liability/ (Asset)	**2,512**	**2,683**

Note 20: Trade payables

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Trade payables		
	-Trade payables to Micro and Small enterprises	-	-
	-Trade payables to other than Micro and Small enterprises	1,919	3,385
	Total Trade Payables	**1,919**	**3,385**

Trade payables ageing schedule for the year ended on 31st March 2022

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 Year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2022					
MSME Vendors	-	-	-	-	-
Other Vendors	1,087	575	163	93	1,919
Disputed dues – MEME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total Trade Payables	**1,087**	**575**	**163**	**93**	**1,919**

Trade payables ageing schedule for the year ended on 31st March 2021

(₹ in Lakhs)

Particulars					Total
	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2021					
MSME Vendors	1,919	1,015	288	164	3,386
Other Vendors	-	-	-	-	-
Disputed dues – MEME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total Trade Payables	**1,919**	**1,015**	**288**	**164**	**3,386**

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 21: Revenue from Operations

₹ In Lakhs

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Revenue from Sale of Services & Solutions	12,258	9,610
	Others	0	9
	Total Revenue from operations	**12,258**	**9,619**

Wherever the amount is '0', it denotes value less than Rs.50,000/- as all value is rounded off to the nearest Rs. 1 Lakh.

Note 22 : Other Income

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Interest Income	56	107
	Office Rent	10	26
	Net gain on foreign currency transactions	115	161
	Other non-operating income	57	112
	Total Other Income	**238**	**405**

Note 23: Purchase & Other Direct Expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Purchase of Traded Goods and Services	1,648	859
	Other Direct Expenses	1,211	1,553
	Total Purchase of Traded Goods	**2,859**	**2,412**

Note 24: Changes in Inventories

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Closing Stock	3,789	3,474
	Less : Opening Stock	3,474	3,483
	Net (increase) / decrease	**(315)**	**10**

Note 25 : Employee Benefits Expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
(a)	Salaries and wages (Including Managerial Remuneration) (Refer note 25-A)	5,271	3,378
(b)	Contributions to Provident Fund	28	26
(c)	Contributions to ESIC	16	16
(d)	Contributions to Labour Welfare Fund	0	0
(e)	Contributions to Gratuity	79	77
(f)	Staff welfare expenses	43	49
(g)	Share-based compensation expense	393	-
	Total Employee Benefit Expenses	**5,830**	**3,546**

Note 25(A): Details of Managerial Remuneration:

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Remuneration and other employee benefits	472	304
	Total	**472**	**304**

Note 26 : Finance Cost

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	(a) Interest expense on Borrowings	239	323
	(b) Other borrowing costs	26	24
	Total Finance Cost	**265**	**347**

Note 27 Other expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Rent including Lease Rentals	44	25
	Repairs and Maintenance	77	87
	Insurance	52	61
	Communication	101	78
	Travelling and Conveyance	167	120
	Electricity Expenses	66	61
	Freight and Forwarding	5	2
	Advertisement Expenses	4	4
	Legal, Professional and Outsourcing Changes	890	657
	Payments to Auditors (Refer Note 27-A below)	15	15
	Rates and Taxes	85	276
	Commission & Brokerage	0	-
	Printing & Stationery Expenses	6	3
	Business Promotion Expenses	65	37
	Office Expenses	35	40
	CSR Expenses	38	-
	Miscellaneous Expenses	132	191
	Total Other Expenses	**1,780**	**1,659**

Note 27A: Details of Auditors' Remuneration:

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
(a)	For Statutory Audit	12	12
(b)	For Taxation Matters	3	3
	Total	**15**	**15**

Note 28 : Component of Other Comprehensive Income

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
(a)	**Items that will not be reclassified to profit or loss**		
	Actuarial (Gain)/Loss on Gratuity	(93)	76
	Total	**(93)**	**76**

Note 29: Earning Per Shares

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
A	Weighted average number of equity shares of ₹ 5/- each		
I	Number of shares at the beginning of the year (nos) of ₹ 5/- each (Previous Year of ₹5/- each)	50,705,528	50,205,528
II	Number of Shares at the end of the year (Nos) of ₹5/- each	54,205,528	50,705,528
III	ESOP outstanding to employees	3,420,000	-
IV	Share Warrant Issued	-	3,500,000
V	Weighted average number of equity shares of ₹ 5/- each (Previous Year of ₹5/- each) outstanding during the year (Nos) for Basic EPS	52,326,076	50,247,195
VI	Weighted average number of equity shares of ₹ 5/- each (Previous Year of ₹5/- each) outstanding during the year (Nos) for diluted EPS	55,746,076	53,747,195
B	Net Profit after tax available for equity shareholders (In ₹ Lakh)	569	777
C	Basic income as per share (in rupees) [B/A (V)]	1.09	1.55
D	Diluted income per share (in rupees) [B/A(VI)]	1.02	1.45

Notes Forming Part of Financial Statements

Note 30(1) : Employee Benefits

Gratuity Plan

(i) An amount of ₹ 92.97 lakhs has been recognized towards the Employees Gratuity Fund against the liability of ₹313.22 lakhs as per the Actuarial Valuation for Gratuity as on 31st March 2022. The Plan Assets comprise of a Gratuity Fund maintained by The Trustees of the Scheme. The particulars under IND AS 19 furnished below are those which are relevant and available to the company and which are as per the Acturial Valuation Report:-

		Valuation Date 31st March, 2022	Valuation Date 31st March, 2021
I	**Assumptions as at**		
	Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
	Discount Rate	7.10%	6.79%
	Rate of increase in compensation	5.00%	5.00%
	Rate of return (expected) on plan assets	7.10%	6.79%
	Withdrawal rates	1 to 6%	1 to 6%
II	**Changes in present value of obligations**		
	PVO at beginning of period	31,322,319	25,318,278
	Interest cost	2,046,948	1,422,033
	Current Service Cost	6,286,832	5,842,477
	Benefits Paid	(2,351,619)	(8,812,053)
	Actuarial (gain)/loss on obligation	(9,297,794)	7,551,584
	PVO at end of period	28,006,686	31,322,319
III	**Interest Expenses**		
	Interest cost	2,046,948	1,422,033
IV	**Fair Value of Plan Assets**		
	Fair Value of Plan Assets at beginning of period	632,438	68,976
	Adjustment to Opening Fair Value of Plan Assets	(34,650)	(23,848)
	Actual Return on Plan Assets	34,650	23,848
	Contributions	2,107,372	9,375,515
	Benefit Paid	(2,351,619)	(8,812,053)
	Fair Value of Plan Assets at end of period	388,191	632,438
V	**Actuarial Gain/(Loss) Recognized**		
	Actuarial Gain/(Loss) for the period (Obligation)	9,297,794	(7,551,584)
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	9,297,794	(7,551,584)
	Actuarial Gain/(Loss) recognized for the period	9,297,794	(7,551,584)
	Unrecognized Actuarial Gain/(Loss) at end of period	-	-
VI	**Amounts to be recognized in the Balance Sheet and statement of Profit & Loss Account**		
	PVO at end of period	28,006,686	31,322,319
	Fair Value of Plan Assets at end of period	388,191	632,438
	Funded Status	(27,618,495)	(30,689,881)
	Net Asset/(Liability) recognized in the balance sheet	(27,618,495)	(30,689,881)
VII	**Expense recognized in the statement of P & L Account**		
	Current Service Cost	6,286,832	5,842,477
	Interest cost	2,012,298	1,398,185
	Expected Return on Plan Assets	-	-
	Expense recognized in the statement of P & L Account	8,299,130	7,240,662

		Valuation Date 31st March, 2022	Valuation Date 31st March, 2021
VII	**Expense recognized in the statement of P & L Account**		
	Actuarial (Gain)/Loss recognized for the period	(9,297,794)	7,551,584
	Return on Plan Assets excl. net interest	34,650	23,848
	Expected Return on Plan Assets	(9,263,144)	7,575,432
VIII	**Movements in the Liability recognized in Balance Sheet**		
	Opening Net Liability	30,689,881	25,249,302
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expenses as above	8,299,130	7,240,662
	Contribution paid	(2,107,372)	(9,375,515)
	Other Comprehensive Income (OCI)	(9,263,144)	7,575,432
	Closing Net Liability	27,618,495	30,689,881
IX	**Actuarial (Gain)/loss on obligation**		
	Due to Demographic Assumption	-	-
	Due to Financial Assumption	(994,502)	33,617
	Due to Experience	(8,303,292)	7,517,967
	Total Actuarial (Gain)/Loss	(9,297,794)	7,551,584
X	**Schedule III Details**		
	Current Liability	27,230,304	30,057,443
	Non-current Liability	388,191	632,438

Note 30(2) :Additional Information pursuant to the provisions of part II of the Schedule III of the Companies Act 2013:-

(INR in Lakhs)

	Particular	As at 31st March, 2022	As at 31st March, 2021
i	**Income in Foreign Currency (Exports)**		
	Sales of Services and products	5,806	3,722
ii	**Expenditure in Foreign Currency**		
	(subject to deduction of tax where applicable)	-	-
a	Professional & Consultation Fees	-	-
b	Travelling	-	-
c	Software Services	529	311
iii	**Value of Imports calculated on C.I.F. basis - Traded Goods**	-	2

Note 30(3) : Contingent Liabilites and commitment
Contingent liabilities (to the extent not provided for)

(INR in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank Guarantees issue	635	693
Income Tax (Litigation)	51	51
Total	**686**	**744**

Note 30(4) : Summary of Related Party transaction

A) Nature of transaction with the Related Parties

(INR in Lakhs)

Particulars	2021-22	2020-21
Sale of Goods / Services / Facility		
Allied Digital Services, LLC (USA)	5,770	3,684
Allied Digital Services (UK) Ltd.	36	38
Purchase of Goods, Services and Facilities		
Allied Digital Services, LLC (USA)	375	286
Dividend Paid		
Nitin Dhanji Shah	115	76
Prakash Dhanjibhai Shah	61	41
Nehal Nitin Shah	1	1
Tejal Prakash Shah	9	6
Rohan Prakash Shah	1	1
Dhara Nitin Shah	0	0
Sunil Vasudev Bhatt	0	0
Abhirati Properties Private Limited	0	0
Padma Pragna Private Trust	2	1
Remuneration and Other employee benefits		
Promoter & Promoter Group	472	292
Key Managerial Personnel	77	60

"0" denotes amounts less than INR 50,000/-

B) Balances with Related Party

(INR in Lakhs)

Particulars	Subsidiary		Associate		Entity Controlled by Promoters	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Trade Receivables						
Allied Digital Asia Pacific Pty Ltd.	451	435				
Allied Digital Services, LLC (USA)	3,596	4,523				
Allied Digital Services (UK) Ltd.	336	113				
Trade Payables						
Allied Digital Services LLC (USA)	1,181	2,740				
Other Current Assets						
Allied Digital Services (Ireland) Ltd.	2	2				
Allied Digital Incube Private Limited					0	0
Allied CNT Solutions Pvt. Ltd.			8	8		
Allied Digital Coworks Private Limited					1	1
Abhirati Properties Private Limited					395	396

Particulars	Subsidiary		Associate		Entity Controlled by Promoters	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Short Term Borrowing						
En-Pointe Technologies India Pvt. Ltd.	59	59				
Assetlite Equipment India Private Limited			237	238		
Allied Digital Services LLC (USA)	771	1,111				
Allied Digital INC (USA)	861	861				
Non-current investment						
Allied Digital Services LLC (USA)	7,531	7,531				
Allied Digital INC (USA)	7,075	7,075				
Allied Digital Singapore Pte Ltd.	6	6				
Allied Digital Asia Pacific Pty Ltd.	128	128				
Allied e-Cop Surveillance India Pvt. Ltd.	1	1				
Allied Digital Services OY	-	2				
Allied Digital Services (UK) Ltd.	1	1				
Allied Digital Services (Ireland) Ltd.	1	1				
Allied Digital Services Japan G.K.	6	-				
Allied Digital Services Do Brasil LTDA	124	-				

Summarized segment information for the year ended March 2022

(INR in Lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Segment Revenue		
Enterprise Computing based Solutions	8,335	6,733
Infrastructure Management based Solutions	3,924	2,886
Un-allocable Income	238	406
Net Segment Revenue	**12,496**	**10,024**
Enterprise Computing based Solutions	2,886	2,840
Infrastructure Management based Solutions	1,237	1,217
Profit before Interest, Un-allocable expenses & Tax	**4,123**	**4,057**
Less: i) Interest	265	347
ii) Un-allocable Expenses	3,050	2,926
Total Profit Before Tax	**807**	**784**
Un-allocable - Capital Employed	52,736	52,553
Total Capital Employed	**53,543**	**53,337**

Additional Regulatory Information

Financial Ratios

Ratio	Numerator	Denominator	2021-22	2020-21
Current ratio (in times)	Total current assets	Total current liabilities	4.05	2.91
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.09	0.12
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	5.45	5.26
Return on equity ratio (in %)	Profit for the year	Average total equity	1.17%	1.64%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	0.89	0.64
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other Expenses	Average trade payables	1.75	1.09
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.65	0.57

Independent Auditors' Report

To The Members of Allied Digital Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Allied Digital Services Limited ("the Holding Company") and its subsidiaries and its associate (the Holding Company, its subsidiaries and associate together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1.	**Revenue recognition** **Fixed price contracts** The Company engages in Fixed price contracts, including contracts with multiple performance obligations. Revenue recognition in such contracts involves judgments relating to identification of distinct performance obligations, determination of transaction price for such performance obligations and the appropriateness of the basis used to measure revenue recognised over a period.	**Principal Audit Procedures** Our audit procedures included; ▪ Obtained an understanding of the systems, processes and controls for evaluation of fixed price contracts to identify distinct performance obligations and recognition of revenue. Evaluated the design and operating effectiveness of internal controls including IT controls relating to recording of the contract value, determining the transaction price, allocation of consideration to different performance obligations, measurement of efforts incurred and process around estimation of efforts required to complete the performance obligations and the most appropriate method to recognise revenue.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
	In case of Fixed price contracts where performance obligations are satisfied over a period of time, revenue is recognised using the percentage of completion method based on management's estimate of contract efforts. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. These contracts may also involve recognizing onerous obligations that require critical estimates to be made by the management. In case of Fixed price maintenance contracts, revenue is recognised either on a straight line basis or using the percentage of completion method or at an amount equal to sums billed to customer, depending on the most appropriate method that depicts the value of service delivered to the customer.	▪ On selected sample of contracts, we tested that the revenue recognised is in accordance with the revenue recognition accounting standard. We - evaluated the identification of performance obligations; - considered the terms of the contracts to determine the transaction price, - determined if the Company's evaluation of the method used for recognition of revenue is appropriate; - tested the Company's calculation of efforts incurred, estimation of contract efforts including estimation of onerous obligation, through a retrospective review of efforts incurred with estimated efforts; - assessed appropriateness of contract assets/ unbilled revenue on balance sheet date by evaluating underlying documentation. ▪ Tested aged contract assets to assess possible delays in achieving milestones, which may require a change in estimated efforts to complete the remaining performance obligations. ▪ Performed analytical procedures over revenue and receivables.
2	**Evaluation of tax positions and litigations** The Group operates in multiple global jurisdictions which requires it to estimate its income tax liabilities according to the tax laws of the respective tax jurisdictions. Further, there are matters of interpretation in terms of application of tax laws and related rules to determine current tax provision and deferred taxes. The Group has material tax positions and litigations on a range of tax matters primarily in India. This requires management to make significant judgments to determine the possible outcome of uncertain tax positions and litigations and their consequent impact on related accounting and disclosures in the consolidated financial statements.	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: ▪ Testing the design, implementation and operating effectiveness of the Group's key controls over identifying uncertain tax positions and matters involving litigations/disputes. ▪ Obtaining details of tax positions and tax litigations for the year and as at 31 March 2022 and holding discussions with designated management personnel. ▪ Assessing and analysing select key correspondences with tax authorities and inspecting external legal opinions obtained by management for key uncertain tax positions and tax litigations. ▪ Evaluating underlying evidence and documentation to determine whether the information provides a basis for amounts reserved/not reserved in the books of account. ▪ Involving our internal tax specialists and evaluating management's underlying key assumptions in estimating the tax provisions and estimate of the possible outcome of significant tax litigations; and ▪ In respect of tax positions and litigations, assessing the computation of provisions and consequent impact on related accounting and disclosures in the consolidated financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Holding Company's management and the Board of Directors are responsible for the preparation of the other information. The other information in the Annual Report of the Company comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, 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. We have nothing to report in this regard.

Management Responsibilities for the Consolidated Financial Statements

The Holding Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and the Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company as aforesaid.

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

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

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

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

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

- 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 information of the 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 of such entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company 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.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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), 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) 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 explanation given to us, the remuneration paid during the current year by the holding company is in accordance with the provisions of Section 197 of the Act.

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

      i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group – Refer Note No 32 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losses on long term contracts including derivatives contracts during the year ended 31st March, 2022.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiaries incorporated in India during the year ended 31st March, 2022.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the 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.

b) 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

c) 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 subclause (iv)(i) and (iv)(ii) contain any material mis-statement.

i) The dividend declared or paid during the year by the Holding Company are in compliance with section 123 of the Act.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

Place: Mumbai
Date: 18th May, 2022
M. No. 103840
UDIN: 22103840AJEVKV3706

Annexure A to the Independent Auditor's report on the consolidated financial statements of Allied Digital Services Limited for the year ended 31 March 2022

(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, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till the date of this audit report:

NAME OF THE ENTITY	CIN	NATURE OF RELATIONSHIP
Softshell Systems India Private Limited	U72100MH1998PTC117273	Associate
Allied CNT Solutions Private Limited	U29000MH2004PTC147337	Associate

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

Place: Mumbai
Date: 18th May, 2022
M. No. 103840
UDIN: 22103840AJEVKV3706

Annexure "B" to the Independent Auditor's Report

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Allied Digital Services Limited (hereinafter referred to as "Company") and its subsidiary companies and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors of the respective Companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies and its associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHAH & TAPARIA
Chartered Accountants
(Firm Regn No 109463W)

RAMESH PIPALAWA
Partner

Place: Mumbai
Date: 18th May, 2022
M. No. 103840
UDIN: 22103840AJEVKV3706

Consolidated Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-Current assets			
Property, Plant and Equipment	2	4,655	4,428
Right of Use Asset	3	358	66
Investment Property	4	7,937	8,023
Goodwill		9,622	9,622
Intangible Assets	5	2,441	3,366
Financial Assets			
Investments	6	949	810
Loans	7 (i)	252	252
Other Financial Assets	8 (i)	340	273
Other Non-Current Assets	9 (i)	3,376	2,597
Asset classified as held for sale	10	59	59
Total Non-Current Assets		**29,989**	**29,496**
Current assets			
Inventories	11	3,799	3,482
Financial Assets			
Trade Receivables	12	19,871	16,423
Cash and Cash Equivalents	13 (i)	4,972	4,664
Other bank balances	13(ii)	942	1,153
Loans	7 (ii)	195	144
Other Financial Assets	8 (ii)	5,785	5,330
Other Current Assets	9 (ii)	3,774	3,382
Total Current Assets		**39,338**	**34,578**
Total Assets		**69,327**	**64,074**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	2,710	2,535
Other Equity	15	50,428	44,527
Equity Attributable to Shareholders		**53,138**	**47,062**
Non- Controlling Interest		2,499	1,379
Total Equity		**55,637**	**48,441**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16 (i)	463	468
Other Financial Liabilities	17 (i)	362	77
Deferred Tax Liabilities (Net)	19	2,353	2,498
Total Non-Current Liabilities		**3,178**	**3,043**
Current Liabilities			
Financial Liabilities			
Borrowings	16(ii)	3,793	4,955
Trade Payables	20		
-Trade payables to Micro and Small enterprises			
-Trade payables to other than Micro and Small enterprises		5,081	6,341
Other Financial Liabilities	17(ii)	42	7
Other Current Liabilities	21	791	435
Provisions	18	805	852
Total Current Liabilities		**10,512**	**12,590**
Total Equity and Liabilities		**69,327**	**64,074**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For Shah & Taparia
Chartered Accountants

Ramesh Pipalawa
M. No. 103840
FRN: 109463W

Place: Mumbai
Date: 18th May, 2022

For Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

Consolidated Statement of Profit and Loss for the period ended on 31st March, 2022

(₹ in Lakhs)

Particulars	Note	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Revenue			
Revenue from Operations	22	48,468	35,808
Other Income	23	256	406
Total income from Operations (net)		**48,724**	**36,214**
Expenses			
Purchases & other direct expenses	24	27,943	20,912
Changes in inventories	25	(315)	10
Employee benefits expenses	26	8,394	5,963
Finance Cost	27	262	369
Depreciation and amortization expenses	2	2,027	2,154
Other expenses	28	5,442	4,456
Total Expenses		**43,753**	**33,864**
Profit / (Loss) from operations before exceptional items		**4,972**	**2,350**
Exceptional Items	29	2,380	-
Profit / (Loss) from ordinary activities before tax		**7,352**	**2,350**
Tax expense			
Tax expense for current year		1,421	552
MAT credit		-	(114)
Deferred Tax		(171)	(11)
Net Profit / (Loss) from ordinary activities after tax		**6,102**	**1,923**
Shares of Profit/(Loss) of Associates & Joint Ventures		**2**	**2**
Net Profit / (Loss) for the Period		**6,104**	**1,925**
Other Comprehensive Income (after tax)			
Items that will not be Reclassified to P&L			
Actuarial Gain/(Loss) on gratuity	30	93	(76)
Items that will be Reclassified Subsequently to P&L			
Exchange Difference on Monetary Items		-	-
Foreign Currency Translation Difference		96	(16)
Total Comprehensive Income (after tax)		**6,293**	**1,833**
Net Profit/(Loss) attributable to:			
Owners		5,239	1,604
Non-Controlling Interest		1,054	229
Paid-up equity share capital		2,710	2,535
(Face Value of ₹5/-)			
Reserves Excluding Revaluation Reserves as per balance sheet		50,428	44,527
Earning per Share (Refer Note No. 31) (Face Value of ₹ 5/- each)			
Basic		11.66	3.82
Diluted		10.94	3.55

The accompanying notes from on integral part of the consolidated financial statements
As per our report of even date

For Shah & Taparia
Chartered Accountants

Ramesh Pipalawa
M. No. 103840
FRN: 109463W

Place: Mumbai
Date: 18th May, 2022

For Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Prakash Shah
Whole Time Director

Gopal Tiwari
Chief Financial Officer

Neha Bagla
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31st, 2022

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**CASH FLOW FROM OPERATING ACTIVITIES**		
(a)	Profit/Loss as per Profit & Loss Account after Tax	6,102	1,923
	Adjustments:		
	Minority interest and Associates profit	(1,054)	(228)
	Other Adjustments	(13)	(13)
	Depreciation and amortization	2,027	2,154
	Unrealized Foreign Exchange Gain	(115)	(161)
	Sundry Balances Written Back	(55)	(163)
	Share-based compensation expense	675	-
	Income from Investing Activities	(56)	(406)
	Income Taxes	(171)	428
	Finance Cost	262	369
	Operating profit before working capital changes	**7,602**	**3,902**
	Net Changes in Inventories	(317)	26
	Trade receivables	(3,448)	3,829
	loans and advances	(51)	(7)
	Other Financial Assets	(522)	(1,389)
	Other assets	(1,171)	(1,540)
	Trade payables	(1,260)	374
	Other Financial liability	320	(139)
	Other Liabilities & Provisions	309	(116)
	Net Cash generated from Operating Activities	**1,463**	**4,941**
II	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Fixed Assets/Intangible Assets	(338)	(1,695)
	(Recognition)/Derecognition of ROU Assets	(314)	80
	Other Non-Operating Income	56	406
	Net Cash generated from Investing Activities	**(596)**	**(1,210)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**		
	From borrowings	494	1,863
	Repayment of loan	(1,025)	(1,777)
	Proceeds from Share Warrants Issue	483	259
	Dividend Paid	(380)	(251)
	Lease payment	(79)	(27)
	Finance Cost	(262)	(369)
	Net Cash generated from Financing Activities	(769)	(303)
	Net Increase/(Decrease) in Cash & Cash Equivalents	98	3,429
	Add: Cash and cash equivalents at the beginning of the period (B)	5,817	2,389
	Cash and cash equivalents at the end of the period (A+B)	**5,914**	**5,817**
	Supplementary Information		
	Restricted Cash Balance & Cash Equivalent		
	Earmarked Balances		
	(Balance in Fixed Deposit with banks pledged against guarantees given by bank)	587	1,103
	Fixed Deposits with original maturity exceeding 90 days	355	50
	Total	**942**	**1,153**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For Shah & Taparia
Chartered Accountants

Ramesh Pipalawa
M. No. 103840
FRN: 109463W

Place: Mumbai
Date: 18th May, 2022

For Allied Digital Services Limited

Nitin Shah
Chairman &
Managing Director

Gopal Tiwari
Chief Financial Officer

Prakash Shah
Whole Time Director

Neha Bagla
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Corporate information

Allied Digital Services Limited (referred to as "ADSL" or the "Company") is renowned as a leading Global IT Transformation Architect, having its operations in pan India, USA, Australia, Europe and Middle East Asia with an impeccable track record for designing, developing, deploying digital solutions and delivering end-to-end IT infrastructure services. It provides wide range of information technology and consultancy services including Infrastructure Services, End user IT Support, IT asset life cycle, enterprise applications and integrated solutions.

The Company is a public limited company incorporated and domiciled in India and has its registered office in Mumbai, India. The Company has its primary listings on the BSE and NSE in India. The company has presence in pan India and it has Subsidiary companies in USA, UK, Singapore, Australia, Ireland, Brazil, Japan and China.

2) Significant Accounting Policies

2.1 Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupee ('₹') which is also the Group's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate as at March 31, 2022.

Subsidiaries: Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Equity accounted investees: The Group's interests in equity accounted investees comprise interests in 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 associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of each of the subsidiaries and associate used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

2.3 Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group´s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

The consolidated financial statements comprise the financial statements of the Company, and its subsidiaries and associate as disclosed below :

Sr. No.	Name of Company	Relationship
1.	Allied Digital Services, LLC (USA)	Subsidiary
2.	Allied Digital INC (USA)	Subsidiary
3.	Allied Digital Singapore Pte Limited	Subsidiary
4.	Allied Digital Asia Pacific Pty Limited (Australia)	Subsidiary
5.	Allied Digital Services (UK) Ltd.	Subsidiary
6.	Allied Digital Services (Ireland) Limited	Subsidiary
7.	Allied Digital Services Japan G.K.	Subsidiary
8.	En Pointe Technologies India Private Limited	Subsidiary
9.	Allied-eCop Surveillance Private Limited	Subsidiary
10.	Assetlite Equipment India Private Limited	Associate
11.	Soft Shell System (I) Private Limited	Associate
12.	Allied CNT Solutions Private Limited	Associate

Summary of significant accounting policies

(i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(ii) Foreign currency transactions and balances are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

(iv) Effective April 1, 2018, the Company has prospectively adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

(v) Investment in subsidiaries: Investment in subsidiaries is measured at cost.

(vi) Current v/s Non-current classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset /liability is current when it is:

- Expected to be realised/settled or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised / settled within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other assets/ liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(vii) Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

(viii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represent Solely Payments of Principal and Interest (SPPI)

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(ix) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

(x) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

a) Non-derivative financial liabilities
   (i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.
   (ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

b) Derivative financial instruments: Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

(xi) Property, plant and equipment

a) **Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

b) **Depreciation:** The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease if any and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives for the current and comparative period of significant items of property, plant and equipment are as follows

Type of Asset	Method	Estimated useful life
Leasehold Land	Straight line	99 Years
Freehold & Leasehold Buildings	Straight line	60 Years
Furniture and Fixtures	Straight line	10 Years
Computers and IT Equipment's	Straight line	3 Years
Servers	Straight line	6 Years
Motor Vehicles	Straight line	8 Years
Office Equipment's	Straight line	5 years
Civil and Plumbing Work	Straight line	60 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress (if any).

c) **Impairment:** Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(xii) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on the number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The estimated useful lives of intangibles are as follows:

Type of Asset	Method	Estimated useful life
Intellectual Property	Straight line	10 Years

(xiii) Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

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

(xiv) Inventories

Inventory comprising traded hardware and software are valued at lower of cost and net realisable value. Costs comprise cost of purchase and directly attributable costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(xv) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(xvi) Provisions, Contingent Liabilities and Contingent Assets:

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 for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

(xvii) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Gratuity :

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Provident Fund :

Eligible employees of the company receive benefits from employees provident fund organisation, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

(xviii) Share based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The

stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. The fair value of the amount payable to the employees in respect of phantom stocks, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the phantom stock options plan. Any changes in the liability are recognized in statement of profit and loss.

(xix) Revenue

The Group derives revenues primarily from business of IT and ITES services, consulting and implementing smart city projects as a master system integrator (MSI).

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue on time-and-material contracts is recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue)

In arrangements for IT and ITeS related services and maintenance services, the Group has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering IT and ITeS related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For IT and ITeS and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Revenue from licenses where the customer obtains a "right to use" the licenses is available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service, the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Management services

Infrastructure Management services comprise service and solution offerings of the Group that enable our clients to transform their businesses. We have added many medium enterprises government businesses for Network operations centre (NOC) and Security operations centre (SOC) services along with traditional Managed Services business.

End user services

Core services comprise traditional offerings of the Group that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, facility management services, traditional enterprise application implementation, support and integration services and Annual Maintenance Contracts.

Trade receivables and contract balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for fixed-price maintenance contracts is recognized on a straight-line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Revenue recognition for fixed-price development contracts is based on percentage-of-completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2022, the Company recognized revenue of ₹ 1,095 Lakh from Opening unearned revenue as of April 1, 2021.

Performance obligations and remaining performance obligations

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

(xx) Income taxes

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

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary difference arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary difference. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

c) Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilised when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilised in the specified future period.

(xxi) Borrowing Costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its

intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(xxii) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xxiii) Foreign Currency Transactions:

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

(xxiv) Adoption of Ind AS 116 – Leases

i) The Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The lease rentals charged during the period are as follows

Particulars	₹ in Lakhs	
	Year ended March 31st,2022	Year ended March 31st,2021
Lease rentals recognized during the period	10	26

ii) The Company as a Lessee:

The Company, as a lessee, recognises a right of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(xxv) Fair value hierarchy

Level wise disclosure of financial instruments

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021	Level	Valuation techniques and key inputs
Non-current investments in equity shares measured at FVTOCI	NA	NA	1	Quoted bid prices in an active market
Non-current investments in unquoted preference shares measured at FVTPL	188	174	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Long term borrowings (including current maturities)				
Carrying value	NA	NA	2	Discounted cash flow – observable future cash flows are based on terms discounted at a rate that reflects market risks
Fair value	NA	NA		
Foreign currency options – Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Foreign currency options – Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Foreign currency forward contracts - Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Commodity forward contracts – Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Interest rate swaps - Assets	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)
Interest rate swaps - Liability	NA	NA	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short term nature.

Sensitivity Analysis of Level III

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 10 Lakh (₹ 10 Lakh)

Reconciliation of Level III fair value measurement:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	188	174
Additional investment	-	-
Reclassification of allowance for loss	-	-
Allowance for loss	-	-
Gain recognised in the statement of profit and loss	16	14
Closing balance	**204**	**188**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows :

NOTE -2: PROPERTY PLANT & EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Premises	2,734	236	-	2,970	647	62	-	709	2,261	2,087
Civil and Plumbing Work	1,835	44	-	1,879	296	31	-	327	1,552	1,539
Furniture and Fixtures	3,472	158	-	3,630	3,267	137		3,404	226	205
Office Equipments	64	-	-	64	58	-		58	6	6
Motor Vehicles	343	-	-	343	153	26		179	164	190
Computers and IT Equipments	5,105	48	-	5,153	4,704	3		4,707	446	401
Computers (Given on lease)	156	-	-	156	156	-		156	-	-
Total	**13,708**	**486**	**-**	**14,194**	**9,281**	**259**	**-**	**9,540**	**4,655**	**4,428**

NOTE - 3 : RIGHT OF USE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Immovable Property	80	314	-	394	13	22	-	35	358	66
Total	**80**	**314**	**-**	**394**	**13**	**22**	**-**	**35**	**358**	**66**

NOTE - 4 : INVESTMENT PROPERTY

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Leasehold Land	2,282	-	-	2,282	266	22	-	288	1,994	2,012
Premises	6,873	-	-	6,873	862	68	-	930	5,944	6,011
Total	**9,155**	**-**	**-**	**9,155**	**1,128**	**90**	**-**	**1,218**	**7,937**	**8,023**

NOTE - 5 : INTANGIBLE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 01-04-2021	Add during the year	Deletions	As at 31-03-2022	Upto 31-03-2021	Depreciation for the year	Deletions	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Computer Software Licenses	76	-	-	76	76	0	-	76.13	0.30	1
Intellectual Property Rights	11,297	-	-	11,297	7,931	925	-	8,856	2,441	3,365
Total	**11,373**	**-**	**-**	**11,373**	**8,007**	**925**	**-**	**8,932**	**2,441**	**3,366**
Grand Total	**34,317**	**800**	**-**	**35,117**	**18,429**	**1,296**	**-**	**19,726**	**15,392**	**15,883**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows :

NOTE -2: PROPERTY PLANT & EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 31-03-2020	Add during the year	Deletions	As at 31-03-2021	As at 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Premises Lease Hold	2,734	-	-	2,734	612	34		647	2,087	2,122
Civil and Plumbing Work	1,823	12	-	1,835	266	30		296	1,539	1,557
Furniture and Fixtures	3,438	34	-	3,472	3,100	167		3,267	205	337
Office Equipments	64	-	-	64	58	0		58	6	6
Motor Vehicles	256	87	-	343	137	16		153	190	120
Computers and IT Equipments	5,104	1	-	5,105	4,701	2		4,704	401	403
Computers (Given on lease)	156	-	-	156	156	-		156	-	-
Total	**13,575**	**134**	**-**	**13,709**	**9,030**	**250**	**-**	**9,281**	**4,428**	**4,545**

NOTE - 3 : RIGHT OF USE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 31-03-2020	Add during the year	Deletions	As at 31-03-2021	As at 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Immovable Property	203	-	(123)	80	36	20	(44)	13	66	167
Total	**203**	**-**	**(123)**	**80**	**36**	**20**	**(44)**	**13**	**66**	**167**

NOTE - 4 : INVESTMENT PROPERTY

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 31-03-2020	Add during the year	Deletions	As at 31-03-2021	As at 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Leasehold Land	2,282	-	-	2,282	244	22	-	266	2,011	2,038
Premises Lease Hold	6,873	-	-	6,873	795	68	-	862	6,011	6,079
Total	**9,155**	**-**	**-**	**9,155**	**1,038**	**90**	**-**	**1,128**	**8,023**	**8,117**

NOTE - 5 : INTANGIBLE ASSETS

Particulars	Gross Block				Deprecation and Amortization				Net Block	
	As at 31-03-2020	Add during the year	Deletions	As at 31-03-2021	As at 31-03-2020	Depreciation for the year	Deletions	Upto 31-03-2021	As at 31-03-2021	As at 31-03-2020
Computer Software Licenses	76	-	-	76	76	0	-	76	1	1
Intellectual Property Rights	11,068	229	-	11,297	7,026	906	-	7,932	3,365	4,043
Total	**11,144**	**229**	**-**	**11,373**	**7,101**	**906**	**-**	**8,007**	**3,366**	**4,043**
Grand Total	**34,078**	**362**	**(123)**	**34,317**	**17,206**	**1,267**	**(44)**	**18,430**	**15,883**	**16,871**

Notes forming part of the Balance Sheet as at March, 31 2022

Note 06: Investments

i) Non current investments (₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(1)	**Unquoted, Long Term, Trade: (Carried at Cost)**		
(a)	**Investment in equity instruments of Subsidiaries**		
	Allied Digital Services DO Brasil LTDA.	124	-
	775000 (Previous year: NIL) equity shares of BRL 1 each, fully paid up		
(b)	**Investment in Associates**		
(i)	Soft Shell System (I) Pvt Ltd	600	600
	117,924 (Previous year: 117,924) equity shares of 10/- each fully paid up		
(ii)	Allied CNT Solutions Pvt. Ltd.	22	22
	142,000 (Previous Year: 142,000) equity shares of Rs. 10/- each fully paid up		
		745	**622**
(c)	**Investment in Other Equity instruments:**		
	Uthopia green Trans Pvt ltd	0	0
	200 (Previous Year: 200) equity shares of Rs. 10/- each		
		0	**0**
(d)	Investment carried at amortized cost		
	450000 (Previous Year : 450000) Preference shares of Rs. 100 each of Devyog Builders Pvt Ltd	204	188
		204	**188**
	Total Non Current Investments	**949**	**810**

Note :

Aggregate amount of quoted investments	NIL	NIL
Market value of quoted investments	NIL	NIL
Aggregate amount of unquoted investments	949	810
Aggregate amount of impairment in value of Investment	NIL	NIL
Investment Carried at cost	745	622
Investment Carried at amortized cost	204	188
Investment carried at fair value through other comprehensive income	NIL	NIL
Investment carried at fair value through profit and loss	NIL	NIL
Total Investments	**949**	**810**

Wherever the amount is '0', it denotes value less than Rs.50,000/- as all value is rounded off to the nearest Rs. 1 Lakh.

Note 7: Loans

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Non-Current		
	Considered good-unsecured		
	Other loans	252	252
		252	**252**
(ii)	Current		
	Considered good-unsecured		
	Loans to employees	195	144
		195	**144**
	Total loans	**447**	**396**

Note 8: Other financial assets

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Non-Current		
	Unsecured, considered good		
(a)	Security deposits	100	32
(b)	Others	240	241
		340	**273**
(ii)	Current		
	Unsecured, considered good		
(a)	Security deposits	4	4
(b)	Unbilled revenue	3,311	3,683
(c)	Accrued income	1,366	958
(d)	Accrued interest	61	53
(e)	Others	1,043	631
		5,785	**5,330**
	Total Other Financial Assets	**6,125**	**5,603**

Note 9: Other Assets

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Non-Current		
(a)	Receivables from government authorities	1,144	1,554
(b)	Deferred expenses	2,232	1,043
		3,376	**2,597**
(ii)	Current		
(a)	MAT credit entitlement	1,327	1,573
(b)	Prepaid expenses	30	40
(c)	Other	2,417	1,769
		3,774	**3,382**
	Total Other Assets	**7,150**	**5,979**

Note 10: Asset classified as held for sale

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Asset classified as held for sale	59	59
	Total	**59**	**59**

Note 11: Inventories

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Stock in Trade	3,799	3,482
	Total Inventories	**3,799**	**3,482**

Note : Inventories consists of Spare parts and IT Hardware products. Inventories are carried at lower of cost and net realisable value.

Note 12: Trade Receivables

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Current		
	Total receivables considered good-Unsecured	19,936	16,463
	Less: Allowance for doubtful trade receivables	(65)	(40)
	Total trade receivables	**19,871**	**16,423**

Note 13(i) : Cash and cash equivalents:

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Balances with banks		
(i)	In fixed deposit accounts	-	-
(ii)	In Current Account	4,971	4,664
(b)	Cash on hand	1	0
	Total cash and cash equivalents	**4,972**	**4,664**

Note 13(ii) : Other balances with bank:

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Balances with banks		
(i)	Earmarked balances *	587	1,103
(ii)	Fixed deposits	355	50
	Total	**942**	**1,153**

* Earmarked balances with banks primarily relate to margin money for the Bank Guarantees.

Trade receivables ageing schedule for the year ended on 31st March, 2022

(₹ in Lakhs)

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2022							
Undisputed trade receivables – considered good	973	5,739	2,778	2,627	1,438	6,382	19,936
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
	973	**5,739**	**2,778**	**2,627**	**1,438**	**6,382**	**19,936**
Less: Allowance for doubtful trade receivables							(65)
Total Trade Receivables							**19,871**

Trade receivables ageing schedule for the year ended on 31st March, 2021

(₹ in Lakhs)

Particulars	Not Due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2021							
Undisputed trade receivables – considered good	849	4,664	763	1,429	2,077	6,681	16,463
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
	849	**4,664**	**763**	**1,429**	**2,077**	**6,681**	**16,463**
Less: Allowance for doubtful trade receivables							(40)
Total Trade Receivables							**16,423**

Notes forming part of Financial Statements for the year ended on 31st March, 2022

Note 14: Equity Share Capital

(a) Authorized, Issued, Subscribed & Paid - up and par value per share

(₹ In lakh)

Share Capital	As at 31st March 2022		As at 31st March 2021	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹ 5 each with voting rights	6,00,00,000	3,000	6,00,00,000	3,000
Issued				
Equity shares of ₹ 5 each with voting rights	5,42,05,528	2,710.28	5,07,05,528	2,535
Subscribed & Paid up				
Equity shares of ₹ 5 each with voting rights	5,42,05,528	2,710	5,07,05,528	2,535

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(₹ In lakh)

Particulars	Opening Balance	Issued during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2022			
- Number of shares	5,07,05,528	35,00,000	5,42,05,528
- Amount in ₹ Lakh	2,535	175	2,710
Year ended 31 March, 2021			
- Number of shares	5,02,05,528	5,00,000	5,07,05,528
- Amount in ₹ Lakh	2,510	25	2,535

Note:

The company had allotted 40,00,000 Nos of Convertible Equity warrants to Mr. Nitin Dhanji Shah, Chairman and Managing Director with an option to convert the same in equal number of equity share at a price of ₹ 18.80 per warrant, including premium of ₹ 13.80 per share on a face value of ₹ 5.00 per share. Pursuant to the terms of Convertible Equity Warrants, Company allotted 5,00,000 (Nos) of equity shares to Mr. Nitin Dhanji Shah at a price of ₹ 18.80 per share (Including a premium of ₹ 13.80 per share) on 1st March, 2021 and remaining 35,00,000 (Nos) of equity shares were allotted on 13th October,2022 Funds received against the allotments are being utilized towards the prescribed object.

(c) Rights, Preferences and restrictions related to equity shares

The company has only one class of equity share having par value of ₹ 5 per share. Each holder of equity share is entitled to one vote per share

(d) Disclosure of shareholding of promoters as at March 31, 2022 is as follows :

Name of Shareholder	As at 31st March 2022		As at 31st March 2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity shares with voting rights					
Nitin Dhanji Shah	1,87,83,031	34.65	1,52,83,031	30.14	4.51
Prakash Dhanji Shah	81,78,348	15.09	81,78,348	16.13	(1.04)

(e) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31st March 2022		As at 31st March 2021		% change during the year
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity shares with voting rights					
Nitin Dhanji Shah	1,87,83,031	34.65	1,52,83,031	30.14	4.51
Prakash Dhanji Shah	81,78,348	15.09	81,78,348	16.13	(1.04)

Notes forming part of the Balance Sheet as at March 31, 2022

Note 15: Other Equity

(i) Reserves and Surplus

(₹ in Lakhs)

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(a)	**Capital Redemption Reserve**		
	Opening Balance	30	30
Add/Less:	Transer during the year	-	-
	Closing Balance	**30**	**30**
(b)	**Securities Premium Account**		
	Opening Balance	37,125	37,056
Add:	Securities premium credited on allotment of equity shares	483	69
	Closing Balance	**37,608**	**37,125**
(c)	**General Reserves**		
	Opening Balance	2,058	2,058
Add/Less:	Transer during the year	-	-
	Closing Balance	**2,058**	**2,058**
(d)	**P&L Surplus**		
	Opening balance	5,002	3,748
Add:	Net Profit/(Net Loss) For the current year	5,239	1,604
Less:	Other Adjustments	(139)	(99)
Less:	Equity Dividend	(380)	(251)
	Closing Balance	**9,721**	**5,002**
	Total Reserves and Surplus	**49,417**	**44,214**

(ii) Other component of equity

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(a)	**Employee Stock Options Outstanding**		
	Opening Balance	-	-
Add:	Transaction during the year	675	-
	Closing Balance	**675**	**-**
(b)	**Other Comprehensive Income**		
	Opening Balance	86	162
Add:	Transaction during the year	93	(76)
	Closing Balance	**179**	**86**
(c)	**Foreign Currency Translation Reserve**		
	Opening Balance	61	75
Add:	Transaction during the year	96	(13)
	Closing Balance	**157**	**61**
	Total Other Component of Equity	**1,011**	**148**
(iii)	**Share Warrant Application Money**		
	Opening Balance	165	-
Add:	Money received against share warrants during the year	319	165
Less:	Shares Issued against the warants during the year	(484)	
	Closing Balance	**-**	**165**
	Total Reserve and Surplus	**50,428**	**44,527**

Notes forming part of the Balance Sheet as at March, 31 2022
Note 16 : Borrowings

(₹ in Lakhs)

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non-Current Borrowings**		
	Secured		
	At Amortised Cost		
	Term Loans		
	From Bank		
a.	**Indian Bank**	381	356
	Secured by equitable mortgage of the immovable property situated at Unit 1 & 2, 5th Floor, Globsyn, Crystal, Sector V, Salt Lake, Kolkata		
b.	**HDFC Bank Ltd.**	43	63
	Equitable mortgage of Vehicles		
	From Others		
a.	**BMW Financial Services Ltd.**	38	49
	Equitable mortgage of Vehicles		
		463	**468**
(ii)	**Current Borrowings**		
	Secured		
	From Bank		
a	Loans repayable on demand	1,969	2,619
b	Current Maturities	62	169
	Unsecured		
a	Loans and advances from related parties (Repayable on Demand)	1,747	2,151
b	Other unsecured loans	10	10
c	Unclaimed Public Deposits	6	6
		3,793	**4,955**
	Total Borrowings	**4,256**	**5,423**

(a) Details of Secured current borrowings along with Security and Terms of repayment:

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Loans repayable on demand		
From banks:		
Barclays Bank Foreign Currency Loan	1,005	1,385
Indian Bank	965	1,234
Loans repayable on demand from banks	**1,969**	**2,619**

(b) Details of Security Offered to Banks for loans repayable on demand

Following securities have been offered to Barclays banks

(a) First charge on Office no. 13A, Earnest House, NCPA Road, Nariman Point, Mumbai
(b) Pari pasu charge with Indian Bank on movable assets except vehicles
(c) Pari pasu charge with Indian Bank on current assets
(d) Personal Guarantee of Promoters

Following securities have been offered to Indian Bank

(a) First charge on property Office no. 405 & 406, 4th Floor, Seepz, SEZ, M I D.C., Marol, Andheri-East, Mumbai
(b) First charge on property at Unit 1 & 2, 5th Floor, Globsyn Crystal, Sector V, Salt Lake, Kolkata
(c) First charge on liquid assets in the form of fixed deposits
(d) Pari pasu charge with Barclays Bank on movable assets except vehicles
(e) Pari pasu charge with Barclays Bank on current assets
(f) Personal guarantee of Promoters

Note 17 : Other Financial Liabilities

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
(i)	**Non-Current**		
	Lease Liability	362	77
		362	**77**
(ii)	**Current**		
	Others	42	7
		42	**7**
	Total other financial liabilities	**404**	**84**

Note 18 : Provisions

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Current Provisions		
	Others	805	854
	Total Current Provisions	**805**	**854**

Note 19: Deferred tax liabilities

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Deferred Tax Liability		
	Property, Plant And Equipments And Intangible Assets	2,353	2498
	Total Deferred Tax Liability	**2,353**	**2,498**

Note 20: Trade payables

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Trade payables		
	-Trade payables to Micro and Small enterprises	-	-
	-Trade payables to other than Micro and Small enterprises	5,081	6,341
	Total Trade Payables	**5,081**	**6,341**

Note 21: Other liabilities

Sr. No.	Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Other Current Liabilities		
	Others	791	435
	Total Other Current Liabilities	**791**	**435**

Trade payables ageing schedule for the year ended on 31st March, 2022

(₹ in Lakhs)

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 Year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2022					
MSME Vendors	-	-	-	-	-
Other Vendors	3,249	1,343	210	278	5,081
Disputed dues – MEME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total Trade Payables	**3,249**	**1,343**	**210**	**278**	**5,081**

Trade payables ageing schedule for the year ended on 31st March, 2021

(₹ in Lakhs)

Particulars					Total
	6 months to 1 year	1 to 2 year	2 to 3 year	more than 3 years	
As on 31.03.2021					
MSME Vendors					-
Other Vendors	4,095	1,582	404	260	6,341
Disputed dues – MEME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total Trade Payables	**4,095**	**1,582**	**404**	**260**	**6,341**

Notes forming part of the Profit & Loss account for the period ending on March 31, 2022

Note 22 : Revenue from Operations

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Revenue from Sale of Services & Solutions	48,467	35,799
	Others	0	9
	Total Revenue from Operations	**48,468**	**35,808**

Note 23: Other Income

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Interest Income	56	107
	Office Rent	10	26
	Net gain on foreign currency transactions	134	161
	Other non-operating income	57	112
	Total Other Income	**257**	**406**

Note 24: Purchase & Other Direct Expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Purchase of Traded Goods and Services	26,732	19,360
	Other Direct expenses	1,211	1,553
	Total Purchase & Other Direct Expenses	**27,943**	**20,912**

Note 25 Changes in Inventories

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Closing Stock	3,789	3,474
	Less : Opening Stock	3,474	3,483
	Net (increase) / decrease	**(315)**	**10**

Note 26 : Employee Benefits Expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
(a)	Salaries and wages (Including Directors' Remuneration) (Refer note (26A)	7,554	5,795
(b)	Contributions to Provident Fund	28	26
(c)	Contributions to ESIC	16	16
(d)	Contributions to Labour Welfare Fund	0	0
(e)	Contributions to Gratuity	79	77
(f)	Staff welfare expenses	43	49
(g)	Share-based compensation expense	675	-
	Total Employee Benefit Expenses	**8,394**	**5,963**

Note 26 (A) : Details of Managerial Remuneration:

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Remunerations and Other Employee Benefits	472	387
	Total	**472**	**387**

Note 27 : Finance Cost

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	(a) Interest expense on Borrowings	234	343
	(b) Other borrowing costs	28	26
	Total Finance Cost	**262**	**369**

Note 28 : Other expenses

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Rent including Lease Rentals	51	38
	Repairs and Maintenance	189	266
	Insurance	217	137
	Communication	157	170
	Travelling and Conveyance	205	132
	Electricity Expenses	78	67
	Freight and Forwarding	5	2
	Advertisement Expenses	4	172
	Legal, Professional & Other Outsourcing Charges	2,784	1,950
	Payments to Auditors (Refer Note 28.A below)	15	15
	Rates and Taxes	88	286
	Commission & Brokerage	777	603
	Security Charges	255	225
	Printing & Stationery Expenses	26	8
	Business Promotion Expenses	100	44
	Office Expenses	38	44
	Miscellaneous Expenses	454	295
	Total Other Expenses	**5,442**	**4,456**

Note 28 (A): Payment to Auditors

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Payments to the Auditors		
(a)	For Statutory Audit	12	12
(b)	For Taxation Matters	3	3
	Total	**15**	**15**

Note 29 : Exceptional Items

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Exceptional Income *	2,380	
	Total	**2,380**	**-**

* Allied Digital Services LLC (a subsidiary of the Company) has been granted waiver of USD 3,219,918 received as business loan under Paycheck Protection Program (PPP) from the United States Federal Government.

Note 30 : Component of Other Comprehensive Income

Sr. No	Particulars	For the year ending Mar 31, 2022	For the year ending Mar 31, 2021
	Items that will not be reclassified to profit or loss		
	Actuarial Gain/(Loss) on Gratuity	93	(76)
	Total	**93**	**(76)**

Note 31: Earning Per Shares

Sr.No.	Particular	FY 2021-22	FY 2020-21
A	Weighted average number of equity shares of ₹ 5/- each		
I	"Number of shares at the beginning of the year (nos) of ₹ 5/- each (Previous Year of ₹5/- each)"	50,705,528	50,205,528
II	Number of Shares at the end of the year (Nos) of ₹5/- each	54,205,528	50,705,528
III	ESOP outstanding to employees	3,420,000	-
IV	Share Warrant Issues	-	3,500,000
V	"Weighted average number of equity shares of ₹ 5/- each (Previous Year of ₹5/- each) outstanding during the year (Nos) for Basic EPS"	52,326,076	50,247,195
VI	"Weighted average number of equity shares of ₹ 5/- each (Previous Year of ₹5/- each) outstanding during the year (Nos) for diluted EPS"	55,746,076	53,747,195
B	Net Profit after tax available for equity shareholders (In ₹ Lakh)	6,102	1,923
C	Basic income as per share (in rupees) [B/A (V)]	11.66	3.82
D	Diluted income per share (in rupees) [B/A(VI)]	10.94	3.58

Note 32 : Contingent Liabilites and commitment

Contingent liabilities (to the extent not provided for)

(` in Lakhs)

Sr.No	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Bank Guarantees issued	635	693
2	Income Tax (Litigation)	51	51
	Total	**686**	**744**

Financial Ratios

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21
Current ratio (in times)	Total current assets	Total current liabilities	3.74	2.75
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.08	0.11
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	19.92	9.34
Return on equity ratio (in %)	Profit for the year	Average total equity	11.72%	4.04%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	2.67	1.95
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other Expenses	Average trade payables	5.85	4.12
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1.91	1.69

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