

**Aepona Limited****CONDENSED BALANCE SHEET AS AT SEPTEMBER 30, 2021**

	Notes	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	5.1	524.11	1,395.99	869.66
Other Intangible assets	5.2	2,719.10	3,984.51	3,491.23
		<b>3,243.21</b>	<b>5,380.50</b>	<b>4,360.89</b>
<b>Current assets</b>				
Financial assets				
- Trade receivables	6	67,827.91	87,947.63	53,323.36
- Cash and cash equivalents	7	24,673.65	12,806.81	10,920.99
- Other current financial assets	8	3,399.75	18,526.76	19,202.78
Current tax assets (net)		-	2,177.67	-
Other current assets	9	9,114.24	12,703.88	14,008.29
		<b>105,015.55</b>	<b>134,162.75</b>	<b>97,455.42</b>
<b>TOTAL</b>		<b>108,258.76</b>	<b>139,543.25</b>	<b>101,816.31</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity share capital	4	1,230,620.26	1,230,620.26	1,230,620.26
Other equity		(1,441,269.83)	(1,546,756.34)	(1,509,585.87)
		<b>(210,649.57)</b>	<b>(316,136.08)</b>	<b>(278,965.61)</b>
<b>LIABILITIES</b>				
<b>Non- current liabilities</b>				
Financial liabilities				
- Borrowings	10	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Financial liabilities				
- Trade payables	11	18,655.40	85,039.79	30,402.05
- Other current financial liabilities	12	281,596.55	339,173.73	314,423.54
Other current liabilities	13	17,190.30	28,446.58	31,752.25
Provisions	14	1,391.55	3,019.23	3,536.90
Current tax liabilities (net)		74.53	-	667.18
		<b>318,908.33</b>	<b>455,679.33</b>	<b>380,781.92</b>
<b>TOTAL</b>		<b>108,258.76</b>	<b>139,543.25</b>	<b>101,816.31</b>
Summary of significant accounting policies	3			

The accompanying notes are an integral part of the condensed financial statements

As per our report of even date

**For JOSHI APTE & Co.**  
Firm registration no. 104370W  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
**Aepona Limited**

per C.K. Joshi  
Partner  
Membership No. 030428

Sunil Sapre  
Director

Narasinha Upadhye  
Director

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

**Aepona Limited****CONDENSED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021**

	Notes	For the quarter ended		For half year ended		For year ended
		September 30, 2021 (In ₹'000)	September 30, 2020 (In ₹'000)	September 30, 2021 (In ₹'000)	September 30, 2020 (In ₹'000)	March 31, 2021 (In ₹'000)
<b>Income</b>						
Revenue from operations	15	72,948.00	94,200.53	159,463.09	189,851.29	357,794.63
Other income	16	8,216.82	-	13,573.90	-	6,403.51
<b>Total income (A)</b>		<b>81,164.82</b>	<b>94,200.53</b>	<b>173,036.99</b>	<b>189,851.29</b>	<b>364,198.14</b>
<b>Expenses</b>						
Employee benefits expense	17.1	2,191.76	9,639.22	6,325.38	17,379.10	24,436.00
Cost of technical professionals	17.2	35,844.54	42,761.75	65,639.53	78,617.26	146,600.20
Finance costs		1,960.46	2,749.10	4,024.84	6,292.63	10,667.58
Depreciation and amortization expense	5.3	473.75	589.47	1,108.93	1,034.64	2,367.62
Other expenses	18	13,817.90	19,935.17	28,259.67	25,608.04	58,431.99
<b>Total expenses (B)</b>		<b>54,288.41</b>	<b>75,674.71</b>	<b>105,358.35</b>	<b>128,931.67</b>	<b>242,503.39</b>
<b>Profit/(loss) before tax (A - B)</b>		<b>26,876.41</b>	<b>18,525.82</b>	<b>67,678.64</b>	<b>60,919.62</b>	<b>121,694.75</b>
<b>Tax expense</b>						
Current tax		-	710.09	-	1,356.21	2,741.93
Tax credit in respect of earlier years		-	-	-	-	3,020.11
<b>Total tax expense</b>		<b>-</b>	<b>710.09</b>	<b>-</b>	<b>1,356.21</b>	<b>5,762.04</b>
<b>Net profit/(loss) for the period / year (C)</b>		<b>26,876.41</b>	<b>17,815.73</b>	<b>67,678.64</b>	<b>59,563.41</b>	<b>115,932.71</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss (D)</b>						
- Remeasurements of the defined benefit liabilities / (asset)		-	-	-	-	-
- Tax effect on remeasurements of the defined benefit liabilities / (asset)		-	-	-	-	-
<b>Items that may be reclassified to profit or loss (E)</b>						
- Exchange differences in translating the financial statements of foreign operations		7,173.24	(7,879.11)	637.40	(5,053.82)	(24,252.65)
<b>Total other comprehensive income for the period/year (D) + (E)</b>		<b>7,173.24</b>	<b>(7,879.11)</b>	<b>637.40</b>	<b>(5,053.82)</b>	<b>(24,252.65)</b>
<b>Total comprehensive income for the period/year (C) + (D) + (E)</b>		<b>34,049.65</b>	<b>9,936.62</b>	<b>68,316.04</b>	<b>54,509.59</b>	<b>91,680.06</b>
<b>Earnings per equity share</b>						
[Nominal value of share GBP 1 (Previous period/year: GBP 1)]	19					
Basic (In ₹)		2.17	1.44	5.46	4.81	9.35
Diluted (In ₹)		2.17	1.44	5.46	4.81	9.35
<b>Summary of significant accounting policies</b>						
	3					

The accompanying notes are an integral part of the condensed financial statements

As per our report of even date

**For JOSHI APTE & Co.**  
Firm registration no. 104370W  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
**Aepona Limited**

per C.K. Joshi  
Partner  
Membership No. 030428

Sunil Sapre  
Director

Narasinha Upadhye  
Director

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

**Aepona Limited****CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021**

	For the half year ended		For year ended
	September 30, 2021 (In ₹'000)	September 30, 2020 (In ₹'000)	March 31, 2021 (In ₹'000)
<b>Cash flow from operating activities</b>			
<b>Profit / (loss) before tax</b>	<b>67,678.64</b>	<b>60,919.62</b>	<b>121,694.75</b>
Adjustments for:			
Finance cost	4,024.84	6,292.63	10,667.58
Depreciation and amortization expense	1,108.93	1,034.64	2,367.62
Unrealised exchange (gain)/ loss (net)	(2,930.13)	4,855.75	11,775.12
Provision for doubtful receivables/ (provision for doubtful receivables written back) (net)	-	-	(0.05)
Exchange (gain)/ loss on translation of foreign currency cash and cash equivalents	(311.85)	(956.63)	(240.98)
Currency translation reserve	637.40	(5,053.82)	(24,252.65)
<b>Operating profit before working capital changes</b>	<b>70,207.83</b>	<b>67,092.19</b>	<b>122,011.39</b>
<b>Movements in working capital :</b>			
(Increase)/Decrease in trade receivables	(14,504.55)	(11,423.48)	27,731.52
(Increase)/ Decrease in other current assets (including financial assets)	4,894.05	4,111.84	2,807.43
(Increase)/ Decrease in loans and advances	15,803.03	(1,003.98)	(1,680.00)
Increase/(Decrease) in trade payables and current liabilities	(56,612.03)	(15,648.87)	(62,781.71)
Increase/(Decrease) in provisions	(2,145.35)	(1,030.57)	(512.90)
<b>Operating profit after working capital changes</b>	<b>17,642.98</b>	<b>42,097.13</b>	<b>87,575.73</b>
Direct taxes paid (net of refunds)	-	(2,214.49)	(3,614.93)
<b>Net cash generated from operating activities (A)</b>	<b>17,642.98</b>	<b>39,882.64</b>	<b>83,960.80</b>
<b>Cash flows from investing activities</b>			
Payment towards capital expenditure	-	(4,241.22)	(4,326.99)
<b>Net cash (used in) investing activities (B)</b>	<b>-</b>	<b>(4,241.22)</b>	<b>(4,326.99)</b>
<b>Cash flows from financing activities</b>			
Interest paid	(4,202.17)	-	-
Intercorporate deposit repaid	-	(67,864.34)	(113,026.90)
<b>Net cash (used in) financing activities (C)</b>	<b>(4,202.17)</b>	<b>(67,864.34)</b>	<b>(113,026.90)</b>
	As at	As at	As at
	September 30, 2021	September 30, 2020	March 31, 2021
	(In ₹'000)	(In ₹'000)	(In ₹'000)
Net (Decrease)/ increase in cash and cash equivalents (A + B + C)	13,440.81	(32,222.92)	(33,393.09)
Cash and cash equivalents at the beginning of the period	10,920.99	44,073.10	44,073.10
Effect of exchange differences on translation of foreign currency cash and cash equivalents	311.85	956.63	240.98
<b>Cash and cash equivalents at the end of the period/year</b>	<b>24,673.65</b>	<b>12,806.81</b>	<b>10,920.99</b>
<b>Components of cash and cash equivalents</b>			
Balances with banks			
On current accounts	24,673.65	12,806.81	10,920.99
<b>Cash and cash equivalents as per note 7</b>	<b>24,673.65</b>	<b>12,806.81</b>	<b>10,920.99</b>

Summary of significant accounting policies - Refer note 3

The accompanying notes are an integral part of the condensed financial statements

As per our report of even date

For JOSHI APTE & CO.  
ICAI Firm registration no. 104370W  
Chartered Accountants

For and on behalf of the Board of Directors of  
Aepona Limited

per C.K. Joshi  
Partner  
Membership No.030428

Sunil Sapre  
Director

Narasinha Upadhye  
Director

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

Place: Pune  
Date : October 23, 2021

**Aepona Limited****STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021**

Equity Share Capital (Refer note 4)

(In ₹'000)

Balance as at April 1, 2021	Changes in equity share capital during the period	Balance as at September 30, 2021
1,230,620.26	-	1,230,620.26

(In ₹'000)

Balance as at April 1, 2020	Changes in equity share capital during the period	Balance as at September 30, 2020
1,230,620.26	-	1,230,620.26

(In ₹'000)

Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
1,230,620.26	-	1,230,620.26

**Aepona Limited****STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021**

(In ₹'000)

Particulars	<u>Reserves and surplus</u>	<u>Items of other comprehensive income</u>	Total
	Retained earnings	Foreign currency translation reserve	
<b>Balance as at April 1, 2021</b>	(1,446,793.83)	(62,792.04)	(1,509,585.87)
Other comprehensive income during the period	-	637.40	637.40
Net profit/(loss) during the period	67,678.64	-	67,678.64
<b>Balance at September 30, 2021</b>	<b>(1,379,115.19)</b>	<b>(62,154.64)</b>	<b>(1,441,269.83)</b>

(In ₹'000)

Particulars	<u>Reserves and surplus</u>	<u>Items of other comprehensive income</u>	Total
	Retained earnings	Foreign currency translation reserve	
<b>Balance as at April 1, 2020</b>	(1,562,726.54)	(38,539.39)	(1,601,265.93)
Other comprehensive income during the period	-	(5,053.82)	(5,053.82)
Net profit/(loss) during the period	59,563.41	-	59,563.41
<b>Balance at September 30, 2020</b>	<b>(1,503,163.13)</b>	<b>(43,593.21)</b>	<b>(1,546,756.34)</b>

(In ₹'000)

Particulars	<u>Reserves and surplus</u>	<u>Items of other comprehensive income</u>	Total
	Retained earnings	Foreign currency translation reserve	
<b>Balance as at April 1, 2020</b>	(1,562,726.54)	(38,539.39)	(1,601,265.93)
Other comprehensive income during the year	-	(24,252.65)	(24,252.65)
Net profit/(loss) during the year	115,932.71	-	115,932.71
<b>Balance at March 31, 2021</b>	<b>(1,446,793.83)</b>	<b>(62,792.04)</b>	<b>(1,509,585.87)</b>

**Nature and purpose of reserves****a) Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented under equity in the foreign currency translation reserve.

The accompanying notes form an integral part of the condensed financial statements.

As per our report of even date

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per C.K. Joshi  
Partner  
Membership No.030428

Sunil Sapre  
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Place: Pune  
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**1. Nature of operations**

Aepona Limited (a UK based wholly owned subsidiary of Aepona Group Limited) is engaged in the business of a telecommunication API gateway for defining, exposing, controlling and monetizing telecom services to partners and application developers and an Internet of Things service creation platform that allows enterprises to add a service layer (or “business logic”) to the basic APIs exposed to by connected devices, and to expose and monetize these APIs. The Company has been acquired by Persistent Systems Inc. on October 2, 2015 by virtue of share purchase agreement with ultimate parent company Aepona Holdings Ltd.

**2. Basis of preparation**

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments and equity settled employee stock options which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services. The accounting policies are consistently applied by the Company during the period and are consistent with those used in previous year 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.

**Statement of compliance**

These financial statements have been prepared in accordance with Ind AS 34 Interim Financial Reporting for the quarter and half year ended September 30, 2021 as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

**3. Summary of significant accounting policies****(a) Use of estimates**

The preparation of the financial statements are in conformity with the recognition and measurement principles of Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**Critical accounting estimates****i. Revenue recognition**

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Further, the Company uses significant judgement while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

In respect of the contracts where the transaction price is payable as royalty at pre-defined percentage of customer revenue and bearing in mind, the time gap between the close of the accounting period and availability of the revenue report from the customer, the Company is required to use its judgement to ascertain the income from royalty on the basis of historical trends of customer revenue.

**ii. Income taxes**

The Company’s major tax jurisdictions is Northern Ireland. Significant judgements are involved in determining the provision for income taxes

**iii. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company’s assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**iv. Provisions**

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**v. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has evaluated the likely impact of COVID-19 on the overall business of the Company. The Company as at the date of the approval of these financials, has used various available sources of information to analyse the carrying amount of its financial assets and exposures. The impact of COVID-19 on the Company's condensed interim financial statements may differ from the estimate as on the date of the approval of the condensed interim financial statements.

**Expected credit loss:**

The Company has considered the current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic, COVID -19 using the forward looking approach prescribed by Ind AS 109.

**Impact on hedged and unhedged foreign currency exposure:**

Based on its assessment, the Company believes that the probability of occurrence of its forecasted transactions are not likely to be impacted by COVID – 19. Hence, the Company continues to believe that there is no foreseeable impact on the effectiveness of its cash flow hedges due to this global pandemic.

**Carrying value of financial instruments:**

Investments in mutual funds are classified as "Level 1" having fair value marked to an active market which factors in the uncertainties arising out of COVID – 19. These financial assets are mainly investments in liquid securities and no material permanent decline in their carrying value are expected.

**Impact on revenue:**

The Company continues to re-evaluate the probable revenues from customers in various verticals to assess any possible drops in revenue from any of these verticals due to the economic stress caused by COVID – 19. Accordingly, it is the opinion of the Company that the customers could re-prioritise their discretionary spend in the immediate future to conserve resources.

The impact assessment of COVID – 19 is a continuing process given the uncertainties associated with its nature and duration. The Company has considered the same to the extent known currently and has taken steps to measure the cost budgets required to complete its performance obligations in respect of fixed price contracts and incorporated the impact of likely delays and costs in meeting its obligations.

**(b) Accounting year**

The accounting year of the Company is from April 01 to March 31. These financial statements have been prepared only for the purpose of consolidation.

**(c) Functional currency**

The Company's functional currency is GBP.

**(d) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work-in-progress includes cost of property, plant and equipment that are not ready to be put to use.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

**(e) Intangible assets**

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured

on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### *Research and development cost*

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Such development expenditure, until capitalization, is reflected as intangible assets under development.

Following the initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization of internally generated intangible asset begins when the development is complete and the asset is available for use.

### **(f) Depreciation and amortization**

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method ('SLM') over the useful lives of the assets estimated by the management.

The management estimates the useful lives for the Property, Plant and Equipment as follows:

<b>Assets</b>	<b>Useful lives</b>
Buildings*	25 years
Computers	3 years
Computers - Servers and networks*	3 years
Office equipments	5 years
Plant and equipment*	3 to 5 years
Furniture and fixtures*	5 years
Vehicles*	5 years

\*For these classes of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Individual assets whose cost does not exceed ₹ 5,000 are fully depreciated in the year of acquisition.

Leasehold land is amortized on straight line basis over the period of the lease. Leasehold improvements are amortized over the period of lease or useful life, whichever is lower.

Intangible assets are amortized on a straight line basis over their estimated useful lives commencing from the day the asset is made available for use.

### **(g) Financial instruments**

#### **i) Financial assets**

##### *Initial recognition and measurement*

Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### *Subsequent measurement*

For the purpose of subsequent measurement, financial assets are classified as:



**- Financial assets at amortized cost**

Financial instruments that are held within a business model whose objective is to hold assets for collecting contractual cash flows and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance income in the statement of profit and loss.

**- Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value. Fair value movements are recognized in other comprehensive income.

**- Financial assets at fair value through profit or loss (FVTPL)**

Any financial instrument which does not meet the criteria for categorization as financial instruments at amortized cost or as FVTOCI, is classified as financial instrument at FVTPL. Financial instruments included within the FVTPL category are subsequently measured at fair value with all changes recognized in the statement of profit and loss.

**ii) Financial liabilities***Initial recognition and measurement*

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

*Subsequent measurement*

For the purpose of subsequent measurement, financial liabilities are classified as:

**- Financial liabilities at amortized cost**

Financial liabilities such as loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. The change in measurements are recognized as finance costs in the statement of profit and loss.

**- Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss if the recognition criteria as per Ind AS 109 are satisfied. Gains or losses on liabilities held for trading are recognized in statement of profit and loss. Fair value gains or losses on liabilities designated as FVTPL attributable to changes in own credit risk are recognized in other comprehensive income. All other changes in fair value of liabilities designated as FVTPL are recognized in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

**iii) Impairment****i) Financial assets**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortized cost and financial assets that are debts instruments and are measured at fair value through other comprehensive income (FVTOCI). ECL is the difference between contractual cash flows that are due and the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For trade receivables, the Company recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

**ii) Non-financial assets**

The carrying amounts of Property, Plant and Equipment and Goodwill are reviewed at each balance sheet date or whenever there is any indication of impairment based on internal/external factors. If any indications exist, the Company estimates the asset's recoverable amount 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 the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount,

the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Recoverable amount of intangible under development that is not yet available for use is estimated at least at each financial period / year end even if there is no indication that the asset is impaired.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

#### **(h) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or development of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period/ year they occur.

**Amendment to Ind AS 23 Borrowing costs:** The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact related to this amendment.

#### **(i) Leases**

##### ***Where the Company is a lessee***

Leases that transfers substantially all the risks and rewards incidental to ownership to the Company are classified as finance leases.

Finance leases are capitalized at the lower of the inception date fair value of the leased assets and the present value of the minimum lease payments.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

Operating lease payments are recognized as an expense in the statement of profit and loss as per the terms of the lease agreements.

**Ind AS 116 Leases:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

**(j) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the Company. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**(i) Income from sale of software services and products**

Effective April 1, 2019, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2019. In accordance with the cumulative catch-up transition method, the previous period's/ year's amounts have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

The company derives revenues primarily from IT services comprising of software development and related services and from the licensing of software products.

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

Arrangements with customers for software related services are either on a time-and-material or a fixed-price basis.

Revenue on time-and-material contracts are recognized as and when the related services are performed. Revenue from fixed-price 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 measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made 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 support services are provided in conjunction with the licensing arrangement and the license and the support services 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. Maintenance revenue is recognized proportionately over the period in which the services are rendered.

Revenue from royalty is recognized in accordance with the terms of the relevant agreements.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the proportionate allocation of the discounts amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Unbilled revenue represents revenue recognized in relation to work done until the balance sheet date for which billing has not taken place.

Unearned revenue represents the billing in respect of contracts for which the revenue is not recognized.

The Company collects Value added taxes (VAT) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

In cases where company acts as an agent, the revenue is recognised in form of a commission on delivery of the software licenses.

**(ii) Interest**

Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

**(iii) Dividend**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. Dividend income is included under the head 'Other income' in the statement of profit and loss.

**(k) Foreign currency translation****(i) Foreign currency transactions and balances*****Initial recognition***

Foreign currency transactions are recorded in the respective functional currencies of the entities in the Company, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

***Conversion***

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the values were determined.

***Exchange differences***

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to property, plant and equipment acquisition are recognized as income or expenses in the period in which they arise.

***Forward exchange contracts not intended for trading or speculation purposes, classified as derivative financial instruments***

As per the accounting principles laid down in Ind AS 109 – "Financial Instruments" relating to cash flow hedges, derivative financial instruments which qualify for cash flow hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss / (gain) is debited / (credited) to the hedge reserve under other comprehensive income and the ineffective portion is recognized to the statement of profit and loss. Derivative financial instruments are carried as forward contract receivable when the fair value is positive and as forward contract payable when the fair value is negative.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognized in hedge reserve under other comprehensive income is transferred to the statement of profit and loss when the forecasted transaction occurs or affects profit or loss or when a hedged transaction is no longer expected to occur.

**Translation of foreign operations**

The Company presents the financial statements in INR which is the functional currency of the parent company.

The assets and liabilities of a foreign operation are translated into the reporting currency (INR) at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve under other comprehensive income. On disposal of a foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

**(l) Retirement and other employee benefits****(i) Leave encashment**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date.

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**(m) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the HM Revenue and Customs. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in statement of profit and loss.

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except deferred tax liability arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, except deferred tax assets arising from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, affects neither accounting nor taxable profit/ loss at the time of transaction. Deferred tax assets are recognized only to the extent that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized in co-relation to the underlying transaction either in other comprehensive income or directly in equity.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes:** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**(n) Earnings per share (EPS)**

Basic earnings per share are calculated by dividing the net profit for the period / year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any occurred during the reporting period, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period / year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period / year, are adjusted for the effects of all dilutive potential equity shares.

The number of shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of

Directors.

**(o) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**(p) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**(q) Cash and cash equivalents**

Cash and cash equivalents in the cash flow statement comprises of cash at bank, cash in hand and short term deposits with an original maturity period of three months or less.

**4. Share capital**

	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021
<b>Authorized shares</b>			
12,393.83 Thousand Ordinary shares of GBP 1 each.	GBP 12,393.83	GBP 12,393.83	GBP 12,393.83
	<b>GBP 12,393.83</b>	<b>GBP 12,393.83</b>	<b>GBP 12,393.83</b>
Issued, subscribed and paid-up (in ₹'000)			
12,393.83 Thousand Ordinary shares of GBP 1 each.	₹1,230,620.26	₹1,230,620.26	₹1,230,620.26
Issued, subscribed and fully paid-up share capital	<b>₹1,230,620.26</b>	<b>₹1,230,620.26</b>	<b>₹1,230,620.26</b>

All the shares are held by Aepona Group Limited.

**Reconciliation of the shares outstanding at the beginning and at the end of the year.**

There is no movement in the shares outstanding at the beginning and at the end of the reporting year.

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**Aepona Limited**

## Notes forming part of condensed financial statements

## 5.1 Property, Plant and Equipment

	(In ₹'000)				
	Computers	Plant and equipment	Leasehold improvements	Furniture and fixtures	Total
<b>Gross block (At cost)</b>					
As at April 1, 2021	56,702.90	-	-	-	56,702.90
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
- Exchange differences	(460.33)	-	-	-	(460.33)
<b>As at September 30, 2021</b>	<b>56,242.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,242.57</b>
<b>Depreciation and amortization</b>					
As at April 1, 2021	55,833.24	-	-	-	55,833.24
Charge for the period	346.82	-	-	-	346.82
Disposals	-	-	-	-	-
- Exchange differences	(461.60)	-	-	-	(461.60)
<b>As at September 30, 2021</b>	<b>55,718.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,718.46</b>
<b>Net block</b>					
<b>As at September 30, 2021</b>	<b>524.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>524.11</b>
<b>As at March 31, 2021</b>	<b>869.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>869.66</b>
	(In ₹'000)				
	Computers	Plant and equipment	Leasehold improvements	Furniture and fixtures	Total
<b>Gross block (At cost)</b>					
As at April 1, 2020	52,648.99	-	-	-	52,648.99
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
- Exchange differences	674.73	-	-	-	674.73
<b>As at September 30, 2020</b>	<b>53,323.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,323.72</b>
<b>Depreciation and amortization</b>					
As at April 1, 2020	50,486.42	-	-	-	50,486.42
Charge for the period	798.37	-	-	-	798.37
Disposals	-	-	-	-	-
- Exchange differences	642.94	-	-	-	642.94
<b>As at September 30, 2020</b>	<b>51,927.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,927.73</b>
<b>Net block</b>					
<b>As at September 30, 2020</b>	<b>1,395.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,395.99</b>
<b>As at March 31, 2020</b>	<b>2,162.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,162.57</b>
	(In ₹'000)				
	Computers	Plant and equipment	Leasehold improvements	Furniture and fixtures	Total
<b>Gross block (At cost)</b>					
As at April 1, 2020	52,648.99	-	-	-	52,648.99
Additions	-	-	-	-	-
Disposals*	-	-	-	-	-
- Exchange differences	4,053.91	-	-	-	4,053.91
<b>As at March 31, 2021</b>	<b>56,702.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,702.90</b>
<b>Depreciation and amortization</b>					
As at April 1, 2020	50,486.42	-	-	-	50,486.42
Charge for the year	1,407.39	-	-	-	1,407.39
Disposals*	-	-	-	-	-
- Exchange differences	3,939.43	-	-	-	3,939.43
<b>As at March 31, 2021</b>	<b>55,833.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,833.24</b>
<b>Net block</b>					
<b>As at March 31, 2021</b>	<b>869.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>869.66</b>
<b>As at March 31, 2020</b>	<b>2,162.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,162.57</b>



**Aepona Limited**

## Notes forming part of condensed financial statements

## 5.2 Other Intangible assets

	(In ₹'000)		
	Software	Acquired contractual rights	Total
<b>Gross block (At cost)</b>			
As at April 1, 2021	71,426.55	75,439.31	146,865.86
Additions	-	-	-
-Exchange difference	(579.86)	(612.43)	(1,192.29)
<b>As at September 30, 2021</b>	<b>70,846.69</b>	<b>74,826.88</b>	<b>145,673.57</b>
<b>Amortization</b>			
As at April 1, 2021	67,935.32	75,439.31	143,374.63
Charge for the period	762.11	-	762.11
-Exchange difference	(569.84)	(612.43)	(1,182.27)
<b>As at September 30, 2021</b>	<b>68,127.59</b>	<b>74,826.88</b>	<b>142,954.47</b>
<b>Net block</b>			
<b>As at September 30, 2021</b>	<b>2,719.10</b>	<b>-</b>	<b>2,719.10</b>
<b>As at March 31, 2021</b>	<b>3,491.23</b>	<b>-</b>	<b>3,491.23</b>

	(In ₹'000)		
	Software	Acquired contractual rights	Total
<b>Gross block (At cost)</b>			
As at April 1, 2020	62,153.82	70,045.87	132,199.69
Additions	4,241.22	-	4,241.22
-Exchange difference	774.88	897.67	1,672.55
<b>As at September 30, 2020</b>	<b>67,169.92</b>	<b>70,943.54</b>	<b>138,113.46</b>
<b>Amortization</b>			
As at April 1, 2020	62,153.82	70,045.87	132,199.69
Charge for the period	236.27	0.00	236.27
-Exchange difference	795.32	897.67	1,692.99
<b>As at September 30, 2020</b>	<b>63,185.41</b>	<b>70,943.54</b>	<b>134,128.95</b>
<b>Net block</b>			
<b>As at September 30, 2020</b>	<b>3,984.51</b>	<b>-</b>	<b>3,984.51</b>
<b>As at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>

	(In ₹'000)		
	Software	Acquired contractual rights	Total
<b>Gross block (At cost)</b>			
As at April 1, 2020	62,153.82	70,045.87	132,199.69
Additions	4,326.99	-	4,326.99
Exchange difference	4,945.74	5,393.44	10,339.18
<b>As at March 31, 2021</b>	<b>71,426.55</b>	<b>75,439.31</b>	<b>146,865.86</b>
<b>Amortization</b>			
As at April 1, 2020	62,153.82	70,045.87	132,199.69
Charge for the year	960.23	0.00	960.23
Exchange difference	4,821.27	5,393.44	10,214.71
<b>As at March 31, 2021</b>	<b>67,935.32</b>	<b>75,439.31</b>	<b>143,374.63</b>
<b>Net block</b>			
<b>As at March 31, 2021</b>	<b>3,491.23</b>	<b>-</b>	<b>3,491.23</b>
<b>As at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 5.3 Depreciation and amortization

	(In ₹'000)				
	For the quarter ended		For the half year ended		For the year ended
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
Property, Plant and Equipment	93.25	353.20	346.82	798.37	1,407.39
Other Intangible assets	380.50	236.27	762.11	236.27	960.23
	<b>473.75</b>	<b>589.47</b>	<b>1,108.93</b>	<b>1,034.64</b>	<b>2,367.62</b>

**Aepona Limited****Notes forming part of condensed financial statements****6. Trade receivables**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
<b>Outstanding for a period more than six months from the date they are due for payment</b>			
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	4,458.91	-
	-	<b>4,458.91</b>	-
Less : Provision for doubtful receivables	-	4,458.91	-
	-	-	-
<b>Others</b>			
Unsecured, considered good	67,827.91	87,947.63	53,323.36
Unsecured, considered doubtful	142.91	-	144.08
	<b>67,970.82</b>	<b>87,947.63</b>	<b>53,467.44</b>
Less : Provision for doubtful receivables	142.91	-	144.08
	<b>67,827.91</b>	<b>87,947.63</b>	<b>53,323.36</b>
	<b>67,827.91</b>	<b>87,947.63</b>	<b>53,323.36</b>

**7. Cash and cash equivalents**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
<b>Cash and cash equivalents as presented in cash flow statement</b>			
Balances with banks			
On current accounts	24,673.65	12,806.81	10,920.99
	<b>24,673.65</b>	<b>12,806.81</b>	<b>10,920.99</b>

**8. Other current financial assets**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
<b>Advance to related parties (Unsecured, considered good)</b>			
- Persistent Systems, Ltd	-	2,210.68	4,295.47
- Persistent Telecom Solutions Inc.	3.89	3.69	3.96
- Persistent Systems Lanka Private Limited	640.40	607.17	645.64
- Valista Limited	-	-	1,741.03
- Aepona Group Limited	1,733.94	1,678.12	-
	<b>2,378.23</b>	<b>4,499.66</b>	<b>6,686.10</b>
Unbilled revenue	1,021.52	14,027.10	12,516.68
	<b>3,399.75</b>	<b>18,526.76</b>	<b>19,202.78</b>

**9. Other current assets**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
Advances recoverable in cash or kind or for value to be received	8,964.65	10,716.40	11,722.58
VAT receivable (net)	149.59	1,909.80	2,215.59
Others	-	77.68	70.12
	<b>9,114.24</b>	<b>12,703.88</b>	<b>14,008.29</b>

**Aepona Limited****Notes forming part of condensed financial statements****10. Non-current financial liabilities: Borrowings**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
<b>Borrowings from related parties</b>			
Term loans			
Inter corporate deposit from Persistent Systems Inc (Repayment terms : After 36 months @ Libor plus 2%)	-	-	-
Inter corporate deposit from Aepona Group Limited* (Repayments terms: After 24 months @ Libor plus 3%)	-	-	-
	-	-	-

\* Aepona Group Limited took over the intercorporate deposit from Valista Limited as Valista Limited is in the process of voluntary winding up.

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**Aepona Limited****Notes forming part of condensed financial statements****11. Trade payables**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
Trade payables for goods and services	18,655.40	85,039.79	30,402.05
	<b>18,655.40</b>	<b>85,039.79</b>	<b>30,402.05</b>

**12. Other current financial liabilities**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
Advance from related parties (Unsecured, considered good)			
Persistent Systems Inc (Repayment terms : After 12 months @ Libor plus 2%)	-	55,786.26	11,430.00
Inter corporate deposit from Aepona Group Limited (Repayments terms: After 12 months @ Libor plus 3%)	243,142.13	230,524	245,132.17
Advance from related parties			
Persistent Systems Limited	2,874.03	-	-
Persistent Systems Inc	7,451.53	30,130.35	29,198.99
	<b>253,467.69</b>	<b>316,440.25</b>	<b>285,761.16</b>
Interest accrued and due on borrowings from related parties*	28,128.86	22,733.48	28,662.38
	<b>281,596.55</b>	<b>339,173.73</b>	<b>314,423.54</b>
*Valista Ltd.	-	-	-
*Aepona Group Limited	28,128.86	19,242.71	24,460.21
*Persistent Systems Inc	-	3,490.77	4,202.17
	<b>28,128.86</b>	<b>22,733.48</b>	<b>28,662.38</b>

**13. Other current liabilities**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
Unearned revenue	11,105.18	16,423.47	19,823.90
Advance from customers	6,085.12	12,023.11	11,928.35
	<b>17,190.30</b>	<b>28,446.58</b>	<b>31,752.25</b>

**14. Current Liabilities: Provisions**

	As at September 30, 2021 (In ₹'000)	As at September 30, 2020 (In ₹'000)	As at March 31, 2021 (In ₹'000)
Provision for employee benefits			
- Leave encashment	593.69	1,250.39	1,024.15
- Other employee benefits	797.86	1,768.84	2,512.75
	<b>1,391.55</b>	<b>3,019.23</b>	<b>3,536.90</b>

(This space is intentionally left blank)

**20. Contingent liabilities:**

The Company does not have any contingent liability as at September 30, 2021 (Previous period and year - ₹ Nil).

**21. Capital commitments:**

The estimated amount of contracts remaining to be executed on Capital account and not provided for, net of advances is ₹ Nil (Previous period and year – ₹ Nil).

22. The financial statements are presented in ₹'000 except for per share information or as otherwise stated.
23. The Company is considered as going concern in spite of its negative net worth and inability to repay debts on time based on assurance of continued financial support and assistance from ultimate parent company and other measures.
24. On June 18, 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021, mainly related to framework changes. The notification has made amendments to various Ind AS, mainly related to framework changes. The amendments do not have any impact on Company's financial statements.
25. Previous period's figures have been regrouped where necessary to conform to current period's classification.

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As per our report of even date

**For Joshi Apte & Co.,  
Firm registration no. 104370W  
Chartered Accountants**

**For and on behalf of the Board of Directors of  
Aepona Limited**

per C.K. Joshi  
Partner  
Membership No.030428  
Place: Pune  
Date: October 23, 2021

Sunil Sapre  
Director  
Place: Pune  
Date: October 23, 2021

Narasinha Upadhye  
Director  
Place: Pune  
Date: October 23, 2021

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