



INDEPENDENT AUDITORS REPORT

To THE MEMBERS OF NESL ASSET DATA LIMITED

Report on the Audit of the Standalone financial statements

Opinion:

We have audited the financial statements of **NESL ASSET DATA LIMITED**, ("the Company"), which comprise the Balance Sheet as at **31st March, 2020**, the Statement of Profit and Loss, the Statement of changes in Equity, the Cash Flow Statement for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of state of affairs of the Company as at **31st March, 2020** and **Loss, Decrease in Equity** due to Loss, and its Cash Flows for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("The Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, namely Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

-2-

Place of Signing: Bangalore

Dated: 10th August, 2020

For Madan & Balan
Chartered Accountants
Firm's Registration No. 01897 S




(P. J. Madan Mohan)
Proprietor.
Membership No. 200/18997

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 Board's Report including Annexures to Board's Report and Shareholder's information but does not include the standalone financial statements and our auditor's report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Managements and Those Charged with Governance 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 financial statements that give a true and fair view of the financial position, financial performance, Changes in Equity and Cash Flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Place of Signing: Bangalore
Dated: 10th August, 2020



In preparing the 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 also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

A further description of our responsibilities for the audit of the standalone financial statements is included in "Annexure – A, B, C and D" of this Auditor's Report. This description forms part of our Auditor's Report.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies [Auditor's Report] Order, 2016 ("the Order"), issued by the Central Government of India in terms of S.143(11) of the Act, we give in the "Annexure – B" 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, 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

Place of Signing: Bangalore
Dated: 10th August, 2020



- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule of the Companies (Indian Accounting Standards) Rule 2014 as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 of the Company and the operating effectiveness of such controls refer to our separate Report in “**Annexure – C**”.
- (g) With respect to directions under section 143(5), refer to our separate report in “**Annexure – D**”
- (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, in our opinion and to the best of our information and according to the explanations given to us.
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place of Signing: Bangalore
Dated: 10th August, 2020

For Madan & Balan
Chartered Accountants
Firm’s Registration No. 01897 S



(P. J. Madan Mohan)
Proprietor.
Membership No. 200/18997





Annexure – A to the Auditor’s Report

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 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Companies Act 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained upto the date of Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Place of Signing: Bangalore
Dated: 10th August, 2020



We also, from the matters communicated with those charged with governance, determine those matters that were of most significance in the audit of the 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 communications.

Place of Signing: Bangalore
Dated: 10th August, 2020

For Madan & Balan
Chartered Accountants
Firm's Registration No. 01897 S



(P. J. Madan Mohan)
Proprietor.
Membership No. 200/18997





Annexure – B to the Auditor's Report– (CARO 2016)

With reference to the Annexure – B referred to in our Independent Auditors Report to the members of **NESL ASSET DATA LIMITED** (a wholly owned subsidiary of National E-Governance Services Limited) on the accounts for the period ended 31st March, 2020 and on the basis of such checks of the Company as was considered appropriate and on verification of the books and records of the company as was considered appropriate and on the basis of the information and explanations given during the course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The property, plant and equipment are physically verified by the Management at regular intervals which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable properties. Hence, this clause is not applicable.

(ii) The Company does not own any inventory. Hence, this clause is not applicable.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. In respect of loans and advances given, provisions of section 186 of the Companies Act 2013 have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are **not applicable**.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

Place of Signing: Bangalore
Dated: 10th August, 2020



(vii) (a) Undisputed statutory dues including Provident fund, Income-tax, Goods and Service tax, Cess and other statutory dues have generally been deposited with the appropriate authorities though there has been a slight delay in a few cases of professional tax and provident fund, which was due to delay in the Certificate of Registration being issued by the concerned Authorities though applications were filed on time by the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Goods and Services Tax, Value added tax / Sales tax and Cess which have not been deposited with the appropriate authorities on account of any dispute. The professional tax has been deposited with a slight delay after obtaining registration.

viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year. Thus, reporting under clause (viii) is **not applicable** to the Company and hence not commented upon.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of further public offer/ debt instruments and term loans. Therefore, reporting under clause (ix) is **not applicable** to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



(xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has made rights issue of shares (Section 62(1)(a)) to its existing shareholders which does not constitute to be a preferential allotment (Section 62(1)(c)). Hence, reporting under clause 3(xiv) of the Order is **not applicable**.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are **not applicable** to the Company and hence not commented upon.

-10-

Place of Signing: Bangalore
Dated: 10th August, 2020

For Madan & Balan
Chartered Accountants
Firm's Registration No. 01897 S



(P. J. Madan Mohan)
Proprietor.
Membership No. 200/18997





NESL ASSETS DATA LIMITED

Annexure C to the Independent Auditors' Report of the even date on the Standalone Financial Statements of

Report on the Internal Financial Controls 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 of **NESL ASSETS DATA LIMITED** ("The Company") as of **March 31st, 2020** in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls The Company's management is 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 ('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 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.

Auditors' Responsibility Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 auditors' 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 Company's internal financial controls system over financial reporting.

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 unauthorized 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, 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 31st, 2020**, 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

Place of Signing: Bangalore
Dated: 10th August, 2020



Annexure D: Directions under section 143(5) of Companies Act 2013

As a part of engagement, we are required to report on specific matters listed in the directions under 143(5) of Companies Act, 2013. For financial 2019-20, we report as under on specific matters required to be reported, under the response section:

Sl. No.	Specific matter requiring comment/ report	Response
I.	Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company uses an accounting software – Tally to process all the accounting transactions, however the invoices are prepared manually in word format and management is having adequate system in place to process the accounting transaction related to invoicing outside IT system.
II.	Whether there is any restructuring of an existing loan or cases o waiver/write off of debts/loans/interest, etc. made by a lender to the company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	NOT APPLICABLE as the Company has not taken any loan.
III.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	NOT APPLICABLE as no funds were received or are receivable for specific schemes from Central/State Agencies by the Company.

Place of Signing: Bangalore
Dated: 10th August, 2020

For Madan & Balan
Chartered Accountants
Firm's Registration No. 01897 S

UDIN: 20018997AAAAAR3351



(P. J. Madan Mohan)
Proprietor.
Membership No. 200/18997

NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Balance Sheet as at March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

Particulars	Note	2020	2019
ASSETS			
Non-current Assets			
Property, Plant and Equipment	4	398	123
Right of use asset	5	2,988	-
Intangible assets under development	4	14,346	1,627
Financial Assets	6		
Other financial assets	6.1	-	20,500
Deferred tax assets (net)	7	1,473	904
Current Assets			
Financial Assets	8		
Investments	8.1	8,536	-
Trade receivables	8.2	203	-
Cash and cash equivalents	8.3	2,063	9,157
Other bank balances	8.4	26,500	-
Other financial assets	8.5	91	18
Other Current Assets	9	2,833	836
		59,431	33,165
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	50,000	30,000
Other equity	11	(4,800)	(2,573)
Non current liabilities			
Financial liabilities	12		
Lease liability	12.1	2,341	-
Provisions	13	578	-
Current Liabilities			
Financial liabilities	14		
Lease liability	14.1	1,389	-
Trade payables	14.2		
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than micro and small enterprises		3,980	2,917
Other financial liabilities	14.3	1,212	1,360
Other current liabilities	15	1,106	358
Provisions	16	3,625	1,103
		59,431	33,165

Significant accounting policies

3

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

As per our report of even date attached

For **Madan and Balan**

Chartered Accountants

Firm registration number: 001897S

P. J. Madanmohan

Proprietor

Membership No. 018997

Date:

Place: Bengaluru

For and on behalf of the Board of Directors of

NESL Asset Data Limited

Mohanram N.

CEO

S Ramann

Director

DIN. 07685657

Date:

Place: Bengaluru

R. Gandhi

Director

DIN. 03341633



11 0 AUG 2020

NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

Particulars	Note	2020	2019
Other Income	17	1,855	1,756
Total Income (A)		1,855	1,756
Expenses:			
Employee benefit expenses	18	540	-
Finance costs	19	156	-
Depreciation and amortization expense	4 & 5	681	18
Other Expenses	20	3,028	4,256
Total Expenses (B)		4,405	4,274
Loss before exceptional items and tax (A - B)		(2,550)	(2,518)
Current tax		-	29
Deferred tax	7	561	690
Loss for the period from continuing operations		(1,989)	(1,799)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurements of defined benefit plan actuarial gains/ (losses)		(32)	-
Income tax effect on above		8	-
Total other comprehensive income for the year		(24)	-
Total comprehensive profit/ (loss) for the year		(2,013)	(1,799)
Earning per equity share of face value of Rs.10 each			
Basic and Diluted (Amount in ₹/share)	27	(0.57)	(0.60)

Significant accounting policies

3

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

As per our report of even date attached

For **Madan and Balan**

Chartered Accountants

Firm registration number: 001897S

For and on behalf of the Board of Directors of
NESL Asset Data Limited

P. J. Madanmohan
Proprietor
Membership No. 018997
Date:
Place: Bengaluru

Mohanram N.
CEO

S Ramann
Director
DIN. 07685657

Date:
Place: Bengaluru

R. Gandhi
Director
DIN. 03341633



11 AUG 2020


NESL Asset Data Limited
 CIN: U72400MH2017GOI299499
Cash Flow Statement for the year ended March 31, 2020
 (All amounts are in INR thousands, unless otherwise stated)

Particulars	Note	2020	2019
Cash Flow from Operating Activities			
Profit/ (Loss) for the period before tax		(2,550)	(2,518)
Adjustment to reconcile net profit to net cash provided by operating activities			
Depreciation		681	18
Interest income		(1,657)	(1,749)
Profit from sale of mutual funds		(64)	-
(Profit)/Loss on fair value restatement of mutual funds		(118)	-
Finance cost		156	-
Loss on lease modification		296	-
Operating cash flow before working capital changes		(3,256)	(4,249)
Changes in			
Other current assets		(2,033)	(556)
Trade receivables		(203)	-
Trade payables		(1,273)	767
Other financial liabilities		(148)	1,360
Other Current Liabilities		747	199
Provisions current/non-current		336	(192)
Other Financial Assets		8	(7)
Cash generated from operations		(5,822)	(2,678)
Income Taxes (paid)/refund		35	(145)
Net cash generated by operating activity (A)		(5,787)	(2,823)
Cash Flow from Investing Activities			
Purchase of Property, Plant and Equipment and Intangible assets		(8,007)	(141)
Investment in fixed deposits		(6,000)	(20,500)
Payment to acquire liquid mutual funds		(15,005)	-
Proceeds from redemption of mutual funds		6,650	-
Interest received on investments		1,577	1,738
Net cash used in investing activities (B)		(20,785)	(18,903)
Cash Flow from Financing Activities			
Repayment of Lease liability on Right of Use assets - IndAS 116*		(253)	-
Interest paid Lease liability on Right of Use assets - IndAS 116*		(79)	-
Share issue expenses		(190)	-
Issue of shares		20,000	-
Net cash generated in financing activities (C)		19,478	-
Net increase in Cash or Cash equivalents		(7,094)	(21,726)
Cash and Cash Equivalent at the beginning		9,157	30,883
Cash and Cash Equivalent at the close		2,063	9,157
Components of cash and cash equivalents	8.3		
Balances with banks			
Current accounts		2,063	1,443
In fixed deposits		-	7,714
Total cash and cash equivalents		2,063	9,157

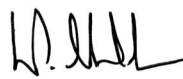
*The Cash Flow Statements include payments towards the Right of Use Assets capitalized which are disclosed under Cash Flow from Financing Activities for 2020, pursuant to adoption of IndAS 116 as on April 1, 2019. Whereas for 2019 there were no cash outflow for such arrangement under cash flow from operating activities.

As per our report of even date attached


For **Madan and Balan**
 Chartered Accountants
 Firm registration number: 001897S


 P. J. Madanmohan
 Proprietor
 Membership No. 018997
 Date:
 Place: Bengaluru

For and on behalf of the Board of Directors of
NESL Asset Data Limited


 Mohanram N.
 CEO


 S Ramann
 Director
 DIN. 07685657
 Date:
 Place: Bengaluru


 R. Gandhi
 Director
 DIN. 03341633



10 AUG 2020

NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Statement of Changes in Equity for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

a) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid

Particulars	2020		2019	
	Nos. (,000)	Amount	Nos. (,000)	Amount
Equity shares				
At the beginning of the year	3,000	30,000	3,000	30,000
Changes during the year	2,000	20,000	-	-
At the end of the year	5,000	50,000	3,000	30,000

Refer note 10, for equity shareholders holding of 5% or more

b) Other equity

Particulars	Retained earnings	Total
	Note 11	
Balance as at April 1, 2018	(774)	(774)
Loss for the year	(1,799)	(1,799)
Other comprehensive income for the year	-	-
Balance as at March 31, 2019	(2,573)	(2,573)
Balance as at April 1, 2019	(2,573)	(2,573)
Loss for the year	(1,989)	(1,989)
Other comprehensive income for the year	(24)	(24)
Share issue expenses net of taxes	(190)	(190)
Transition impact of Ind AS 116	(24)	(24)
Balance as at March 31, 2020	(4,800)	(4,800)

As per our report of even date attached

For **Madan and Balan**

Chartered Accountants

Firm registration number: 001897S



P. J. Madanmohan

Proprietor

Membership No. 018997

Date:

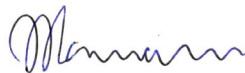
Place: Bengaluru

For and on behalf of the Board of Directors of
NESL Asset Data Limited



Mohanram N.

CEO



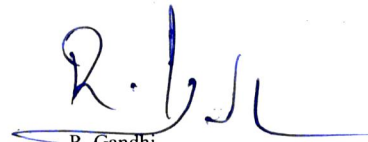
S Ramann

Director

DIN. 07685657

Date:

Place: Bengaluru



R. Gandhi

Director

DIN. 03341633



10 AUG 2020

Company overview and significant accounting policies

1. Corporate information

NESL Asset Data Limited ('Company') was incorporated on 8th September, 2017. The Company has its registered office in Mumbai and its administrative office in Bengaluru. The main object of the Company is to carry out the business of asset aggregation activity under the RBI master directive. The Company has received in principle approval, on November 2017, from RBI to function as an account aggregator, vide RBI master directions for account aggregator. The Company is in the process of setting up infrastructure for the business. The Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on August 7, 2020.

2. Basis for preparation and presentation

Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act 2013 ('Act'). The Ind AS is 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 as amended subsequently by applicable amendment rules during 2017, 2018 and 2019.

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.

Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention except for:

- certain financial instruments that are measured at fair values at the end of each reporting period under Ind AS as suitably described in the accounting policies
- certain arrangements which, are treated as being leases under Ind AS 116 Leases and; are capitalized as Right of Use assets, at fair value of estimated cash flows towards such rights over estimated lease term. Ind AS 116 is adopted by the Company using the modified retrospective approach, with effect to retained earnings. The details including impact of adoption are detailed in note 23 and accounting policies for leases.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value

Company overview and significant accounting policies

measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

Previous year's figures, where necessary have been regrouped, recast and reclassified suitably to correspond with those of current year's figures. All amounts stated in the financial statements and notes to accounts have been rounded off to the nearest thousands as per the requirement of Schedule III Division 2, unless otherwise stated.

3. Summary of significant accounting policies

(a) Revenue recognition

Revenue is measured at fair value of consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes, duties collected on behalf of the government. The following specific recognition criteria must also be met before revenue is recognized:

Account aggregator service income

The Company will provide Account Aggregator service to its customers. The account aggregator service includes, onboarding of customers, consent registrations, data requests, revocation of consents and other such activities. Revenue from account aggregator service is recognized, on a time proportionate basis, as the related services are performed over time on a monthly basis.

Interest income

Interest income is recognized, on a time proportionate basis with respect to principal balance outstanding using effective interest rate method

(b) Functional currency

The Ind AS financial statements are presented in INR, which is also the Company's functional currency and all values are rounded off to the nearest thousands, unless otherwise stated. Transactions in foreign currencies, if any, are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or statement of profit and loss are also recognized in OCI or statement of profit and loss, respectively).



Company overview and significant accounting policies

(c) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 related to items recognised outside statement of profit and loss is recognised either in OCI or in equity in correlation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred 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 tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

(d) Property, plant and equipment, depreciation and amortisation

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of profit and loss. An individual item of property, plant and equipment with value less than Rs 5,000/- is not recognized for capitalization and is written off in the statement of profit and loss.



Company overview and significant accounting policies

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, as specified in Schedule II to the Companies Act, 2013.

<u>Category</u>	<u>Useful life (years)</u>
Computers and accessories	3
Office equipment	5

Leasehold improvements are amortized on a straight-line basis over the unexpired period of lease or five years whichever is less.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The value of the residual value is limited to 5% of the original cost of Property, Plant and Equipment as per the requirement of Schedule II to the Companies Act, 2013.

Useful lives of property, plant and equipment

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The amortization expense on intangible assets is recognized in the statement of profit and loss.

Gains or losses arising from de-recognition 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 derecognized.

The cost of Account Aggregator software is capitalized and amortized on a straight-line basis over the useful life of five years, as estimated by the management. Additional software development costs of modules are amortised over balance future useful life of Account Aggregator software. Account Aggregator software is an in-house software being developed, over various modules, by the Company.

The cost of other computer software is capitalized and amortized on a straight-line basis over the useful life of three years, as estimated by the management.

(f) Borrowing costs

Borrowing costs include:

- (i) Interest expense calculated using the effective interest rate method,
- (ii) Finance charges in respect of finance leases, and
- (iii) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Company overview and significant accounting policies

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

(g) Leases

The arrangements, including contracts, are evaluated if they are a lease or have a lease component. This determination is made at the inception of the contract. In case of arrangement having lease and non-lease components, these are separately accounted. Leases identified are accounted individually as separate leases.

Arrangements whose fulfilment depend on a specific asset which is identified under the arrangement to fulfil obligations, either expressly or in substance and the Company has substantive right to use such specific asset over a period of time under arrangement, and to obtain substantially all economic benefit over such period of time constitute Leases. Lease term includes non-cancellable period under arrangement and period during which the Company is reasonably certain to use such identified assets. Such Lease arrangements identified, are recorded as Right of Use assets along with a lease liability by discounting the future cash flows under the lease arrangement, using implicit rate or incremental borrowing rate applicable for the lease term. Right of Use assets are depreciated over the lease term and interest expense is recorded under other finance costs on present valuing the lease liability in the subsequent years.

Any change in terms of the arrangement is evaluated, as to whether such change constitutes a modification or a separate lease. Any reduction in specific identified in lease, is accounted as modification of leases. The new lease arrangement is recorded present valuing the remaining payments for the asset under the arrangement. Any gain or loss is recorded on comparison of changes in value of Right of use asset and lease liability between the original and modified lease terms, calculated as on modification date.

Arrangements which contain low value leases with monthly outflow of less than Rs 10,000 or arrangements which contain lease with original term of upto 12 months are not accounted as lease arrangements under Ind AS 116.

The Company has adopted Ind AS 116, as on April 1, 2019, using the modified retrospective approach with a charge/ credit to retained earnings on application of the standard the existing arrangement containing lease as on the such date. Refer note 23, describing the impact of adoption of Ind AS 116 on disclosures and balances in these financial statements.

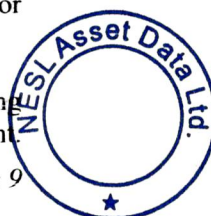
(h) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of 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 the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.



Company overview and significant accounting policies

An impairment loss is recognized immediately in statement of profit and loss.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. Such reversal is recognized in the statement of profit and loss.

The Company reviews its Property, Plant and Equipment and Intangible Assets annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(i) Provisions

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(j) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes changes in the net defined benefit obligation which includes service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and net interest expense or income, as an expense in the statement of profit and loss.

Paid compensated absences

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 year-end. The cost incurred towards paid compensated absences, including the gain or loss on such actuarial valuation, is recognized in the statement of profit and loss.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



Company overview and significant accounting policies

Financial assets

Initial recognition and measurement

All financial assets, other than financial assets fair valued through profit and loss account, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial asset. Transaction costs that are attributable to the acquisition of the financial asset fair valued through profit and loss account are expensed as incurred.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial asset at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through statement of profit and loss (FVTPL)

A financial asset is measured at the amortized cost, if both the following conditions are met:

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method. This category generally applies to trade and other receivables.

A financial asset is classified as FVTOCI, if both of the following criteria are met:

- (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) The asset's contractual cash flows represent SPPI.

Financial asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

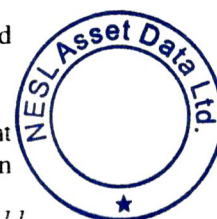
De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been



Company overview and significant accounting policies

recognized in other comprehensive income and accumulated in equity is recognized in Statement of profit and loss if such gain or loss would have otherwise been recognized in Statement of profit and loss on disposal of that financial asset.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract work-in-progress. The application of simplified approach does not require the Company to track changes in credit risk; rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Company uses a provision matrix based on age to determine impairment loss allowance on portfolio of its trade receivables and contract work-in-progress. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include lease liabilities, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through statement of profit and loss. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortization is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are recognized at the proceeds received net off direct issue cost.



Company overview and significant accounting policies

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(l) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the Ind AS financial statements.

(n) Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share 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.

Significant accounting judgments, estimates and assumptions

In the application of the Company's accounting policies, which are described in this note 3, the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period:

- Estimated useful life of intangible assets
- Estimated useful life and residual value of property, plant and equipment
- Estimation of defined benefit obligation
- Recognition of deferred taxes
- Estimated useful life and implicit interest rate/incremental borrowing rate used for recognizing Right of Use assets



Non - current assets

4 Property Plant and Equipment, Intangible assets under development

Description	Cost			Depreciation/amoritsation				Carrying amount		
	As on 01-Apr-2019 [cost/deemed cost]	Additions	Deletion	As on 31-Mar-2020 [cost/deemed cost]	As on 01-Apr-19	For the Period	Withdrawals	Upto 31-Mar-20	WDV as on 31-Mar-20	WDV as on 31-Mar-19
Tangible assets										
Computers	141	306	-	447	18	73	-	91	356	123
Office Equipments	-	52	-	52	-	10	-	10	42	-
Total	141	358	-	499	18	83	-	101	398	123
<i>Previous year comparatives (FYE 2019)</i>	<i>-</i>	<i>141</i>	<i>-</i>	<i>141</i>	<i>-</i>	<i>18</i>	<i>-</i>	<i>18</i>	<i>123</i>	
Intangible assets under development										
AA software under development*	1,627	12,719	-	14,346	-	-	-	-	14,346	1,627
Total	1,627	12,719	-	14,346	-	-	-	-	14,346	1,627
<i>Previous year comparatives (FYE 2019)</i>	<i>-</i>	<i>1,627</i>	<i>-</i>	<i>1,627</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,627</i>	

*Note: The Intangible asset under development includes, work by third party assessed by the Company at the year end and salaries of technical resources of the company directly engaged in software development

5 Right of use asset

Description	Cost			Depreciation/amoritsation				Carrying amount		
	As on 01/04/2019*	Additions	Deletion	As on 31-03-2020	As on 01-04-2019	For the Year	Withdrawals	Upto 31-03-2020	WDV as on 31-03-2020	WDV as on 31-03-2019
Servers- virtual machines	862	2,724	-	3,586	-	598	-	598	2,988	-
Total	862	2,724	-	3,586	-	598	-	598	2,988	-
<i>Previous year comparatives (FYE 2019)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	

*Right of use assets are recognised as on April 1, 2019 on adoption of IndAS 116 using modified retrospective approach.



NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Notes to the Ind AS financial statements for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

Non-current Assets

6 Financial Assets

6.1 Other financial assets

Particulars	2020	2019
Bank deposits with maturity more than 12 months from balance sheet date	-	20,500
Total	-	20,500

7 Deferred tax asset (net)

Particulars	Balance as at 2019	Recognised/ (reversed) during the year in statement of Profit and Loss	Recognised/ (reversed) during the year in OCI	Recognised/ (reversed) during the year in Equity	Balance as at 2020
Depreciation	(6)	(10)	-	-	(16)
Preliminary expenses u/s 35D of the Income Tax Act, 1961	74	(25)	-	-	49
Expenses under sec 40A (7) of the Income Tax Act, 1961- Provision for gratuity	-	84	8	-	92
Expenses under sec 43B of the Income Tax Act, 1961- Provision for leave encashment	-	64	-	-	64
On account of fair value adjustments under Ind AS	-	(31)	-	-	(31)
Deferred tax asset for carried forward tax loss*	836	479	-	-	1,315
Total	904	561	8	-	1,473

*Management perceives that probable future tax profits would accrue to set off the tax loss being carried forward under the Income Tax Act 1961.

The tax rates under Income Tax Act 1961, considered is 26% (2019) and 26% (2020). The Company has opted for regular rate 26% under the Finance Act, instead of 25.168% available under section 115 BAA, Income Tax Act, 1961.

Current Assets

8 Financial Assets

8.1 Investments

Particulars	2020	2019
Current investments:		
Investments in mutual funds (quoted) measured at fair value through Profit and Loss		
Investment in LD72SG SBI Liquid Fund Direct Growth 2,745.692 units (PY: Nil units) at market price (NAV).	8,536	-
Total	8,536	-

8.2 Trade receivables

Particulars	2020	2019
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;		
Receivable from related parties	203	-
Receivable from others	-	-
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired	-	-
Total	203	-

8.3 Cash and cash equivalents

Particulars	2020	2019
Balance with banks (of the nature of cash and cash equivalents)		
In current accounts	2,063	1,443
In fixed deposits	-	7,707
Income accrued but not due on fixed deposits (Cash and Cash equivalent)	-	7
Total	2,063	9,157

8.4 Other bank balances

Particulars	2020	2019
In deposit account with maturity within 12 months of balance sheet date	26,500	-
Total	26,500	-

Note: Fixed deposits with original maturity period less than 3 months are classified as "Cash and cash equivalents" and fixed deposit with original maturity period more than 3 months but maturing within 12 months from the balance sheet date, are classified as "Other bank balances".

8.5 Other financial assets

Particulars	2020	2019
Income accrued but not due on fixed deposits	91	11
Expenses reimbursable by fellow subsidiary	-	7
Total	91	18

9 Other current assets

Particulars	2020	2019
TDS receivable	245	280
Input GST	2,574	555
Prepaid expenses	14	1
Total	2,833	836



10 Share capital

Particulars	2020	2019
Authorised share capital		
50,00,000 (previous period: 30,00,000) number of equity shares of Rs. 10/- each.	50,000	30,000
	<u>50,000</u>	<u>30,000</u>

Issued, subscribed and fully paid-up share capital

50,00,000 (previous period: 30,00,000) number of equity shares of Rs. 10/- each.	50,000	30,000
	<u>50,000</u>	<u>30,000</u>

Reconciliation of equity shares outstanding and the amount of share capital is set out below:

Particulars	2020		2019	
	Number of shares (,000)	Amount	Number of shares (,000)	Amount
Number of shares at the beginning of the year	3,000	30,000	3,000	30,000
Shares issued during the year	2,000	20,000	-	-
Shares outstanding at the end of the year	5,000	50,000	3,000	30,000

Note :

(i) The Company has only one class of equity shares having a par value of Rs 10/- per share . All the equity shares rank pari passu with the existing shares. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the Company the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars of equity shareholders holding more than 5 percent of equity shares:

Name of the shareholder	2020		2019	
	Number of shares (,000)	Percentage holding	Number of shares (,000)	Percentage holding
The holding company National E-Governance Services Limited, together with its nominees	5,000	100.00%	3,000	100%

Particulars of shares held by holding company

	2020		2019	
	Number of shares (,000)	Paid up capital	Number of shares (,000)	Paid up capital
The holding company National E-Governance Services Limited, together with its nominees	5,000	50,000	3,000	30,000

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has not bought back any shares during the period from the date of inception to March 31, 2020. Further, the Company has not issued any bonus shares or issued shares for consideration other than cash during the year and period from the date of inception to March 31, 2020.



NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Notes to the Ind AS financial statements for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

Equity		
11 Other equity		
Particulars	2020	2019
Opening balance	(2,573)	(774)
Loss for the period	(1,989)	(1,799)
Other comprehensive income	(24)	-
Share issue expenses net of taxes	(190)	-
Transition impact of Ind AS 116 (Refer note 23)	(24)	-
Total	(4,800)	(2,573)
Non - current liabilities		
12 Financial liabilities		
12.1 Lease liabilities		
Particulars	2020	2019
Lease liability (Refer note 23)	2,341	-
Total	2,341	-
13 Provisions (non-current)		
Particulars	2020	2019
Provision for gratuity (non-current)	349	-
Provision for leave encashment (non-current)	229	-
Total	578	-
Current liabilities		
14.1 Financial liabilities		
Lease liabilities		
Particulars	2020	2019
Lease liability - current (Refer note 23)	1,389	-
Total	1,389	-
14.2 Trade payables		
Particulars	2020	2019
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises		
Related parties	3,441	2,898
Others:		
Creditors for supplies & services	539	19
Total	3,980	2,917
<p>Note: According to the data available with the Company there are no parties who are registered as micro and small enterprises under the "The Micro, Small and Medium Enterprises Act, 2006" to whom the Company has paid interest for delayed payment or any such interest is payable on balances outstanding as at March 31, 2020.</p>		
14.3 Other financial liabilities		
Particulars	2020	2019
RFP Security deposit - Robosoft	891	891
Earnest money deposits	320	320
Security deposit - Ctrl S	1	1
Expenses reimbursable to holding company	-	148
Total	1,212	1,360
15 Other current liabilities		
Particulars	2020	2019
Statutory Remittances	1,106	358
Total	1,106	358
16 Short term provisions		
Particulars	2020	2019
Provision for expenses	3,605	1,103
Provision for gratuity (current)	3	-
Provision for leave encashment (current)	17	-
Total	3,625	1,103



17 Other Income

Particulars	2020	2019
Interest on fixed deposits	1,657	1,749
Interest on IT Refund	16	-
Gain on redemption of mutual funds- current investments	64	-
Gain/(loss) on restatement of mutual funds at fair value	118	-
RFP application fees	-	7
Total	1,855	1,756

18 Employee benefit expenses

Particulars	2020	2019
Salary & allowances	442	-
Contribution to provident fund & superannuation fund	99	-
Leave encashment and compensated leave benefits	(36)	-
Staff welfare expenses	35	-
Total	540	-

Note: During Jan 2020, certain employees were transferred from the Holding Company National E-Governance Services Limited to the Company.

19 Finance costs

Particulars	2020	2019
Interest expense on lease liabilities (Refer note 23)	156	-
Total	156	-

20 Other Expenses

Particulars	2020	2019
Auditors' remuneration		
- Statutory audit	50	50
- Out of pocket expenses	2	-
Internal audit	50	50
Advertisement	-	196
Directors' Sitting Fee	325	450
Loss on lease modification (Refer note 23)	296	-
Operating Expenses	950	1,093
Professional Fees	440	933
Travelling and boarding expenses	396	1,161
Virtual machine infrastructure service* (Refer note 23) +	194	-
Other expenses +	325	323
Total	3,028	4,256

*On adoption of IndAS 116, portion of the expenses are capitalised as Right of Use assets (Refer note 5). These are depreciated like regular PPE. Refer note 23 (d).

+ This consists of expenses relating to leases of low-value of Rs 18 thousand disclosed under Note - 23 (c)

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NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Notes to the Ind AS financial statements for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

21 Related Party DisclosuresNames of related parties

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Holding Company : National E-Governance Services Limited

Fellow Subsidiary : NESL E-Infrastructure Limited

Key management personnel : Mr. Mohanram Natarajan, CEO (w.e.f Jan 01, 2020)

Details of transactions entered into with related parties along with balances as at year end are as given below:

Particulars	Holding co / Subsidiaries		Key management personnel		Total	
	2020	2019	2020	2019	2020	2019
A. Transactions during the year						
Investment by holding company						
National E-Governance Services Limited	-	-	-	-	-	-
Expenses from holding company						
National E-Governance Services Limited	4,472	2,859	-	-	4,472	2,859
	4,472	2,859			4,472	2,859
Income from holding company						
National E-Governance Services Limited	1,297	-	-	-		
	1,297					
Income from fellow subsidiary						
NESL E-Infrastructure Limited	166	7	-	-	166	7
	166	7			166	7
Remuneration*						
Mr. Mohanram Natarajan, CEO (w.e.f Jan 01, 2020)	-	-	1,358	-	1,358	-
			1,358		1,358	
Total	5,935	2,866	1,358		5,996	2,866

*The remuneration to key managerial personnel does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the company as a whole.

B. Balances outstanding as at year end

Particulars	Holding co / Subsidiaries		Key management personnel		Total	
	2020	2019	2020	2019	2020	2019
Investment by holding company						
National E-Governance Services Limited	50,000	30,000	-	-	50,000	30,000
	50,000	30,000			50,000	30,000
Payable to holding company						
National E-Governance Services Limited	3,441	3,046	-	-	3,441	3,046
	3,441	3,046			3,441	3,046
Receivable from fellow subsidiary						
NESL E-Infrastructure Limited	203	7	-	-	203	7
	203	7			203	7
Remuneration						
Mr. Mohanram Natarajan, CEO (w.e.f Jan 01, 2020)	-	-	-	-	-	-
Total	53,644	33,053			53,644	33,053



NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Notes to the Ind AS financial statements for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

22.1 Gratuity plan

The following table sets out the status of the unfunded gratuity plan as required by Ind AS 19 - 'Employee benefits'.

Amount Recognized in Statement of Financial Position at Period-End	2020	2019
Present Value of Unfunded Defined Benefit Obligation	352	-
Fair value of Plan Assets	-	-
	352	-
Present Value of Funded Defined Benefit Obligation	-	-
Unrecognised Asset due to the Asset Ceiling	-	-
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	352	-

Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End	2020	2019
Service Cost	-	-
Net Interest Cost	-	-
Past Service Cost	-	-
Administration Expenses	-	-
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures	-	-
Total Defined Benefit Cost/(Income) included in Profit & Loss	-	-

Current / Non-Current Bifurcation	2020	2019
Current Benefit Obligation	3	-
Non - Current Benefit Obligation	349	-
(Asset)/Liability Recognised in the Balance Sheet	352	-

Actual Return on Plan Assets	2020	2019
Interest Income on Plan Assets	-	-
Remeasurements on Plan Assets	-	-
Actual Return on Plan Assets	-	-

Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period-End	2020	2019
Amount recognized in OCI, Beginning of Period	-	-
Remeasurements due to :		
Effect of Change in financial assumptions	-	-
Effect of Change in demographic assumptions	-	-
Effect of experience adjustments	32	-
(Gain)/Loss on Curtailments/Settlements	-	-
Return on plan assets (excluding interest)	-	-
Changes in asset ceiling	-	-
Total remeasurements recognized in OCI	32	-
Amount recognized in OCI, End of Period	32	-

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income	2020	2019
Amount recognized in P&L, End of Period	-	-
Amount recognized in OCI, End of Period	32	-
Total Net Defined Benefit Cost/(Income) Recognized at Period-End	32	-

Change in the Unrecognised Asset due to the Asset Ceiling During the Period	2020	2019
Unrecognised Asset, Beginning of Period	-	-
Interest on Unrecognised Asset Recognised in P&L	-	-
Other changes in Unrecognised Asset due to the Asset Ceiling	-	-
Unrecognised Asset, End of Period	-	-

Change in Defined Benefit Obligation during the Period	2020	2019
Defined Benefit Obligation, Beginning of Period	-	-
Net Current Service Cost	-	-
Interest Cost on DBO	-	-
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	32	-
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture*	320	-
Benefits Paid	-	-
Past Service Cost	-	-
Losses / (Gains) on Curtailments/Settlements	-	-
Defined Benefit Obligation, End of Period	352	-

*Amount of INR 3,19,883 has been transferred from National E-Governance Services Ltd to NESL Asset Data Limited as on 31st March 2020.



NESL Asset Data Limited

CIN: U72400MH2017GOI299499

Notes to the Ind AS financial statements for the year ended March 31, 2020

(All amounts are in INR thousands, unless otherwise stated)

Change in Fair value of Plan Assets during the Period	2020	2019
Fair value of Plan Assets, Beginning of Period	-	-
Interest Income Plan Assets	-	-
Actual Company Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	-	-
Benefits Paid	-	-
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
Fair value of Plan Assets, End of Period	-	-

Reconciliation of Balance Sheet Amount	2020	2019
Balance Sheet (Asset)/Liability, Beginning of Period	-	-
Total Charge/(Credit) Recognised in Profit and Loss	-	-
Total Remeasurements Recognised in OC (Income)/Loss	32	-
Acquisitions/Business Combinations/Divestitures*	320	-
Actual Employer Contribution	-	-
Other Events	-	-
Balance Sheet (Asset)/Liability, End of Period	352	-

*Amount of INR 3,19,883 has been transferred from National E-Governance Services Ltd to NESL Asset Data Limited as on 31st March 2020.

Financial Assumptions Used to Determine the Defined Benefit Obligation	2020	2019
Discount Rate	6.75%	-
Salary Escalation Rate	10.00%	-

Financial Assumptions Used to Determine the Profit & Loss Charge	2020	2019
Discount Rate	6.75%	-
Salary Escalation Rate	10.00%	-
Expected Return on Plan Assets	N.A.	-

Demographic Assumptions Used to Determine the Defined Benefit Obligation	2020	2019
Withdrawal Rate	5.00%	-
Mortality Rate	IALM (2012-14) Ult	-
Retirement Age	60 years	-

Asset Category	2020		2020
	Quoted Value	Non-Quoted Value	Total
Government of India Securities (Central and State)	0.00%	0.00%	0.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%	0.00%
Equity shares of the Company	0.00%	0.00%	0.00%
Insurer Managed Funds & T-bills	0.00%	0.00%	0.00%
Cash (including Bank Balance, Special Deposit Scheme)	0.00%	0.00%	0.00%
Others	0.00%	0.00%	0.00%
Total	0.00%	0.00%	0.00%

The scheme is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company.

Expected Cashflows for the Next Ten Years	2020
Year - 2021	3
Year - 2022	4
Year - 2023	369
Year - 2024	0
Year - 2025	1
Year - 2026 to 2030	8

Defined Benefit Obligation by Participant Status	2020
a. Actives	352
b. Vested Deferrers	-
c. Retirees	-
Total Defined Benefit Obligation	352

Sensitivity Analysis	2020
Defined Benefit Obligation - Discount Rate + 100 basis points	(11)
Defined Benefit Obligation - Discount Rate - 100 basis points	13
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	12
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(11)



22.2 Leave Encashment & Compensated absence scheme

The following table sets out the status of leave Encashment & Compensated absence scheme as required by Ind AS 19 - 'Employee benefits'.

Amounts in Balance Sheet at Period-End	2020	2019
Present Value of Unfunded Defined Benefit Obligation	246	-
Fair value of Plan Assets	-	-
	246	-
Present Value of Funded Defined Benefit Obligation	-	-
Unrecognised Asset due to Asset Ceiling	-	-
(Asset)/Liability Recognised in the Balance Sheet	246	-

Amounts Recognised in Statement of Profit & Loss at Period-End	2020	2019
Service Cost	-	-
Net Interest Cost	-	-
Past Service Cost	-	-
Remeasurements	(36)	-
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures	-	-
Administration Expenses	-	-
Total Expense/(Income) included in "Employee Benefit Expense"	(36)	-

Note : The actuarial gains & losses are recognised, immediately, through profit & loss account.

Change in Defined Benefit Obligation during the Period	2020	2019
Defined Benefit Obligation, Beginning of Period	-	-
Net Current Service Cost	-	-
Interest Cost on DBO	-	-
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(36)	-
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture*	362	-
Benefits Paid	(80)	-
Past Service Cost	-	-
Losses / (Gains) on Curtailments/Settlements	-	-
Defined Benefit Obligation, End of Period	246	-

*Amount of INR 362,077 has been transferred from National E-Governance Services Ltd to NESL Asset Data Limited as on 31st March 2020.

Change in Fair value of Plan Assets during the Period	2020	2019
Fair value of Plan Assets, Beginning of Period	-	-
Interest Income on Plan Assets	-	-
Actual Company Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	-	-
Benefit Paid	-	-
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
Fair value of Plan Assets, End of Period	-	-



Notes to the Ind AS financial statements for the year ended March 31, 2020
(All amounts are in INR thousands, unless otherwise stated)

23 Disclosures under IndAS 116

The Company adopted Ind AS 116 as on April 1, 2019 using the modified retrospective approach. The Company reviewed all the existing contracts, on the date of adoption, for presence of Right of Use Assets, and discloses as follows:

a Right of use assets and Lease liability recognition summary as on adoption date, April 1, 2019:

Particulars	Right of use assets recognised	Lease liability recognised	Charge to retained earnings	O/s as on March 2020	
				Right of use assets	Lease liability
Servers- virtual machines	862	886	(24)	2,988	3,730
Total	862	886	(24)	2,988	3,730

b. Determination of Leases under IndAS 116

As on the date of adoption of Ind AS 116 and initial application, on April 1 2019 the following contracts/ arrangements have been recognised as a Right of Use assets with corresponding lease liabilities, with differential impact recognised to retained earning:

Data center services:

The Company had entered into a contract with CtrlS Datacenter Limited for provision of IU Infrastructure on private cloud, in Feb 2018. As on the date of initial application, April 1, 2019 the lease period remaining was 46 months. The arrangement comprises of two components 1) Servers and 2) Network bandwidth and related charges. The component - Servers qualify as Leases and therefore are accounted as separate Right of Use assets. Network bandwidth and related charges does not constitute as an identifiable lease under Ind AS 116, and has been accounted as expenses for the period. Arrangements which has been entered for a shorter period of time or are of lower value have not been recognised as Leases, and have been expensed.

c. Expenses relating to short term leases or low value leases

Particulars	2020
Expenses relating to short term leases	-
Expenses relating to leases of low-value +	18
Total	18

+ The expenses relating to leases of low-value are disclosed under Note - 20

d. Total expenses pertaining to leases accounted including short term leases and low value leases disclosed to aid comparison between 2020 and 2019 and assess impact of adopting Ind AS 116 to Profit and Loss statement:

Particulars	2020	2019
Servers- virtual machines	726	-
Network bandwidth and related charges (not capitalised under IndAS 116, as Right of Use asset)	183	-
Short term leases (not capitalised under IndAS 116, as Right of Use asset)	-	-
Low-value leases (not capitalised under IndAS 116, as Right of Use asset)	18	-
Lease expenses under IndAS 17	927	-
Expenses capitalised as part of Leases	(726)	-
Lease expenses to Profit and Loss statement		
Depreciation for Right of Use assets	598	-
Interest expense on Lease liability	156	-
Loss on lease modification	296	-
Lease expenses under IndAS 116 adopted with effect from April 1, 2019	1,251	-
Impact of adoption of IndAS 116 in Profit and Loss statement	324	-

e. Maturity analysis of lease liability, disclosed under note. 12.1 and 14.1

Particulars	2020
Future lease payments (undiscounted)	
2020-21	1,591
2021-22	1,306
2022-23	1,198
Total future lease payments (undiscounted)	4,095
Total future finance costs	(365)
Lease liability	3,730
Short-term portion presented under current liabilities (refer note 14.1)	1,389
Long-term portion presented under non-current liabilities (refer note 12.1)	2,341



24 The carrying value and fair value of financial instruments by categories as at March 31, 2020 are as follows.

Particulars	Note	Carrying value	Fair value	Carrying value	Fair value
		2020	2020	2019	2019
Financial assets					
Amortised cost					
Other financial assets - Non current	6.1	-	-	20,500	20,500
Trade receivables	8.2	203	203	-	-
Cash and cash equivalents	8.3	2,063	2,063	9,157	9,157
Other bank balances	8.4	26,500	26,500	-	-
Other financial assets	8.5	91	91	18	18
Fair value through profit and loss (FVTPL)					
Investments in mutual funds (quoted)	8.1	8,536	8,536	-	-
		<u>37,393</u>	<u>37,393</u>	<u>29,675</u>	<u>29,675</u>
Financial liabilities					
Amortised cost					
Lease liability	12.1 & 14.1	3,730	3,730	-	-
Trade payables	14.2	3,980	3,980	2,917	2,917
Other financial liabilities	14.3	1,212	1,212	1,360	1,360
		<u>8,922</u>	<u>8,922</u>	<u>4,277</u>	<u>4,277</u>

25 **Fair value hierarchy**

This explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair values the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

25.1 **Financial assets and liability measured at fair value - recurring fair value measurement as at March 31, 2020**

Particulars	Note	Fair value measurement using			
		Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
Investments in mutual funds (quoted)	8.1	8,536	8,536	-	-
Liabilities measured at fair value:					
-None-		-	-	-	-

Financial assets and liability measured at fair value - recurring fair value measurement as at March 31, 2019

Particulars	Note	Fair value measurement using			
		Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
-None-		-	-	-	-
Liabilities measured at fair value:					
-None-		-	-	-	-

25.2 **Specific valuation techniques used to value the above financial instruments include**

- 1) The use of quoted market prices
- 2) Discounting over the period of the contract using relevant market rate to arrive at fair value

25.3 **Financial risks and management and maturity profile**

Financial assets are periodically reviewed for credit, liquidity and market risks. Cash and cash equivalents are deposits with Canara Bank, a listed public sector bank, and carry negligible risks except concentration risk. Other financial assets (non-current) consists of deposits with Canara Bank; the maturity profile of the fixed deposits is given below. Other financial assets (current) consists of accrued interest (on deposit with Canara Bank) and carries similar risks as cash and cash equivalents. Since Canara Bank is majority owned by Government of India, credit and liquidity risks are assessed as negligible and do not warrant an elaborate risk management strategy for the risks (credit, liquidity and concentration) except balance confirmations done periodically.

*Maturity profile of Fixed deposits disclosed in note 8.4

Sl no.	Particulars	Amounts in crores
1	1 to 3 Months	0.60
2	6 to 9 Months	2.05
	Total	2.65

26 **Capital management**

The Company is subject to regulatory requirements by RBI to maintain capital of Rs 200 lakhs at the time of being licensed as Account Aggregator, as per the in-principle approval given by RBI to the Company under its Master Directions. RBI requires capital maintenance in terms of Net Owned Fund (NoF). For NoF calculation, intangibles do not qualify to be capitalised. During the year, the holding company has infused Rs. 200 lakhs in Jan-2020 in order to maintain NoF above the regulatory requirements mandated by RBI. The management has assessed that the Company is currently sufficiently capitalised in terms of the NoF requirements as at the end of current financial year. The Company has applied for license on September 3, 2019. Any future capital requirements will be reviewed by the management of the Company to comply with the regulatory requirement.

27 **Earning per share**

Particulars	2020	2019
Profit/(loss) attributable to equity shareholders of the company	(1,989)	(1,799)
Number of shares outstanding as on the balance sheet date (units in thousands)	5,000	3,000
Weighted average number of shares for the purpose of EPS basic and diluted (units in thousands)	3,459	3,000
Earnings per share basic and diluted (in ₹ per share)	(0.57)	(0.60)

28 **Other notes accompanying the standalone financial statements**

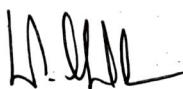
- The Company is maintaining the Books of Account at its Administrative Office in Bengaluru as authorised by the Board of Directors.
- No provision of taxation is necessitated in the absence of taxable income.
- The Company has no contingent liabilities and has future capital commitments for Rs 18.75 lakhs towards capital contract for development of modules of Account Aggregation Software.

As per our report of even date attached
For **Madan and Balan**
Chartered Accountants
Firm registration number: 001897S



P. J. Madanmohan
Proprietor
Membership No. 018997
Date:
Place: Bengaluru

For and on behalf of the Board of Directors of
NESL Asset Data Limited



Mohanram N.
CEO



S Ramann
Director
DIN. 07685657
Date:
Place: Bengaluru



R. Gandhi
Director
DIN. 03341633



10 AUG 2020