

# ONE

NAME

BRAND

LANGUAGE



# Corporate Information

## Directors

Sujay R. Sheth	Chairman - Independent Director
Dilip Thakkar	Independent Director
Neha Nagpal	Independent Director
Naresh Kothari	Non-Executive Director
Anshuman Ruia	Executive Director
Sanjeev Verma	Whole-Time Director
Deepak Kumar Bansal	Executive Director
Mahua Mukherjee	Executive Director

## Chief Financial Officer

Deepak Kumar Bansal

## Company Secretary & Compliance Officer

Aditya Goswami

## Auditors

M/s. Walker Chandio & Co LLP

## Registered Office

5<sup>th</sup> Floor, 501, Building No. 9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai, Thane, Maharashtra 400708

T: +91 22 6661 7272

E: [info.india@blackbox.com](mailto:info.india@blackbox.com)

W: <https://www.blackbox.com/en-in>

CIN: L32200MH1986PLC040652

## Regional Offices – India

Bengaluru, Chennai, Gandhinagar, Gurugram, Hyderabad, Kolkata, Mumbai & Pune.

## Global Presence

North America, Latin America, Europe, India, Middle East & Africa, Asia-Pacific

## Bankers

- India - Yes Bank Limited, IDBI Bank Limited & Bank of India
- United States of America – Fifth Third Bank and East West Bank

## Registrar and Share Transfer Agent (RTA)

Datamatics Business Solutions Limited

Plot No.B-5, Part B, Cross Lane, MIDC, Marol, Andheri (East), Mumbai – 400093

T: +91 22 6671 2001-2006

W: [www.datamaticsbpm.com](http://www.datamaticsbpm.com)

E: [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com)

## Audit Committee

Sujay R. Sheth (Chairman)

Dilip Thakkar

Mahua Mukherjee

## Nomination and Remuneration Committee

Dilip Thakkar (Chairman)

Sujay R. Sheth

Naresh Kothari

## Stakeholders Relationship Committee

Sujay R. Sheth (Chairman)

Dilip Thakkar

Sanjeev Verma

## Corporate Social Responsibility Committee

Sujay R. Sheth (Chairman)

Sanjeev Verma

Mahua Mukherjee

## Ethics and Compliance Committee

Sujay R. Sheth (Chairman)

Mahua Mukherjee

## Risk Management Committee

Sujay R. Sheth (Chairman)

Sanjeev Verma

Neha Nagpal

# Table of Contents

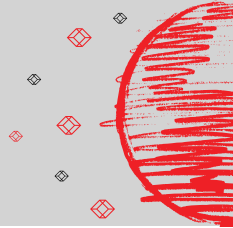
Chairman’s Message.....	04
Whole-time Director’s Message .....	05
One Name, One Brand, One Language .....	06
About Us .....	07
Company Snapshot.....	08
Entrenched Customer Relationship.....	08
Our Vision, Our Values, Our Mission .....	09
Global Footprint .....	10
Global Solutions Integration.....	12
Technology Products Solutions.....	13
Case Studies - Transforming the Customer Landscape .....	14
Achievements & New Launches.....	17
Global Partners.....	19
Board of Directors .....	20

## Statutory Reports

Notice of Annual General Meeting .....	21
Directors’ Report.....	41
Management Discussion and Analysis.....	81
Corporate Governance Report.....	95
WTD and CFO Certificate.....	123
Business Responsibility Report.....	124

## Financial Statements & Independent Auditors’ Report

Independent Auditors’ Report on Standalone Financial Statements.....	136
Standalone Financial Statements along with notes annexed thereto .....	152
Independent Auditors’ Report on Consolidated Financial Statements.....	238
Consolidated Financial Statements along with notes annexed thereto .....	250
AOC-1 .....	356
Financial Highlights (Consolidated) .....	362



## Message from the Chairman

Dear Shareholders,

At the outset, I would like to thank the medical fraternity and government bodies across nations for their resilience and contribution during the COVID-19 pandemic. With some strict efforts to restrict the virus spread, excellent medical services and timely inoculations have all helped in reinstating normalcy globally. Let me also thank and applaud our staff, partners, and vendors for their continuous support throughout this critical period which has helped your Company manage to tide over the COVID-19 crisis across the globe.

COVID-19 not only exposed businesses and economies to unprecedented challenges but accelerated digital transformation and technology adoption at the global level.

I am happy to inform you that the integration with Black Box Corporation is now complete in all respects. We are now bigger and better with a combined workforce of 3800+ skilled and talented individuals worldwide and a growing client portfolio that we are proud to serve.

In a year when most firms faced pandemic-related issues, we managed to deliver a growth of 15% on the top-line while delivering revenue of ₹ 5,370 Crores. For FY2022, our USD revenue stood at USD 715 Million. We have thrived through times of rapid change and uncertainty, reporting our highest ever single deal wins.

Over the last year, Black Box has built a solid foundation of excellent customer connections. We will continue to strengthen these relationships and build strong partnerships.

Our global investments in partnerships, white-space opportunities, forward-thinking working, delivery, go-to-talent strategies, and mergers - acquisitions, among other areas, continue to position us well for profitable growth and long-term value creation in the next growth phase.

While the growth potential in our areas of business is immense, the lasting effects of the disruption caused by COVID-19 especially in the areas of supply chain and talent acquisition and retention are headwinds that will have to be battled. Local, regional, national, and international economic and political conditions may deteriorate risking recession in one or more of our key markets. These challenges are what the management will try to navigate through in the year ahead. Your Company will continue to make all efforts to convey meaningful information and regularly monitor the broad frameworks in line with our operations.

In the coming year, we will continue to keep refining and adding to our strategy, which is the basis for accelerated, profitable growth. The future is bright and full of possibilities for us as well as our customers, and the journey to stay ahead is going to be exciting and rewarding.

I thank you for your continued support!

Best Wishes,

**Sujay R. Sheth**





## Message from the Whole-time Director

Dear Shareholders,

Despite being a tough year for most individuals and firms affected globally by COVID-19, there appears to be confidence in the marketplace for a resurgence and our collective ability to bounce back. Thanks to the efforts by our team members whose sharp focus on customer priorities and ability to adapt and overcome the situation, has helped us increase our top line – a firm step in the right direction!

Your company has been able to successfully navigate numerous headwinds critical to our business success viz. semiconductor shortages, overall supply chain disruptions, and significant increase in logistic freight costs. These headwinds contributed to price increases, but we continue to manage and overcome these obstacles. Although some of these challenges will continue in the short-term including higher cost of manpower, we remain cautiously optimistic to be able to drive future growth.

The acquisition of Black Box Corporation has helped us extend ourselves and serve our global customer base in more ways than one. Our extended capabilities and skillsets, enhanced products, solutions, and services portfolio, and presence across 35+ countries have strengthened our ability and commitment to partner with our customers to design, deliver and manage their growing digital infrastructure needs.

Given the current economic environment, enterprises are making significant investments in technology infrastructure to stay ahead of the curve, and we remain optimistic about our Cyber Security, Cloud and Data Center business.

This year we completed the acquisition of Dragonfly Technologies Pty Ltd – a provider of solutions/services across Security, Enterprise Networking, Automation, and Consulting Services. The intention is to strengthen our presence in Australia and add to our Cyber Security capabilities and portfolio to provide customers with a wide range of services. It will also provide us an opportunity for cross-selling to our existing global customers.

We will continue to focus on economics-driven inorganic strategies. Organic growth would focus primarily on talent acquisitions, addressing more cross-selling opportunities, and growing Cyber Security, and Cloud business by investing in both technical skills and sales. Further, we plan to expand into some of the markets with high potential, such as Brazil in Latin America, APAC, and others.

“Think Global, Act Local” is the mantra that creates a differentiator for us. We will continue to remain closer to our customers where the relationship exists. At the same time, use the global talent framework to implement the best practices, best processes, and best cost models.

We are eager to take forward the re-imagined brand promise across each market with the same zeal and dedication. The impact of the COVID-19 pandemic and other related factors on our suppliers, including disruptions and inefficiencies in the supply chain may impact the Company in short term but our foundations are strong to capitalize on the opportunities ahead of us.

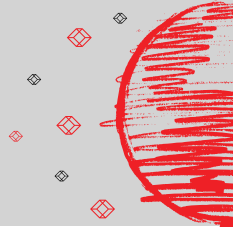
This is the right time for our company to move forward with the mantra, ‘One Name, One Brand, One Language’!

Thank you for your support and guidance.

Warm Regards,

**Sanjeev Verma**





## One Name, One Brand, One Language

We are growing! We are bigger and aiming to be better than we were a year ago; or even before the COVID-19 pandemic. We are **Black Box!**

Our global reach, continuous innovation, and expertise enable us to accelerate customer success by bringing people, ideas, and technology together to solve real-world business problems. In addition to strengthening our capabilities in automation, data analytics, AI, digital experience, and cybersecurity, we ensure amplifying the outcomes that we deliver for the customer's overall IT landscape.

This seamless integration is a step to bring together the brand across continents, delivering value to the customer's IT landscape, and preparing them for a digitally-enabled workplace in the future.

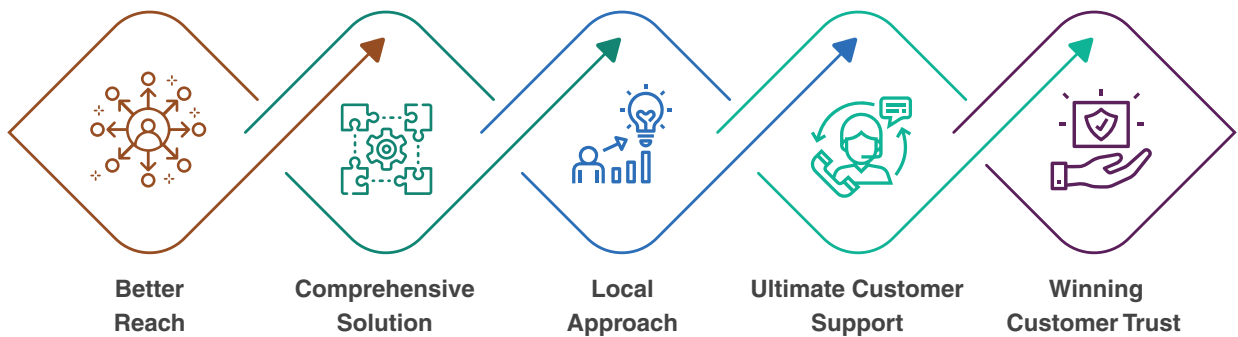
This integration has been possible through the support of our customers, partners, stakeholders, and the team at Black Box. We are obliged for the belief in the Company and for their support in the journey of Black Box becoming a Partner of choice for our valued customers.

Companies investing in digital transformation are better prepared for disruption, better able to monetize new digital channels, and better equipped to build a better user base. Your Company is working closely in this direction with an astute focus on Cloud, IoT, and Data Centers.

We remain committed to making this world a local market where customers from any part of the world can have relevant technology solutions delivered from across the globe.

Your Company is ready to take forward the re-imagined brand promise across markets with the same zeal and dedication.

It is the right time for change that moves ahead with **One Name, One Brand, and One Language.**



**Empowering enterprises through cutting-edge technology solutions and world-class consulting services.**

## About Us

A pioneer in providing comprehensive IT solutions, Black Box Limited (BSE: 500463) (NSE: BBOX), is a trusted IT solutions provider delivering cutting-edge technology solutions and world-class consulting services to businesses around the globe and across verticals.

The breadth of our global reach, continuous innovation, and depth of our expertise accelerate customer success by bringing people, ideas, and technology together to solve real-world business problems.

The Global Solutions Integration (GSI) portfolio delivers technology solutions for customers by harnessing technology innovation to digitally transform and accelerate their business in the areas of Connected Buildings, IoT, Digital Workplace, Customer Experience, Data Center & Edge Networks, Wireless Mobility (including In-Building 5G/OnGo) and Cyber Security.

We deliver digital transformation solutions that help to design, deploy, manage, and strategize IT operations of the customer organization.

Xcelerate Services provide them with a range of flexible, technically superior, and cost-effective services portfolio that drive innovation.

The Technology Products Solutions (TPS) is a global solution consultant and provider of high-performance, reliable connectivity solutions that drive innovation through human-centric technology solutions across KVM, IoT, Audio Video, Infrastructure, Networking, and Cables through State-of-the-art R&D incubation centers. We sell and distribute technology infrastructure products to enhance customer experience through the online web, distributors, integration partners, and value-added resellers.

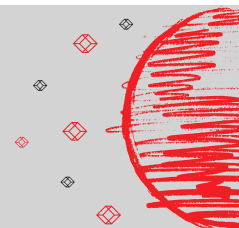
Our Solutions and Products portfolio is well diversified across the industries of Financial Services, Business Services, Healthcare, Manufacturing, Retail, and Technology.

With a strong presence across the USA and India, Black Box operates on 6 continents across the globe. We are a dominant player in the Enterprise Communications space in India. A 3,800+ strong team base serves clients worldwide through an expanded offerings portfolio and an extended geographical reach across 35+ countries, in North America, Latin America, Europe, Asia Pacific, Middle East & Africa.

Our strength of providing futuristic technology solutions for customers across verticals and helping them accelerate growth makes us distinctive and the preferred choice. A pool of highly skilled and certified technicians augment performance – both on-site and off-site and project architects understand and recommend technology solutions tailored to the customer organization.

Collaboration with global technology leaders such as Avaya, Aruba, Cisco, Commscope, Corning, Extreme, Fortinet, Genesys, HPE, Juniper, Mitel, Nutanix, Palo Alto, Poly, Trend Micro, UiPath, and Verint allow Black Box to deliver domain-focused, flexible, and customized technology solutions. Your Company provides seamless services that accelerate customers' businesses to ensure Return on Technology Investments (ROTI).

For more information, please visit: - <https://www.blackbox.com/>



## Company Snapshot



**35+**

Presence in Countries



**30+**

Global Technology Partnerships



**5,000+**

Active Client Locations Serviced On-Site



**75**

Delivery & Support Centers Across 6 Continents



**3,800+**

Universal Representatives



**4,000+**

Certifications



**250+**

Fortune 500 Clients



**8,000+**

Global Customers

- **Innovative** and **customized** digital, cloud-ready, secure solutions and services.
- **Future-ready** technology products portfolio.
- **Best-in-class** technology partners.
- **Worldwide** multivendor, multisite support.
- Agile, flexible, **right-size organization**.

## Entrenched Customer Relationship



### Technology

8 of the Fortune 100 Tech Companies



### Healthcare

4 of the 6 Largest Hospitals



### Manufacturing

7 of the 10 Largest Global Manufacturers



### Utilities

3 of the Fortune 50 Largest US Utility Companies



### Broadcasting

7 of Forbes' Top 10 US Broadcast Companies



### Retail

3 of the 6 Largest US Retailers



### Hospitality

The 3 HNN Largest Hotels in the World



### Banking

6 of Forbes' 10 Largest US Banks

## Our Vision

Our vision is to be the leading global IT solutions provider known and trusted for our customer-centric approach, commitment to customer success, and continuous innovation.



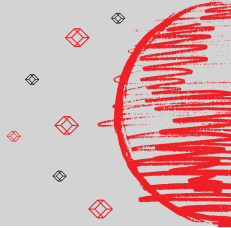
## Our Mission

Our mission is to provide cutting-edge technology solutions, deep global resources, and world-class consulting services that accelerate customer success and drive stakeholder value.

## Our Values

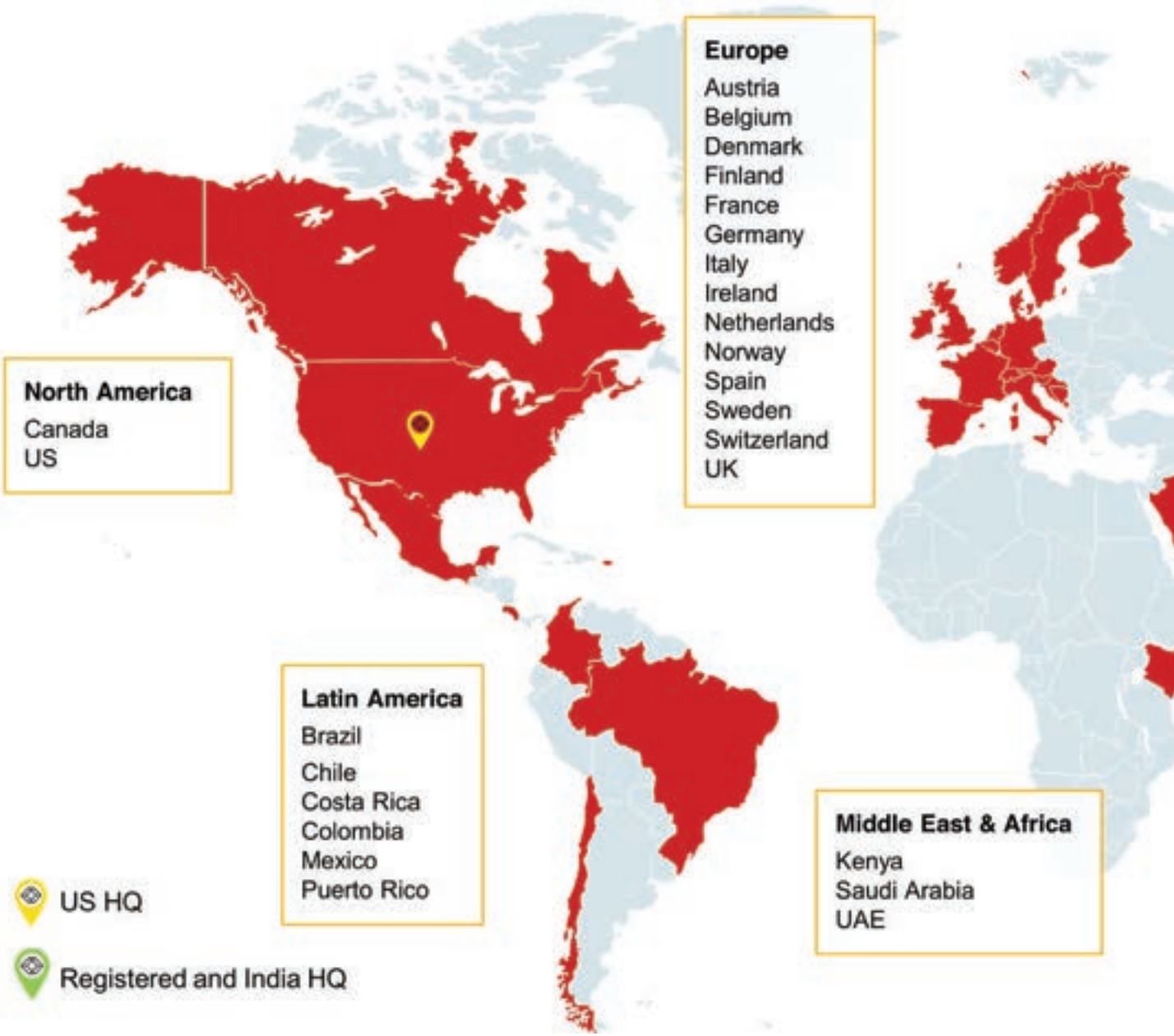
At Black Box, our values are our guiding principles. We believe in accountability and transparency with all stakeholders. We embrace global citizenship by nurturing diversity and respecting our differences. We strive for continuous innovation that anticipates the ever-changing needs of our customers and accelerates their success.



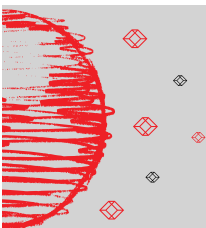


# Global Footprint

Seamlessly transforming technology across enterprises economically, uniformly, and with scale at a global level

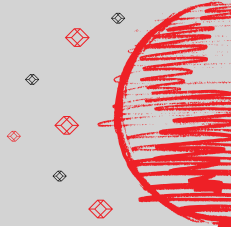






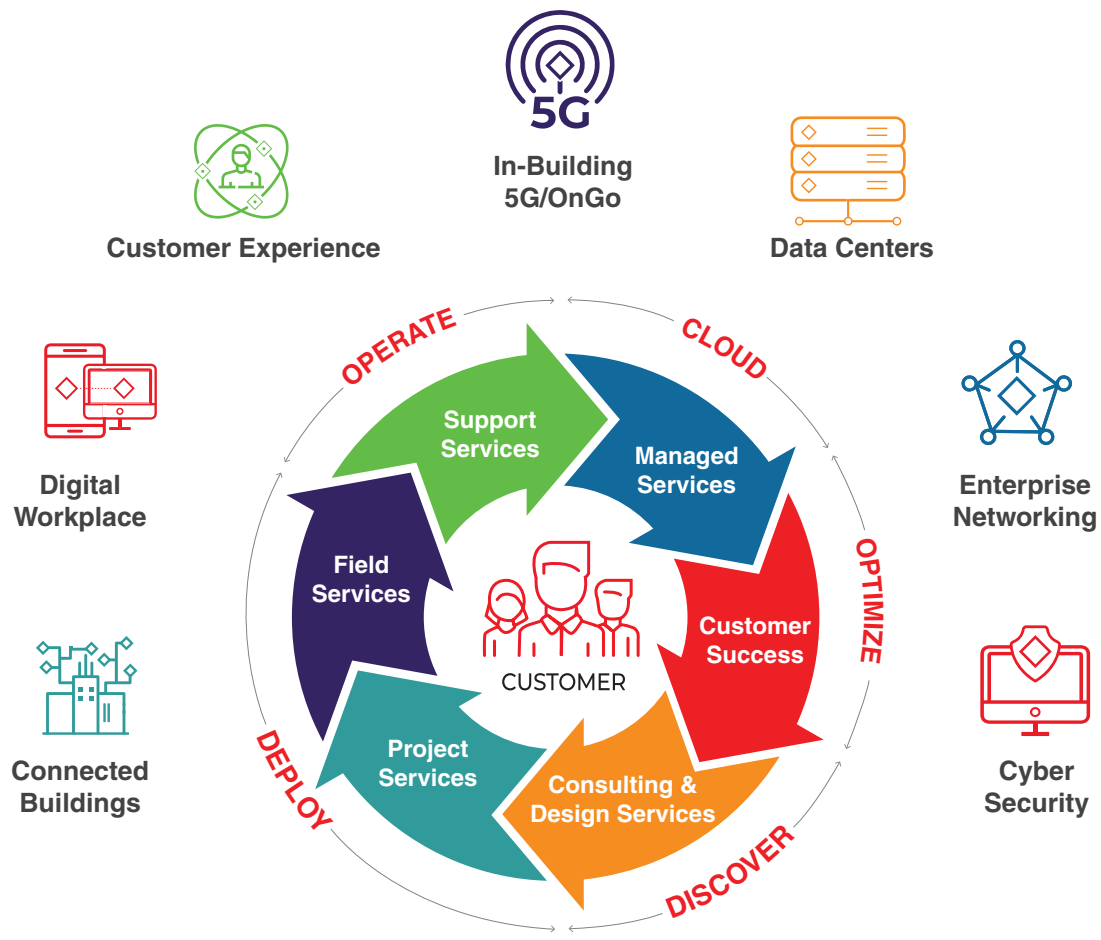
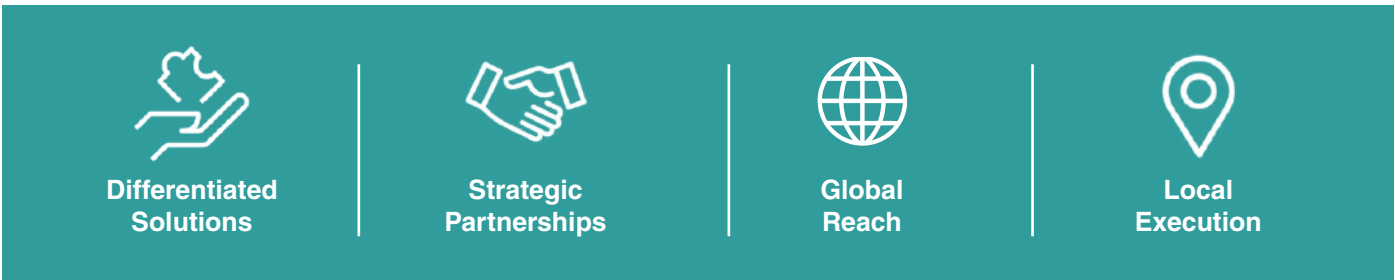
- Asia-Pacific**  
Australia  
Bangladesh  
China  
Hong Kong  
Japan  
Malaysia  
New Zealand  
Philippines  
Singapore  
South Korea  
Taiwan





# Global Solutions Integration

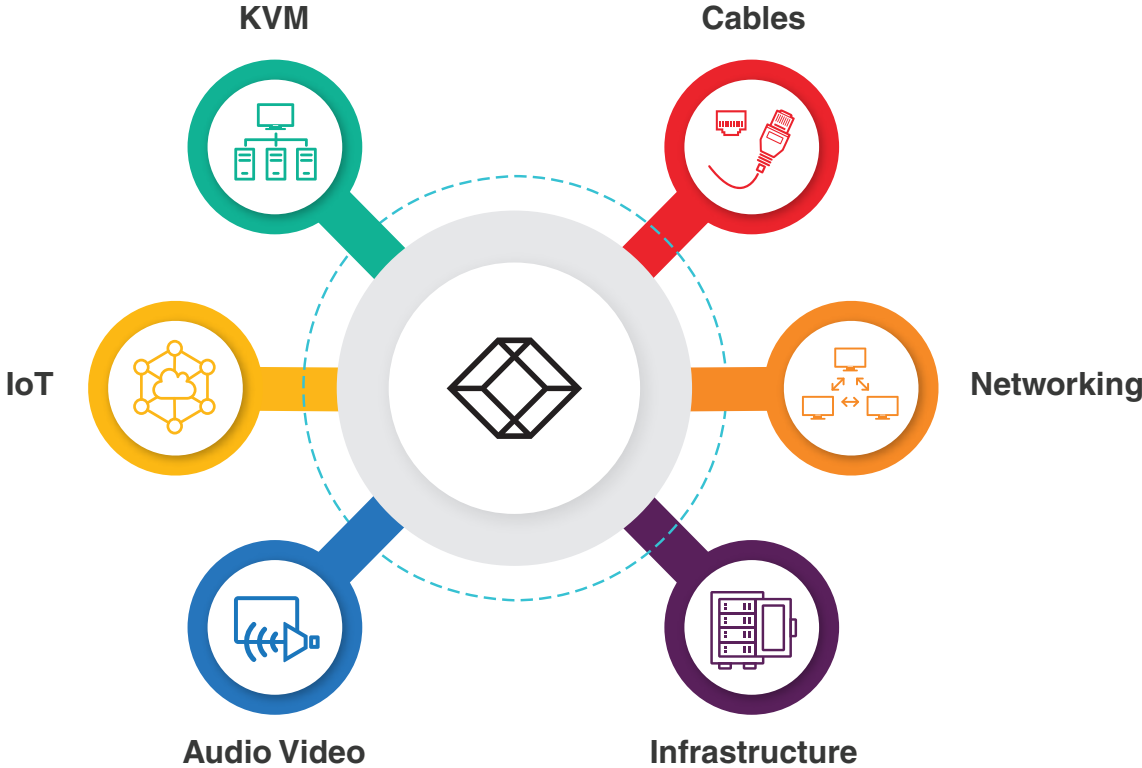
Differentiated Global Solutions Integrator That Accelerates Business Outcomes

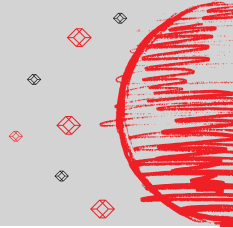


# Technology Products Solutions

Driving Innovation Through Human-Centric Technology Solutions

 <p>State-of-the-art R&amp;D incubation centers</p>	 <p>24/7 pre- and post-sales technical support</p>	 <p>Network of technical experts across the globe</p>	 <p>Professionally equipped demonstration and training centers</p>
--	---	--	---





## Case Studies - Transforming the Customer Landscape

### Global Hyperscale Data Center New Builds



#### The Client

One of the largest data center holders around the world



#### The Challenge

Construct multiple hyperscale data centers globally with complex requirements and aggressive go-live deadlines while maintaining data centers that carry massive traffic throughout the world



#### The Solution

Black Box has a global strategy and methodology standardizing ensuring repeatable, predictable outcomes. Recruit, train, and retain cultivated talent for long-term projects and resource reallocation



#### Benefits

As a preferred data center partner, Black Box has been continuously entrusted with new build-outs while operating data centers with skilled, certified, in-house talent

### Drive Network Transformation for a Carwash Technology Company



#### The Client

The client is one of the fastest growing software/hardware technology company that serves car wash retailers, processing one million transactions a day



#### The Challenge

The challenge was threefold. One, to consolidate and centralize a complex, dispersed network. Two: To ensure PCI compliance and scalability across all locations. Three: Manage the network with limited IT resources



#### The Solution

Custom-design a single, enterprise-wide SD-WAN with policies for each specific business operation. Segment and secure PCI data and install next-gen security appliances. Develop a single dashboard for network management by a small IT team



#### Benefits

With one strategic move to a centralized SD-WAN, the company centralized and simplified network management with a single dashboard, and ensured PCI compliance eliminated the risk of data breaches and cost non-compliance fees

## Communications Continuity for a Public Utility



### The Client

Operating for more than 50 years, this citizen-owned public utility provides electricity, water, and telecom for a town of 60,000 in the Pacific Northwest, US



### The Challenge

To ensure communications continuity and top-of-the-line customer service, the client needed to upgrade its end-of-life, no-longer supported hard-wired communications system to one that provided modern contact center and collaboration features and mobility



### The Solution

After an exhaustive search, the Utility took the digital leap with a high-availability, NEC UC solution that provides redundancy for disaster recovery, modern functionality, mobility, scalability and transparency across multiple call centers.



### Benefits

The Utility improved customer service by reducing wait times and using modern messaging and automated functions. During a snow emergency, the power went down, but the phones, and customer service, stayed up. IT likes the scalability and connectivity for networked locations

## Environmental Monitoring for a Railway System



### The Client

The client is a Ministry of Transportation and Communications in Asia, operating and maintaining more than 60 in-house data centers



### The Challenge

Replace the railway's legacy remote environmental monitoring system that included some damaged hardware and out-of-date, proprietary, customized software which tied them to using only the original supplier



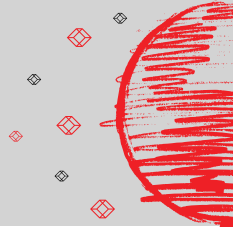
### The Solution

To keep the railway's network operating without heat or humidity damage, Black Box deployed the AlertWerks Wired Monitoring System. The system was installed in 18 control rooms with the dual temperature & humidity controls, smoke detectors, and door access sensors



### Benefits

The system integrates with other devices, such as IP cameras and UPSs, for flexibility. It also provides personnel flexibility as no professional training is needed for system configuration. Managed by a GUI-enabled software program, IT administrators can easily expand or update the system



## Broadcaster Builds Studios on Black Box Emerald KVM-over-IP Platform



### The Client

A broadcaster teamed with a global systems integrator to plan and deploy his new Broadcast center with multiple control rooms, studios, and workplaces for 3000 employees



### The Challenge

Customer's desire was to enable flexible IP-based signal switching and extension connecting physical and virtual systems, with studios, control rooms, and operators using a high degree of automation putting people and news at the center



### The Solution

The Black Box Emerald KVM-over-IP solution became the favored choice to deliver reliable, flexible IP-based signal switching and extension. The system connects in total 1.000 endpoints using a variety of Emerald models that meet individual requirements while working perfectly together



### Benefits

The complete Emerald solution delivered high availability and scalability, interoperability between 4K and HD, Remote App, and a market-leading low bandwidth consumption for maximum expandability and flexibility

## Large Broadcasting Network Deploys Emerald PE Solution in OB Vans



### The Client

Sports programming division of a large broadcasting network



### The Challenge

To significantly reduce its onsite team following social distancing in the OB vans, the customer needed a bandwidth-efficient IP-based solution for moving video and control signals from equipment within on-site mobile production units to a distributed production facility via the public internet



### The Solution

The customer used Black Box Emerald KVM-over-IP (keyboard, video, mouse) technology to extend a link across the country, essentially enabling remote control over a WAN unlocking seamless collaboration in a distributed hub model



### Benefits

Enabling a reduction of the on-event team by 65%, the customer can now deliver even more sports productions in a better quality, bringing greater consistency to its broadcasts and establishing a more collaborative creative environment

# Achievements & New Launches



Black Box was bestowed by Juniper as **MIST-AIDE Partner of the Year** and **Enterprise Partner of the Year (India)** at the Juniper Networks' India Partner conference 2022.

This comes close on the heels of the Black Box partnership with **Juniper Networks** being elevated to the highest level of the Juniper Partner Advantage Program 2022 - **Elite Plus**.

The awards reflect our efforts in constantly improving our network engineering capabilities and strengthening partnerships with industry leaders to provide cutting-edge solutions that deliver greater value to our customers.

Black Box, US – Top choice in the Disability Equality Index® Best Place to Work for Disability Inclusion. We are committed to fostering an inclusive workplace for all team members, enabling us to make Black Box the employer of choice for the best talent while driving excellence for our customers. We are very proud to announce that we have earned a top score on the 2022 Disability Equality Index® and have been named a “Best Place to Work for Disability Inclusion.”



Black Box has established an IoT practice in Asia that will allow the company to embrace abundant IoT opportunities across Asia's manufacturing hubs. Black Box will help Asian manufacturers realize the vision of Industry 4.0 — interconnected factories where all equipment is online, intelligent, and capable of making its own decisions.



A new partnership with 5G and OnGo™ industry innovator, to provide the most complete, leading-edge 5G and private LTE wireless networks available. We can now drive innovation in connectivity, giving superior wireless networking options to every market. Now clients have access to private wireless connectivity at a fraction of the cost associated with LTE, also, it has superior outcomes in secure and cost-effective wireless coverage for high-volume wireless traffic and IoT applications.

We have recently acquired a fast-growing company Dragonfly Technologies Pvt Ltd - Australia's leading cyber security, enterprise networking and automation focused technology provider. This will enhance our reach and portfolio in Australia and the Trans-Tasman region.



Reseller Agreement inked in Australia with an Authorized Reseller for connectivity solutions, for Black Box KVM and AV solutions across Australia. The company will focus primarily on delivering Black Box Desktop KVM, Emerald KVM, AV distribution, and video wall solutions into SME, B2B, education, government, and corporate markets.

Launch of Velocity Partner Program which gives VARs and resellers across North and Latin America the programs, training, product authorization, and support to boost sales and revenues. Members of the Velocity Partner Program also gain access to strategic pricing incentive programs designed to assist in closing new business.





# Global Technology Partners

Supporting IT Innovation Together

# Global Ecosystem of Distribution Partners

Leveraging our Relationships

\*Logos arranged in alphabetical order.  
 \*All logos are the property of the respective owners.



## Board of Directors



### Sujay R. Sheth

#### Chairman - Independent Director

Sujay is a Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India. He brings his expertise in the areas of audit, taxation, attestation and assurance functions of a wide selection of Indian and multi-national clients in an independent capacity.



### Dilip Thakkar

#### Independent Director

Dilip is a Chartered Accountant and a Fellow member of the Institute of Chartered Accountants of India. He is associated with several public and private companies as in the capacity of a Director.



### Neha Nagpal

#### Independent Director

Neha has been a lawyer for over a decade and has vast experience as a commercial law and litigation expert at the Supreme Court of India as well as various High Courts. She also has the experience of working with National Company Law Tribunal, National Company Law, Appellate Tribunal and Competition Commission of India.



### Naresh Kothari

#### Non-Executive Director

Naresh is a seasoned financial services professional with over 25 years of experience. He has held various management roles including President of Edelweiss Capital, senior member of Management Committee, Co-Head of Edelweiss Alternative Asset Advisors, Head of Coverage & ECM, and Co- Head of Institutional Equities.



### Anshuman Ruia

#### Executive Director

Anshuman is part of the second generation of the Ruia family that founded Essar. Highly regarded for his financial expertise and project execution skills, he has made an invaluable contribution in Essar's value creation journey. He is a member of the YPO (Young Presidents Organization).



### Sanjeev Verma

#### Whole-Time Director

Sanjeev is a technology veteran with over two and a half decades of rich global experience in the ICT domain. He is a natural leader with an extremely successful track record in business operations, consulting, M&A, start-up operations, and sales & marketing domains at a global level.



### Deepak Kumar Bansal

#### Executive Director

Deepak is a Chartered Accountant and a business enabler with two and a half decades of extensive experience in large corporations. His expertise is in leading financial operations and strategic initiatives globally including fund raising, business control, and corporate governance.



### Mahua Mukherjee

#### Executive Director

Mahua is a senior HR professional with two and a half decades of experience. She is an expert with strategic, operational and global focus within the HR function. She specializes in HR activities and processes with a focus on business model pyramid, manpower planning, succession planning, and performance management.

## NOTICE OF 36<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting (“AGM”) of the Members of **BLACK BOX LIMITED (Formerly known as AGC NETWORKS LIMITED)** (“the Company”) will be held on **Monday, September 26, 2022 at 10.00 A.M. Indian Standard Time (IST)** through Video Conferencing (“VC”) to transact the following business(s):

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022 along with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Naresh Kothari (DIN: 00012523), Non-Executive Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.

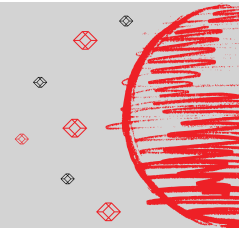
### **SPECIAL BUSINESS:**

3. **Re-appointment of Mr. Deepak Kumar Bansal (DIN: 07495199) as an Executive Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of Schedule V of the Act, (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company, subject to the approval of the Central Government and such other approvals, permissions and sanctions, as may be required, the approval of the members be and is hereby given to re-appoint Mr. Deepak Kumar Bansal (DIN: 07495199) as Executive Director of the Company to hold office for a period of 3 (Three) years commencing from September 26, 2022, on such terms as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 read with relevant provisions of Section II of Part II of Schedule V of the Act and subject to such other approvals, permissions or sanctions, as may be required, the approval of members be and is hereby given for issue and exercise of Employee Stock Options granted/to be granted under present or future Employee Stock Option Scheme(s) of the Company to Mr. Deepak Kumar Bansal being the Chief Financial Officer/Executive Director of the Company, notwithstanding the facts that the value of equity shares allotted on exercise of options so granted/to be granted/to be exercised may exceed the ceiling as prescribed under aforesaid provisions of the Act and applicable rule(s), regulation(s) or direction(s) issued by SEBI or any other applicable act or law, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment.



**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment as it may deem fit and as may be acceptable to Mr. Deepak Kumar Bansal, subject to the same not being in contravention of the conditions specified under the provisions of Schedule V to the Act or any statutory modification(s) or re-enactment thereof and subject to such approval(s) as may be required.”

**4. Re-appointment of Mrs. Mahua Mukherjee (DIN: 08107320) as an Executive Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of Schedule V of the Act, (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company, subject to such other approvals, permissions and sanctions, as may be required, the approval of the members be and is hereby given to re-appoint Mrs. Mahua Mukherjee (DIN: 08107320) as Executive Director of the Company to hold office for a period of 3 (Three) years commencing from September 1, 2022, on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 read with relevant provisions of Section II of Part II of Schedule V of the Act and subject to such other approvals, permissions or sanctions, as may be required, approval of the members of the Company, be and is hereby accorded for payment of remuneration to Mrs. Mahua Mukherjee, Executive Director, for the services rendered/to be rendered by her as the Chief People Officer of the Company upto an aggregate amount not exceeding ₹ 2,00,00,000/- (Rupees Two Crore Only) per annum, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment, for a period of 3 (Three) years commencing from September 1, 2022.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment as it may deem fit and as may be acceptable to Mrs. Mahua Mukherjee, subject to the same not being in contravention of the conditions specified under the provisions of Schedule V to the Act or any statutory modification(s) or re-enactment thereof and subject to such approval(s) as may be required.”

**5. Ratification of remuneration paid to Mrs. Mahua Mukherjee (DIN: 08107320), Executive Director & Chief People Officer of the Company:**

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

**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; applicable provisions of Section II of Part II of Schedule V of the Act, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be required, the approval of the Members be and is hereby accorded for ratification of remuneration paid to Mrs. Mahua Mukherjee, Executive Director of the Company, for the services rendered by her as the Chief People Officer of the Company upto an aggregate amount not exceeding ₹ 1,50,00,000/- (Rupees One Crore and Fifty Lakhs Only) per annum for the period April 1, 2021 to August 31, 2022.

**By Order of the Board of Directors  
For Black Box Limited  
(Formerly known as AGC Networks Limited)  
Sd/-  
Aditya Goswami  
Company Secretary & Compliance Officer  
Membership No. A27365**

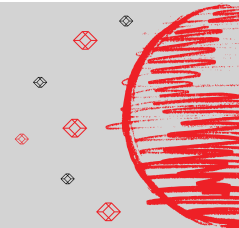
**Place: Navi Mumbai  
Date: August 12, 2022**

**Registered Office:-**

501, 5<sup>th</sup> Floor, Building No.9,  
Airoli Knowledge Park, MIDC Industrial Area,  
Airoli, Navi Mumbai - 400 708  
[www.blackbox.com](http://www.blackbox.com)

**NOTES**

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 02/2021 dated January 13, 2021, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 19/2021 dated December 8, 2021, No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 5, 2022, (collectively referred to as “MCA Circulars”) has permitted the holding of the Annual General Meeting through Video Conferencing (“VC”) or through Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC / OAVM pursuant to the said relevant Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No. 3, 4 & 5 is annexed as **Annexure I** hereto. The relevant details required to be disclosed in respect to Directors seeking appointment/re-appointment at this AGM



pursuant to Regulation 36(3) of LODR Regulations, Secretarial Standards on General Meeting (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in **Annexure II & III** to this Notice.

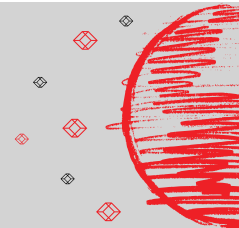
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and in terms of the aforesaid MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
5. Pursuant to the MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional and Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [skjaincs1944@gmail.com](mailto:skjaincs1944@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) on or before September 24, 2022.
6. Pursuant to the applicable provisions of the Companies Act 2013 (“the Act”) and Secretarial Standard on General Meetings (SS-2) in conjunction with the relevant Circulars, the Register of Directors and Key Managerial Personnel and their shareholding, maintained in accordance with Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested, maintained in accordance with Section 189 of the Act (“Statutory Registers”) will be available for inspection by the members on the website of NSDL <https://www.evoting.nsdl.com> during the AGM.
7. M/s. Datamatics Business Solutions Limited (“Datamatics”) is the Registrar and Share Transfer Agent (“RTA”) of the Company. All members and investors are hereby advised to contact Datamatics Business Solutions at the below mentioned contact details for any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change/updation of residential address/email address/contact number, non-receipt of annual report, dividend payments or any other query/grievance relating to the shares of the Company:  
  
M/s. Datamatics Business Solutions Limited  
Plot No. B-5, Part B, Cross Lane,  
MIDC, Andheri (East), Mumbai – 400093  
Tel: +91 22 6671 2001 to 6671 2006  
Fax: +91 22 6671 2209  
E- mail: [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com)
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, September 20, 2022** till **Monday, September 26, 2022** (both days inclusive) for the purpose of this AGM.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or



transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA of the Company for assistance in this regard.

10. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Datamatics in case the shares are held by them in physical form.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs (in case the shares are held by them in electronic form) as well as to Datamatics in **Form no. ISR-1** quoting their folio number and enclosing the self-attested supporting document.
12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Datamatics in case the shares are held in physical form.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send the details of such folios together with the share certificates to Datamatics, for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members who wish to seek any information with regard to the Company's Annual Report FY2021-22, Financial Statements (Standalone and Consolidated) alongwith the Directors' Report and Auditors' Report thereon or any matter to be placed at the AGM or wish to ask any question at the AGM, are requested to address their query(ies) to the Company Secretary of the Company through email on [investors@agcnetworks.com](mailto:investors@agcnetworks.com) well in advance, i.e. at least 10 days before the Meeting. This will enable the Management to keep the information readily available at the Meeting.
16. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, the Company has transferred all the unpaid Dividends and relevant shares to the IEPF authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in e-Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 read with Circular dated May 13, 2022, Notice of the AGM along with the Annual Report FY2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report FY2021-22 will also be available on the Company's website





<https://www.blackbox.com/en-in/investors>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.

18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. At the 33<sup>rd</sup> AGM held on September 26, 2019 the Members approved re-appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants (ICAI Registration No. 001076N/N500013) as Statutory Auditors of the Company to hold office for a period of 5 (Five) Years from the conclusion of the 33<sup>rd</sup> AGM till the conclusion of the 38<sup>th</sup> AGM of the Company. Further, the requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of M/s. Walker Chandiook & Co. LLP as Statutory Auditors of the Company at this AGM.
20. The Scrutinizer will submit his report to the Chairman of the Company (“the Chairman”) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company’s Website at [www.blackbox.com](http://www.blackbox.com).
21. Since the AGM will be held through VC/OAVM, the Route Map is not annexed with this Notice.

#### **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM THROUGH VC/OAVM**

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The remote e-voting period commences at **9:00 AM (IST) on Friday, September 23, 2022 and ends at 5:00 PM (IST) on Sunday, September 25, 2022**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Monday, September 19, 2022** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

The Members can join the AGM in the VC/OAVM mode during the period commencing from 15 minutes before the scheduled time of the AGM and ending at 15 minutes after the scheduled time of AGM, by following the procedure given hereinunder. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members only on first come first served basis. However, this shall not include Large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Authorised Representatives of Auditors etc. who will be allowed to attend the AGM without restriction on account of first come first served basis.

Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through

e-voting system during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

### How do I vote electronically using NSDL e-Voting system?

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

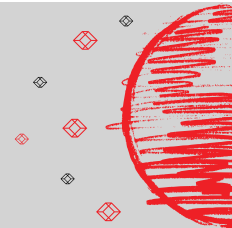
#### Step 1: Access to NSDL e-Voting system


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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> </ol>



Type of shareholders	Login Method
	<p>After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="507 714 938 969" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will also be able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

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

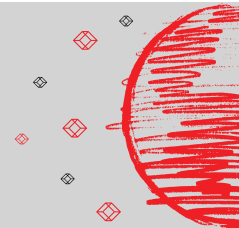
**How to Log-in to NSDL e-Voting website?**

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

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

4. Your User ID details are given below :

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



5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **GENERAL GUIDELINES FOR SHAREHOLDERS**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

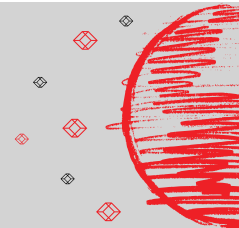
### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@agcnetworks.com](mailto:investors@agcnetworks.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investors@agcnetworks.com](mailto:investors@agcnetworks.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.





3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

**GENERAL INSTRUCTIONS**

The Board of Director has appointed Dr. S. K. Jain, Practicing Company Secretary (FCS No. 1473) & Proprietor of M/s. S. K. Jain & Co., as the Scrutinizer to scrutinize the e-voting process, (including voting through Ballot forms received from Members) and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock first the votes cast by e-voting during the AGM & thereafter the votes cast by remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall provide, within 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

The Scrutinizer shall submit his report to the Chairman who shall declare the results of the voting. The result declared alongwith the Scrutinizer Report shall be placed on the Company website [www.blackbox.com](http://www.blackbox.com) and on the website of NDSL at <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or by a person duly authorized by him in writing. The results shall also be forwarded to the National Stock Exchange Ltd (NSE) and the Bombay Stock Exchange Limited (BSE), where the equity shares of the Company are listed.



## Annexure I

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 3

Mr. Deepak Kumar Bansal (DIN: 07495199) is Chief Financial Officer of the Company and was appointed as Executive Director on the Board of the Company by the shareholders at their meeting held on September 26, 2019 for a period of 3 (Three) years.

The Nomination and Remuneration Committee of the Company at its meeting held on August 12, 2022 recommended for the re-appointment of Mr. Deepak Kumar Bansal as an Executive Director at the ensuing AGM for a period of 3 (Three) years, which was duly approved by the Board at its meeting held on the same date i.e. August 12, 2022, subject to the approval of the shareholders and the Central Government as required under Part I of Schedule V of the Companies Act, 2013 (the "Act").

In accordance with the provisions of Section 196(4) of the Act read with the applicable provisions of Part I of Schedule V of the Act and the rules made thereunder, the Company is required to obtain the approval of the shareholders by way of passing a **Special Resolution** for the appointment of Mr. Bansal as the Executive Director of the Company.

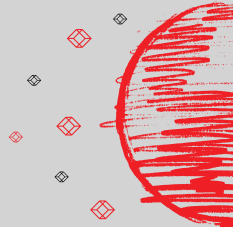
#### **Brief Profile of Mr. Deepak Kumar Bansal:**

Mr. Bansal has over 25 years of professional experience with organizations like Reliance Industries, Coca Cola India, Essar, Vedanta and Sujana Group, to name a few. Mr. Bansal brings with himself a diverse experience across industry verticals and is responsible for leading the financial operations and strategic initiatives globally including fund raising, business control and corporate governance. His expertise lies in the fields of strategic planning, all forms of funding including structured debt, working capital management and business control activities. Mr. Bansal is currently serving as Chief Financial Officer (CFO) and Executive Director of the Company and is based out of United States.

Mr. Bansal has a Bachelor's degree in Commerce and is a qualified Chartered & Cost Accountant. Further, with respect to the proposed re-appointment of Mr. Deepak Kumar Bansal, requisite disclosure pursuant to Regulation 36(3) of LODR Regulations, Secretarial Standards on General Meeting ("SS-2") and other applicable disclosures, are provided in **Annexure II** to this Notice.

Further, the Company has granted Stock Options to Mr. Bansal under Grant 3 and Grant 4 pursuant to the ESOP Scheme 2015 of the Company. Pursuant to Section 2(78) defining "remuneration" and other applicable provisions of Section 197 the Act, the remuneration payable to any Director of the Company shall be inclusive of the value of securities of the Company held by such Director. Consequently, on exercise of the said options by Mr. Bansal, the value of the equity shares of the Company issued to him pursuant to exercise of such options or options granted in future will be considered as remuneration paid to him being the Executive Director of the Company and the value of such options may exceed the ceiling provided under Section II of Part II of Schedule V of the Act.

In terms of the aforesaid provision of Section 197 read with Section II of Part II of Schedule V of the Act, the Board is required to obtain approval of the Shareholders by way of Special Resolution passed at a General Meeting, for payment of managerial remuneration by the Company to any Director (including MD/WTD/Manager), in the event of inadequacy of profits or incurring losses in any financial year(s).



The proposed terms of re-appointment of Mr. Deepak Kumar Bansal, as the Executive Director of the Company are as follows:

- I) **Salary, Allowances and Commission (hereinafter referred to as “Remuneration”):** None
- II) **Perquisites:** None
- III) **Other re-imbursements:** Mr. Bansal may be provided reimbursement of reasonable expenses incurred by him while rendering his services to the Company.
- IV) **Stock Options:** As granted/may be granted by the Nomination & Remuneration Committee pursuant to Stock Options Scheme of the Company.
- V) **Other Terms:**

Subject to the superintendence, control and direction of the Board of Directors, Mr. Bansal shall manage and conduct the business and affairs of the Company as an Executive Director of the Company. He shall not be paid any sitting fee for attending the meetings of the Board or Committee thereof. The appointment can be terminated by Mr. Bansal or the Company, by any party giving to the other 3 (Three) calendar months’ notice in writing.

The Board considers that the re-appointment of Mr. Bansal as an Executive Director on the Board, would be of immense benefit to the Company. Accordingly, the Board recommends the members to approve re-appointments and remuneration of Mr. Bansal as an Executive Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation, by passing the resolution as set out at Item no. 3 as a **Special Resolution**.

Save and except Mr. Deepak Kumar Bansal (being the proposed appointee) and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice.

#### **Item No. 4**

Mrs. Mahua Mukherjee was appointed as Executive Director of the Company w.e.f April 5, 2018. Mrs. Mukherjee is Executive Director as well as Chief People Officer (CPO) of the Company.

The Nomination and Remuneration Committee of the Company at its meeting held on August 12, 2022 recommended for the re-appointment of Mrs. Mukherjee as an Executive Director at the ensuing AGM for a period of 3 (Three) years, which was duly approved by the Board at its meeting held on the same date i.e. August 12, 2022, subject to the approval of the shareholders at the ensuing AGM.

#### **Brief Profile of Mrs. Mahua Mukherjee:**

Mrs. Mahua Mukherjee holds an MBA in Personnel Management and HR and has over 25 years of HR management experience, of which 15+ years have been in senior HR leadership role. She holds extensive experience in IT, Telecom and Service Industries. She has been associated with multinational and large organizations such as Reliance and Capgemini, having global presence with employee strength of over 50,000. Her areas of expertise are – Organization design & Staffing, Performance & Rewards, HR Policies, Talent strategy & Capability development, Compensation & benefits, HR Service Delivery and HR Systems.

Being an HR veteran, Mrs. Mukherjee would be contributing significantly in Board decisions with respect to human resource management and Board policies for the work culture environment in the Company which is single most important aspect of the business being into service industry. Accordingly, the Board of Directors recommends her re-appointment as an Executive Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

The Board commends the **Special Resolution** set out at Item No. 4 of the Notice for approval by the shareholders.

Except Mrs. Mukherjee (being the proposed appointee) and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

#### **Item No. 5**

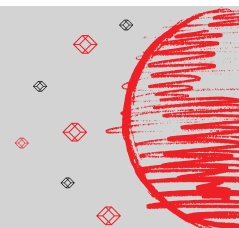
Mrs. Mahua Mukherjee (DIN:08107320) was appointed as an Executive Director by the shareholders at the 32<sup>nd</sup> AGM of the Company held on August 1, 2018. At the 33<sup>rd</sup> AGM of the Company held on September 26, 2019 the shareholders of the Company approved the payment of remuneration to Mrs. Mahua Mukherjee being Chief People Officer of the Company forming part of Director's Remuneration in terms of Section 2(78) of the Companies Act, 2013 for a period of 3 years w.e.f. April 5, 2018.

Though Mrs. Mukherjee is being considered for re-appointment by the Board and subsequently to be recommended to shareholders for their approval for her re-appointment and payment of remuneration, it is proposed to seek approval of shareholders for ratification of the remuneration already paid for the period April 1, 2021 to August 31, 2022 in the capacity as CPO of the Company. The total remuneration paid does not exceed ₹ 1.5 Crores per annum.

The Board of Directors of the Company, at its meeting held on August 12, 2022, based on the recommendation of the Nomination & Remuneration Committee, approved the ratification of remuneration for Mrs. Mahua Mukherjee Executive Director for the services rendered by her in her capacity as the Chief People Officer of the Company for the period as aforesaid.

The Board recommends the resolution as set out at Item No. 5 of the Notice for approval of the Shareholders as a **Special Resolution**.

Except Mrs. Mukherjee and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.



### Annexure II

Details of the Director/s seeking appointment/re-appointment in forthcoming Annual General Meeting  
[Pursuant to regulation 36(3) of SEBI (LODR) Regulations, 2015]

<b>Name of Director</b>	<b>Mrs. Mahua Mukherjee</b>	<b>Mr. Deepak Kumar Bansal</b>
<b>Date of Birth</b>	April 21, 1967	July 31, 1975
<b>Date of Appointment</b>	April 5, 2018	August 14, 2019
<b>Expertise in specific functional areas and Qualifications and Brief resume</b>	As mentioned at Item No. 4 of the explanatory statement.	As mentioned at Item No. 3 of the explanatory statement.
<b>Remuneration last drawn</b>	₹ 1.07 Crores	NIL (excluding Stock options)
<b>Name/s of other Listed Companies in which Directorship held</b>	NIL	NIL
<b>Name/s of other Listed Companies in which the Director holds membership in the Committees</b>	NIL	NIL
<b>Shareholding in the Company</b>	NIL	2,69,500 Equity Shares of ₹ 2/- each as on August 12, 2022 (including shares held by relative(s))
<b>Relationship between the Directors inter-se</b>	Unrelated, except being on the Board of Black Box Limited (Formerly known as AGC Networks Limited)	

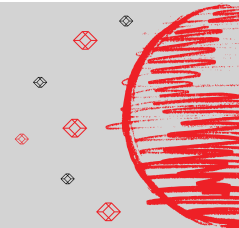
### ANNEXURE III

(Pursuant to provisions of Section II, Part II of Schedule V of the Companies Act 2013)

<b>I</b>	<b>General information:</b>	
1.	Nature of industry	Global IT Solutions Provider
2.	Commencement of commercial production	1986
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Standalone Financial performance based on given indicators for FY2022:	<ul style="list-style-type: none"> <li>• Revenue: ₹ 293.59 Crores</li> <li>• PAT: ₹ 5.81 Crores</li> <li>• EPS: ₹ 0.36/- per share (basic)*</li> <li>• EPS: ₹ 0.35/- per shares (Diluted)*</li> </ul> <p><i>* Calculated on Equity Shares of ₹ 2/- each</i></p>

5.	Foreign investments or collaborations, if any	<p>For details of investment made by the Company, please refer the schedule no. 6 of the Standalone Balance sheet forming part of the Annual Report being sent along with this Notice.</p> <p>The details of the Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies in the Company as on 31<sup>st</sup> March, 2022, are detailed as under:</p> <table border="1" data-bbox="783 638 1497 1031"> <thead> <tr> <th>Particulars</th> <th>No. of Shares of ₹10/- each</th> <th>% of shareholding</th> </tr> </thead> <tbody> <tr> <td>Foreign Portfolio Investors</td> <td>18,67,858</td> <td>5.69</td> </tr> <tr> <td>Foreign Nationals</td> <td>0</td> <td>0</td> </tr> <tr> <td>N.R.I (Non-Rept)</td> <td>86,551</td> <td>0.26</td> </tr> <tr> <td>N.R.I (Rept)</td> <td>54,507</td> <td>0.17</td> </tr> <tr> <td>Foreign Companies</td> <td>1,63,46,336</td> <td>49.82</td> </tr> <tr> <td>Overseas Corporate Bodies</td> <td>400</td> <td>0.00</td> </tr> <tr> <td><b>Total</b></td> <td><b>1,83,55,652</b></td> <td><b>55.94</b></td> </tr> </tbody> </table> <p>The Company has not entered into any material foreign collaboration.</p>	Particulars	No. of Shares of ₹10/- each	% of shareholding	Foreign Portfolio Investors	18,67,858	5.69	Foreign Nationals	0	0	N.R.I (Non-Rept)	86,551	0.26	N.R.I (Rept)	54,507	0.17	Foreign Companies	1,63,46,336	49.82	Overseas Corporate Bodies	400	0.00	<b>Total</b>	<b>1,83,55,652</b>	<b>55.94</b>
Particulars	No. of Shares of ₹10/- each	% of shareholding																								
Foreign Portfolio Investors	18,67,858	5.69																								
Foreign Nationals	0	0																								
N.R.I (Non-Rept)	86,551	0.26																								
N.R.I (Rept)	54,507	0.17																								
Foreign Companies	1,63,46,336	49.82																								
Overseas Corporate Bodies	400	0.00																								
<b>Total</b>	<b>1,83,55,652</b>	<b>55.94</b>																								

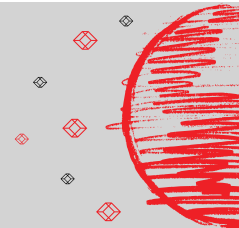
<b>II</b>	<b>Information about the Appointee:</b>	
1.	Name of Appointee: <b>Mr. Deepak Kumar Bansal</b>	
2.	Background details	<p>Mr. Deepak Kumar Bansal is the Chief Financial Officer (CFO) of Black Box Limited, based out of United States. He is also the Director of BBX Main Inc. and BBX Inc. (100% subsidiaries of Black Box Limited) as well as Director &amp; CFO of Black Box Corporation (100% subsidiary of Black Box Limited) since its acquisition by Black Box Limited on January 7, 2019.</p> <p>Mr. Bansal has over 25 years of professional experience with organizations like Reliance Industries, Coca Cola India, Essar, Vedanta and Sujana Group, to name a few. Mr. Bansal brings with himself a diverse experience across industry verticals and is responsible for leading the financial operations and strategic initiatives globally including fund raising, business control and corporate governance. His expertise lies in the fields of strategic planning, all forms of funding including structured debt, working capital management and business control activities.</p>
3.	Past remuneration	Nil (except Stock Options)
4.	Recognition or awards	Not Applicable
5.	Job profile and his suitability	Mr. Bansal is primarily responsible for all finance, accounting and control functions which includes mergers & acquisitions, compliance & governance, business planning, MIS & reporting, treasury & cash flow management etc. He also provides leadership to business functions to facilitate future growth agenda and corporate strategy.
6.	Remuneration proposed	As set out in Item No. 3 of the explanatory statement.



7.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration proposed is in compliance of Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.
8.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mr. Bansal does not have any material pecuniary relationships with the Company and is not related to any of the other Key Managerial Personnel of the Company.
<b>III.</b>	<b>Other Information:</b>	
1.	Reasons of loss or inadequate profits	<p>In the FY2022, the Company has recorded a Net profit of ₹ 5.81 Crores on Standalone basis.</p> <p>In line with the applicable provisions of Schedule V of the Act, the Company has sought the prior approval of the shareholders for issue and exercise of Employee Stock Options granted /to be granted under Employee Stock Option Scheme(s) to Mr. Bansal, forming part of the his remuneration under Section 197 and Schedule V of the Act on terms set out in Item No. 3 of the explanatory statement, including in the event the Company incurs losses/makes inadequate profits in any year, during the tenure of his appointment, for a period of 3 (Three) years commencing from September 26, 2022.</p>
2.	Steps taken or proposed to be taken for improvement	N.A.
3.	Expected increase in productivity and profits in measurable terms	N.A.

II. Information about the Appointee:	
1.	Name of Appointee: <b>Mrs. Mahua Mukherjee</b>
2.	<p>Background details</p> <p>Mrs. Mahua Mukherjee holds an MBA in Personnel Management and HR and has over 25 years of HR management experience, of which 15+ years have been in senior HR leadership role. She holds extensive experience in IT, Telecom and Service Industries. She has been associated with multinational and large organizations such as Reliance and Capgemini, having global presence with employee strength of over 50,000. Her areas of expertise are – Organization design &amp; Staffing, Performance &amp; Rewards, HR Policies, Talent strategy &amp; Capability development, Compensation &amp; benefits, HR Service Delivery and HR Systems.</p> <p>Mrs. Mukherjee is an Executive Director of Black Box Limited.</p>
3.	<p>Past remuneration</p> <p>Mrs. Mukherjee does not draw any remuneration as the Executive Director of Black Box Limited (Formerly known as AGC Networks Ltd.) However, being the Chief People Officer (“CPO”) of the Company, she drew a remuneration of ₹ 1.07 Crores for the FY2022.</p>
4.	<p>Recognition or awards</p> <p>During the tenure of Mrs. Mahua Mukherjee, the company has received recognition and awards in the field of Human Resources, such as:</p> <ul style="list-style-type: none"> <li>• Data Quest Best Employer</li> <li>• HR Excellence Award for Talent Management and Engagement</li> <li>• HR Excellence Award for Economic Value Addition to the Business</li> </ul>
5.	<p>Job profile and her suitability</p> <p>Mrs. Mukherjee is responsible for driving strategic HR planning and implementations, partnering with business leaders to align people strategy as per changing business needs, developing and executing specific programs to improve employee engagement levels.</p> <p>She specializes in directing and leading the full spectrum of strategic and operational human resources activities and processes with a keen focus on business model pyramid, manpower planning, succession planning and performance management.</p>
6.	<p>Remuneration proposed</p> <p>As set out in Item No. 4 of the explanatory statement, the remuneration proposed is in compliance of Schedule V of the Companies Act, 2013.</p>
7.	<p>Comparative remuneration profile with respect to industry, size of the company, profile of the position and person</p> <p>The remuneration proposed is in compliance of Schedule V of the Companies Act, 2013, which is comparable with the Companies of the same size and profitability.</p>
8.	<p>Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.</p> <p>Mrs. Mahua Mukherjee does not have any material pecuniary relationships with the Company in the capacity as Director.</p>





<b>III Other Information:</b>		
1.	Reasons of loss or inadequate profits	<p>In the FY2022, the Company has recorded a Net profit of ₹ 5.81 Crores on Standalone basis.</p> <p>In line with the applicable provisions of Schedule V of the Act, the Company has sought the prior approval of the shareholders for payment of remuneration to Mrs. Mukherjee, for her services rendered/to be rendered by her in the capacity of CPO, on terms set out in Item No. 4 of the explanatory statement, including in the event the Company incurs losses/makes inadequate profits in any year, during the tenure of her appointment, for a period of 3 (Three) years from September 01, 2022.</p>
2.	Steps taken or proposed to be taken for improvement	<i>N.A.</i>
3.	Expected increase in productivity and profits in measurable terms	<i>N.A.</i>

## DIRECTORS' REPORT

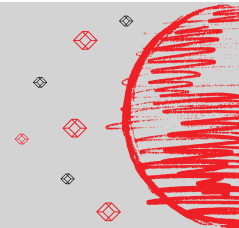
The Directors of your Company hereby present the Thirty Sixth (36<sup>th</sup>) Annual Report alongwith the Audited Financial Statements (Consolidated and Standalone) of the Company for the Financial Year ("FY") ended March 31, 2022.

### FINANCIAL RESULTS

The summary of the Company's financial performance, both on a consolidated and standalone basis, for the FY2022 as compared to the previous FY2021 is given below:

₹ in Crores

Particulars	Standalone		Consolidated	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	293.59	249.54	5,370.17	4,674.02
Other income	6.10	8.47	6.36	11.13
Total income	299.69	258.01	5,376.53	4,685.15
<b>Profit before finance costs, depreciation, exceptional items and tax</b>	<b>17.09</b>	<b>21.79</b>	<b>264.13</b>	<b>375.61</b>
Less: Finance costs	5.70	17.01	73.60	97.91
Less: Depreciation	4.49	5.39	98.60	95.56
<b>Profit / (loss) before impact of foreign currency transactions and translations, loss / (gain) on financial liability, exceptional items and tax</b>	<b>6.90</b>	<b>(0.61)</b>	<b>91.93</b>	<b>182.14</b>
Add/(less): Gain / (loss) on foreign currency transactions and translations (net)	0.64	(1.25)	2.60	(12.76)
Less: Loss on fair value of financial liability	-	-	-	41.70
Add: Gain on settlement of financial liability	-	-	13.59	-
Less: Exceptional item	1.73	-	22.14	31.69
<b>Profit/(loss) before tax</b>	<b>5.81</b>	<b>(1.86)</b>	<b>85.98</b>	<b>95.99</b>
(Add)/Less: Tax	-	-	13.26	17.90
<b>Profit/(loss) after tax</b>	<b>5.81</b>	<b>(1.86)</b>	<b>72.72</b>	<b>78.09</b>
Add/(less): Other Comprehensive Income/(loss)	0.50	0.32	(21.31)	115.50
<b>Total Comprehensive Income/(loss) for the year</b>	<b>6.31</b>	<b>(1.54)</b>	<b>51.41</b>	<b>193.59</b>
Earnings/(loss) per share of ₹2/- each after exceptional items:				
Basic (in ₹)	0.36	(0.12)	4.45	5.21
Diluted (in ₹)	0.35	(0.12)	4.38	4.90



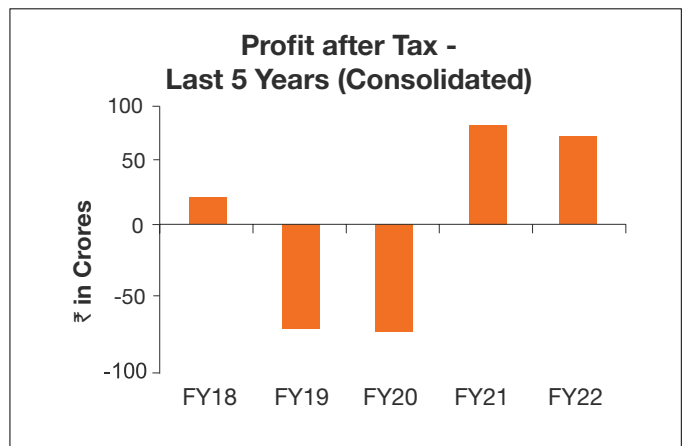
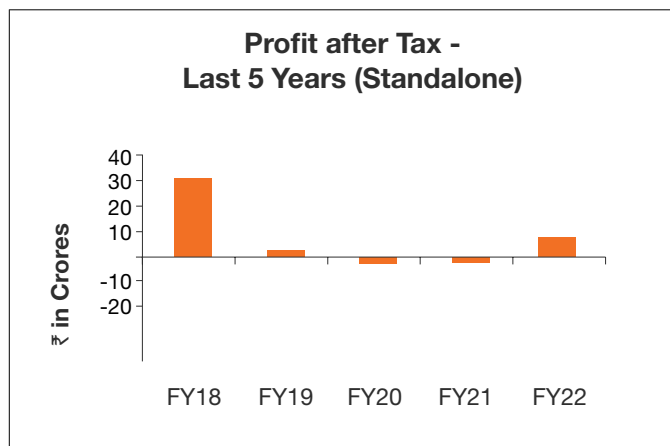
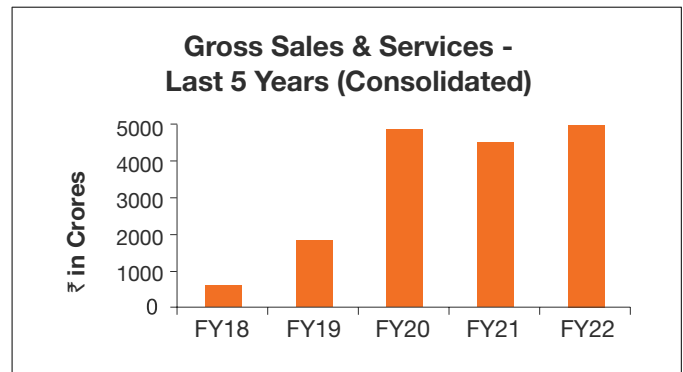
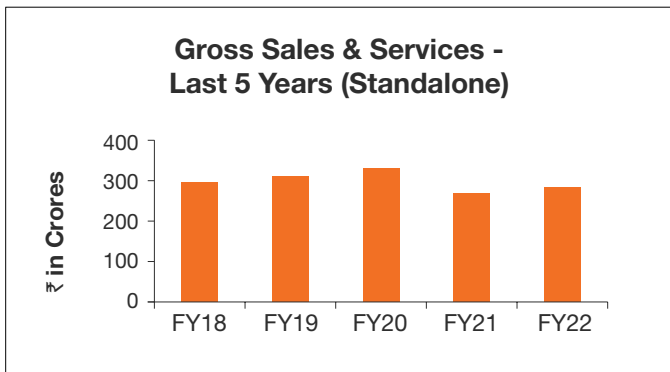
## FINANCIAL PERFORMANCE

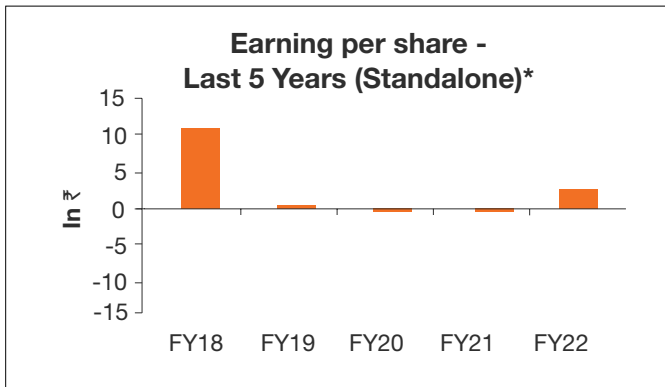
The Company has recorded a gross turnover of ₹ 5,370.17 Crores for FY2022 as against ₹ 4,674.02 Crores in FY2021 on Consolidated basis, reflecting a growth of 14.9% over the previous year. On Standalone basis, the gross turnover was ₹ 293.59 Crores for the period ended March 31, 2022, as against ₹ 249.54 Crores for the previous year ended March 31, 2021, reflecting a growth of 17.7% over previous year. This growth was mainly attributed by healthy order book reflected in new customer booking this year and strong execution capabilities across all geographies.

On Consolidated basis, the Company has recorded a net profit before exceptional item of ₹ 94.86 Crores for FY2022 as compared to ₹ 151.48 Crores for FY2021 despite of higher revenues. The underperformance of bottom-line despite of healthy revenue growth was due to significant inflationary pressure seen on overall manpower cost including contingent workforce, supply chain disruptions and higher freight costs.

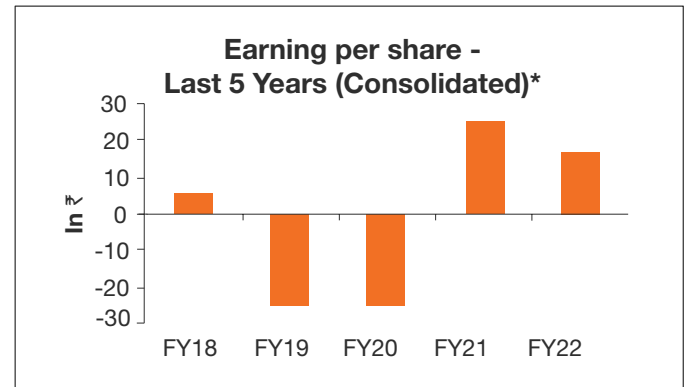
The Company has taken additional measures to optimise costs and pass on the additional cost to customers while executing new proposals. The Company continues its focus on all the financial metrics together with better liquidity management and profitability growth initiatives.

On Standalone basis, the net profit stood at ₹ 5.81 Crores for FY2022 as against net loss of ₹ 1.86 Crores for FY2022. Key financial matrix provided below highlights overall financial performance of the Company during FY2022:





\* Calculated on Equity Shares of ₹ 10/- each.



\* Calculated on Equity Shares of ₹10/- each.

The spread of COVID-19, a pandemic caused by the novel Coronavirus has impacted global economy and way of doing business across the countries. The impact of 2<sup>nd</sup> wave of the Pandemic was quite severe on the Countries however at different intervals which significantly affected health and business across the globe. Majority of the countries across the world had announced a series of lock-down to curb 2<sup>nd</sup> wave which was extended from time to time. With the change in global circumstances, governments have issued directives which indicate calibrated and gradual or complete withdrawal of lockdown and partial or complete resumption of economic activity depending on the severity of the disruption caused in respective countries. The business and operations have returned to normalcy to pre-covid level and there is no impact of pandemic on the consolidated Financial Statements for the year ended March 31, 2022. However, the Group is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working in minimizing the impact of this unprecedented situation.

## **NATURE OF BUSINESS AND STATE OF AFFAIRS OF THE COMPANY**

During the year under review, there have been no changes in the nature of business of the Company. The information on the affairs of the Company has been covered under the Management Discussion & Analysis forming part of this Report.

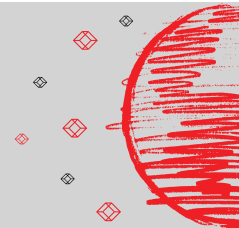
## **MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year to which these financial statements relate and the date of this Report.

## **SHARE CAPITAL**

At the beginning of the FY2022, the Authorized Share Capital of the Company was ₹1,45,00,00,000/- (Rupees One Hundred and Forty Five Crores Only) divided into 4,50,00,000 Equity shares of ₹10/- (Rupees Ten only) each, 50,00,000 Cumulative/Non-Cumulative Redeemable Preference Shares and 50,00,000 Convertible Preference Shares of ₹100/- (Rupees Hundred only) each respectively or any other denomination as may be approved by the Board.

The paid-up capital of the Company at the beginning of the FY2022 was ₹32,52,88,300 (Rupees Thirty Two Crore Fifty Two Lakh Eighty Eight Thousand Three Hundred Only) consisting of 3,25,28,830 Equity Shares of ₹10/- (Rupees Ten only) each.



During the year under review, the Company issued & allotted 2,84,024 Equity Shares of ₹10/- (Rupees Ten only) each to ESOP Allottee's pursuant to exercise of Employee Stock Options ("ESOP options") duly vested in them, in accordance with the applicable terms of Company's ESOP Scheme. Consequently, as on March 31, 2022, the Paid-up Capital of the Company got increased to ₹ 32,81,28,540 (Rupees Thirty Two Crore Eighty One Lakh Twenty Eight Thousand Five Hundred and Forty only) consisting of 3,28,12,854 Equity Shares of ₹10/- (Rupees Ten only) each.

The Company has not made any issue of Sweat Equity Shares or Equity Shares with Differential Voting Rights during the year under review.

### **SUB-DIVISION OF EQUITY SHARES:**

The Shareholders of the Company have approved, sub-division of Equity Shares of ₹ 10/- (Rupees Ten only) each of the Company into Equity Shares of ₹ 2/- (Rupees Two only) each of the Company by way of Postal Ballot on April 20, 2022.

Consequently, each existing Equity Share of ₹ 10/- (Rupees Ten only) each of the Company was sub-divided into 5 Equity Shares of ₹ 2/- (Rupees Two only) each.

### **DIVIDEND**

With a view to conserve resources for future growth, your Directors have not recommended any dividend for the Financial Year ended March 31, 2022.

Pursuant to Regulation 43A of SEBI LODR Regulations, 2015, the Company has formulated a Dividend Distribution Policy effective from April 02, 2021. The said policy is accessible on the Company's website at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

### **TRANSFER TO RESERVE**

With a view to facilitate the growth of the Company's business over the coming years, the Board of Directors have recommended that the entire profits generated in the current Financial Year should be transferred to the reserves of the Company.

### **HUMAN RESOURCE MANAGEMENT AND HR INITIATIVE**

FY2022 saw two successive waves of COVID-19, the pandemic was still testing, and this was time for us to either take a back seat or look at this opportunity and focus on sustainable and inclusive growth. Displaying exceptional resilience in dealing with an unprecedented future, we focussed our energy in our endeavour to acquire more brands under our feather. The Company acquired Dragonfly Technologies Australia to further enhance and strengthen our presence in Australia in fields of our Cyber Security, Enterprise Networking, Automation & Consulting capabilities.

At Black Box we have always believed in building a culture of excellence, we strongly believe our people are our strength and at the centre of everything we do. Our energies are always focussed on creating a progressive workplace where every Black Box employee feels heard, included, and respected. At the end of financial year, a Global Employee Engagement Survey – 'Every Voice Matters' was launched to help us identify opportunities to improve employee engagement.

An organization is only as good as its people, and we are making sure we bring talented, like-minded yet diverse pool at all levels. Propelled by this recruitment philosophy, we hired talent across the organization — from early talent

programs, to lateral hires, to leadership roles. One of the important dimensions, we focus on when looking for the right talent is 'culture fit'. Whether the candidates' beliefs, behaviours, and values align with those of our organization. This year, the company on-boarded more than 900 hires across the globe, this included fresh Graduate Engineer Trainees to build resource pool, followed by dedicated Campus to Corporate Program -"Metamorphosis", to enable the transition of campus graduate hires into corporate life and Black Box's organizational culture. Metamorphosis, as an ongoing program is created with the goal of empowering fresh graduates with tools for refining their personal and professional excellence.

The focus on providing our people an environment that provides challenging work assignment with ample scope to upskill continued. The Learning frameworks established to encourage skills progression and support individual career development. A program to enhance and strengthen skills of business managers - Management Development Program (MDP) was launched. This transformative learning experience consist of classroom based, online lessons, leadership discussions, and action-oriented learning approach.

The company has made rapid advances in Human Resource automation to streamline and increase the turnaround time and empowering the people. We exhibited a robust upward trajectory in all realms of HR to strengthen the foundations of our process and people-driven growth trajectory for FY2023 and beyond.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis for the year under review, in terms of the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("LODR Regulation"), is set out as a separate section, forming an integral part of this Annual Report.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls for ensuring 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 with reference to financial statements.

During the year under review, these internal controls have been subject to audit. For details with regard to reportable material weaknesses in the said controls, if any, please refer the Statutory Auditors' Report forming part of this Annual Report.

## **PUBLIC DEPOSITS**

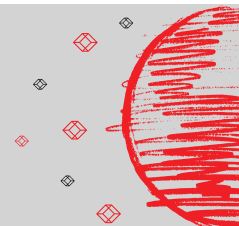
The Company has not accepted any fixed deposits, including from the public and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

## **SUBSIDIARIES/HOLDING COMPANY**

During the year under review, the following changes took place in Subsidiaries and Holding Company of the Company:

### **Holding Company(s)**

At the beginning of the FY2022, Onir Metalics Limited (OML) and Essar Telecom Limited (ETL) were collectively holding 2,31,53,603 Equity shares of ₹10/- each of the Company, constituting 71.18% Promoter shareholding in the Company. During the year, OML was merged into Essar Steel Metal Trading Limited (ESMTL) w.e.f July 7, 2021.



As on March 31, 2022, ETL and ESMTL collectively held 2,31,53,603 Equity shares of ₹ 10/- each of the Company, constituting 70.56% Promoter shareholding in the Company. Essar Global Fund Limited remains the ultimate Holding Company of the Company.

### ACQUISITION(S)

Black Box Technologies Australia Pty. Ltd., Step-down Subsidiary of the Company, acquired Dragonfly Technologies Pty Ltd., Australia on February 11, 2022 for a total consideration of AUD 7.44 Million.

### INCORPORATION(S)

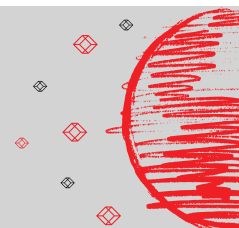
1. Black Box de Mexico, S. de R.L. de C.V., Mexico, Step-Down Subsidiary of the Company incorporated Black Box Costa Rica S.R.L. Costa Rica on October 08, 2021.
2. Black Box de Mexico, S. de R.L. de C.V., Mexico, Step-Down Subsidiary of the Company incorporated Black Box Network Services Colombia S.A.S. Colombia on November 02, 2021.
3. AGC Networks LLC Dubai, Step-Down Subsidiary of the Company incorporated Black Box Bangladesh Technologies Pvt. Ltd., Bangladesh on November 21, 2021.
4. Black Box Technologies Pte. Ltd. Singapore, Subsidiary of the Company incorporated Black Box Technologies Group B.V. Netherlands on December 16, 2021.
5. Black Box Technologies Pte. Ltd. Singapore, Subsidiary of the Company incorporated Black Box Products FZE Dubai on December 16, 2021.
6. Black Box Technologies Group B.V. Netherlands, Step-Down Subsidiary of the Company incorporated Cybalt Inc, DE – USA on February 16, 2022.

As on March 31, 2022, the following are the subsidiaries/step-down subsidiaries of the Company:

Sr. No.	Name of the Entity	Registration Geos	Nature of Relationship
1	Black Box Technologies Pte. Ltd. (Formerly known as AGC Networks Pte. Ltd., Singapore)	Singapore	Subsidiary Company
2	Black Box Technologies Group B.V.	Netherlands	Step-down subsidiary
3	AGC Networks Philippines Inc.	Philippines	Step-down subsidiary
4	AGC Networks & Cyber Solutions Limited	Kenya	Step-down subsidiary
5	Black Box Products FZE	Dubai	Step-down subsidiary
6	AGC Networks LLC	Dubai	Step-down subsidiary
7	AGC Networks LLC	Abu Dhabi	Step-down subsidiary
8	BBX Main Inc.	USA	Step-down subsidiary
9	Cybalt Inc.	USA	Step-down subsidiary
10	BBX Inc.	USA	Step-down subsidiary
11	Black Box Bangladesh Technologies Pvt. Ltd.	Bangladesh	Step-down subsidiary
12	Black Box Corporation	USA	Step-down subsidiary
13	Black Box Chile S.A	Chile	Step-down subsidiary
14	Black Box Network Services (UK) Limited	England	Step-down subsidiary



Sr. No.	Name of the Entity	Registration Geos	Nature of Relationship
15	Black Box Finland OY	Finland	Step-down subsidiary
16	Black Box Network Services India Private Limited	India	Step-down subsidiary
17	Black Box Network Services (Dublin) Limited	Ireland	Step-down subsidiary
18	Black Box Network Services SDN. BHD.	Malaysia	Step-down subsidiary
19	Black Box de Mexico, S. de R.L. de C.V.	Mexico	Step-down subsidiary
20	Black Box Norge AS	Norway	Step-down subsidiary
21	Black Box Network Services Singapore Pte Ltd	Singapore	Step-down subsidiary
22	Black Box Network Services AB	Sweden	Step-down subsidiary
23	Black Box Network Services Corporation	Taiwan	Step-down subsidiary
24	BBOX Holdings Puebla LLC	USA	Step-down subsidiary
25	Black Box Corporation of Pennsylvania	USA	Step-down subsidiary
26	Black Box Network Services Inc. – Government Solutions	USA	Step-down subsidiary
27	Black Box Services Company	USA	Step-down subsidiary
28	COPC Holdings Inc.	USA	Step-down subsidiary
29	Delaney Telecom Inc.	USA	Step-down subsidiary
30	Norstan Communications Inc.	USA	Step-down subsidiary
31	ACS Investors LLC	USA	Step-down subsidiary
32	AGC Network LLC	USA	Step-down subsidiary
33	Norstan Canada Ltd. / Norstan Canada LTÉE	Canada	Step-down subsidiary
34	Nu-Vision Technologies LLC	USA	Step-down subsidiary
35	ACS Dataline LP	USA	Step-down subsidiary
36	Black Box Technologies Australia Pty Ltd.	Australia	Step-down subsidiary
37	Black Box Network Services Australia Pty Ltd	Australia	Step-down subsidiary
38	Black Box GmbH	Austria	Step-down subsidiary
39	Black Box Network Services NV	Belgium	Step-down subsidiary
40	Black Box do Brasil Industria e Comercio Ltda.	Brazil	Step-down subsidiary
41	Black Box Canada Corporation	Canada	Step-down subsidiary
42	Black Box Holdings Ltd.	Cayman Islands	Step-down subsidiary
43	Black Box A/S	Denmark	Step-down subsidiary
44	Dragonfly Technologies Pty Ltd	Australia	Step-down subsidiary
45	AGCN Solutions Pte. Limited	Singapore	Step-down subsidiary
46	Pyrios Pty Limited	Australia	Step-down subsidiary
47	Black Box Network Services New Zealand Limited	New Zealand	Step-down subsidiary
48	Black Box Technologies New Zealand Limited (Formerly known as Pyrios Limited )	New Zealand	Step-down subsidiary
49	Black Box France	France	Step-down subsidiary



Sr. No.	Name of the Entity	Registration Geos	Nature of Relationship
50	Black Box Network Services S.r.l.	Italy	Step-down subsidiary
51	Black Box Network Services Co., Ltd.	Japan	Step-down subsidiary
52	Black Box Network Services Korea Limited	Korea	Step-down subsidiary
53	Black Box International Holdings B.V.	Netherlands	Step-down subsidiary
54	Black Box P.R. Corp.	Puerto Rico	Step-down subsidiary
55	Black Box Comunicaciones, S.A.	Spain	Step-down subsidiary
56	Black Box Network Services AG	Switzerland	Step-down subsidiary
57	BB Technologies, Inc.	USA	Step-down subsidiary
58	Black Box Deutschland GmbH	Germany	Step-down subsidiary
59	Black Box Software Development Services Limited	Ireland	Step-down subsidiary
60	Black Box International B.V.	Netherlands	Step-down subsidiary
61	Black Box Network Services Philippines Inc.	Philippines	Step-down subsidiary
62	BBOX Holdings Mexico LLC	USA	Step-down subsidiary
63	Black Box Network Services Colombia S.A.S.	Colombia	Step-down subsidiary
64	Black Box Costa Rica S.R.L	Costa Rica	Step-down subsidiary
65	Servicios Black Box S.A. deC.V.	Mexico	Step-down subsidiary
66	Black Box E-Commerce (Shanghai) Co., Ltd.	China	Step-down subsidiary
67	Black Box Network Services Hong Kong Limited	Hong Kong	Step-down subsidiary
68	Fujisoft Technology LLC	Abu Dhabi	Step-down subsidiary
69	Black Box Technologies LLC	Dubai	Step-down subsidiary
70	Fujisoft Security Solutions LLC	Dubai	Step-down subsidiary
71	Black Box DMCC	Dubai	Step-down subsidiary
72	COPC Inc.	USA	Step-down subsidiary
73	COPC International Inc.	USA	Step-down subsidiary
74	COPC Asia Pacific Inc.	USA	Step-down subsidiary
75	COPC Consultants (Beijing) Co. Ltd	China	Step-down subsidiary
76	COPC International Holdings LLC	USA	Step-down subsidiary
77	COPC (India) Pvt Limited	India	Step-down subsidiary
78	Service Journey Strategies Inc.	USA	Step-down subsidiary

### PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The particulars of loan(s) given, investment(s) made, guarantee(s) given and/or securities provided by the Company along with the purpose for which such amount of loan, guarantee or security is proposed to be utilized by the recipient, has been provided in the notes to financial statements.

### STATUTORY AUDITORS AND THEIR REPORT

M/s. Walker Chandiook & Co LLP, Chartered Accountants (ICAI Registration No. 001076N/N00013) have been re-appointed as the Statutory Auditors of the Company, vide resolution passed by Shareholders at the 33<sup>rd</sup> Annual General Meeting (AGM) of the Company and hold this office for a period of 5 (Five) year commencing from conclusion of the 33<sup>rd</sup> AGM till the conclusion of 38<sup>th</sup> AGM of the Company.

## Statutory Auditors' Report

The Statutory Auditors' Report on the financial statements of the Company (Standalone & Consolidated) for the financial year ended March 31, 2022, has been annexed to the financial statements contained in this Annual Report. The Statutory Auditors have expressed their Emphasis of Matter (EOM) on the Standalone & Consolidated financial statements of the Company in the said report. Further, the said EOM alongwith the management's response on the same is given below:

### A. Standalone Audit Report:

#### Emphasis of Matters – Non- compliances with laws and regulations

*"We draw attention to Note 44 to the accompanying standalone financial statements which describes the delay in remittance of import payments and repatriation of proceeds of export of goods and services, aggregating to ₹ 2.71 Crores and ₹ 15.04 Crores, respectively, outstanding as at March 31, 2022 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999, as amended from time to time. The management has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines / penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying standalone financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter."*

#### Management's views on the above:

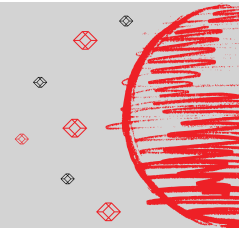
The outstanding balance of trade payables, trade receivables and other financial assets as at March 31, 2022 includes amount payable aggregating to ₹ 2.71 Crores and amount receivable aggregating to ₹ 15.04 Crores, respectively, to/from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 1.67 Crores during the current period and on payables aggregating to ₹ 1.04 Crores subsequent to March 31, 2022. Similarly, the Company has filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 14.01 Crores during the current period and on receivables aggregating to ₹ 1.03 Crores subsequent to March 31, 2022. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the Standalone financial Statement does not include any adjustments that may arise due to such delays.

### B. Consolidated Audit report

#### Emphasis of Matters – Non- compliances with laws and regulations

*"We draw attention to Note 47 to the accompanying consolidated financial statements, which describes the delay in remittance of import payments and repatriation of proceeds from export of goods and services, aggregating to ₹ 13.00 Crores and ₹ 27.80 Crores, respectively, by the Holding Company and its subsidiary companies incorporated in India, outstanding as at March 31, 2022 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999 as amended from time to time. The respective management of companies, as aforesaid, have filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines / penalties, if any, that may be levied,*



*are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the consolidated financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.”*

**Management’s views on the above:**

The outstanding balance of trade payables, trade receivables and other financial assets as at March 31, 2022 includes amount payable aggregating to ₹ 13.00 Crores and amount receivable aggregating to ₹ 27.80 Crores, respectively, to/from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The holding Company and its subsidiaries incorporated in India have filed necessary application with AD Category – I bank (‘AD Bank’) for extension of time limit on payables aggregating to ₹ 11.96 Crores during the current period and on payables aggregating to ₹ 1.04 Crores subsequent to March 31, 2022. Similarly, the holding Company and its subsidiaries incorporated in India have filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 16.53 Crores during the current period and on receivables aggregating to ₹ 11.27 Crores subsequent to March 31, 2022. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the Consolidated financial Statement does not include any adjustments that may arise due to such delays.

**SECRETARIAL AUDITORS AND THEIR REPORT**

Pursuant to Section 204(1) of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit of the Company was carried out by Dr. S. K. Jain, Practicing Company Secretary (FCS No. 1473) & Proprietor of M/s. S. K. Jain & Co., (Secretarial Auditor) for FY2022. The Report given by the Secretarial Auditor is annexed as **Annexure - I** and forms an integral part of this Board’s Report.

**Secretarial Auditor’s qualification remark:**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there are no material non-compliances that have come to our knowledge except the following:

- (i) *The Company was required to submit the Annual Audited Financial Statements for the year ended March 31, 2021 within 60 days from the end of financial year as prescribed under Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has, however submitted the Annual Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021 on 3<sup>rd</sup> August, 2021. The Company has paid fine to NSE as well as BSE for delay in compliance.*
- (ii) *The Company was required to submit prior intimation to the Stock Exchanges for the Board Meetings held on 31<sup>st</sup> July, 2021 and 14<sup>th</sup> August, 2021 at least five days in advance (excluding the date of the intimation and date of meeting) as required under Regulation 29(2) and 29(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Company has, however submitted the prior intimation for the above mentioned Board Meeting as follows:*

<b>Board Meeting Date</b>	<b>Date of Prior Intimation</b>
31 <sup>st</sup> July, 2021	28 <sup>th</sup> July, 2021
14 <sup>th</sup> August, 2021	13 <sup>th</sup> August, 2021

The Company has paid fine to NSE as well as BSE for the delay in compliance.

**Management's views on the above:**

**Response to point no. (i) above as highlighted in the Secretarial Audit Report**

The Company has more than 70 overseas subsidiaries which are spread across 30 plus countries, operating in different geographies and time zones. The Company was facing pressing difficult situations, as a result of the outbreak of second wave of the new variant of the novel coronavirus (COVID-19) leading to nation-wide lockdown imposition in India and third wave impact in other parts of the world.

In addition to that, the registered office of the Company was moved to new location i.e. Essar House, 11 Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai 400 034 resulting in the shifting of all its data centre & server operations to third party service provider and other related equipment, data and files to the new office in the mid of the lock-down. Mumbai being one of the worst hit spots was continuously under a strict lockdown till June 15, 2021, this movement impacted the closure of books and collection of relevant data to finalise the financials for year ended March 31, 2021. The Company gave first priority in ensuring the safety and well-being of the employees who had been operating intermittently.

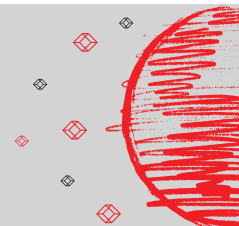
Further, slow vaccination program and various geographies being under different phases of lockdowns and reopening, delayed the finalization of financial statements of various subsidiaries located in 30 countries. Finalization of consolidated financials requires sign off from all the country locations, which took considerable time.

Considering the aforesaid, force majeure condition prevailing and continuing intermittent lockdown prevailing across the geographies, the Company could not publish its Financial Results for the aforesaid period within time and penalty was paid as stipulated by the exchanges. The delay was purely due to unavoidable circumstances and exceptional in nature.

**Response to point no. (ii) above as highlighted in the Secretarial Audit Report**

The Financial Results for quarter/year ended March 31, 2021 were to be submitted latest by June 30, 2021. However, the Company was not in a position to adhere to the given timeline and hence sought for an extension from the exchanges to publish its financial results latest by July 31, 2021, based on its estimated timeline. Though we were endeavouring to meet the extended deadline, due to the reasons mentioned in point no. (i) above, the visibility to achieve this was grim. It was not intended to reschedule the meeting after notifying the stakeholders. We had continuous deliberations on this matter with our Auditors and the Notice was given as soon as there was strong visibility to achieve this by July 28, 2021. This was first time in the history of the Company that quarterly/yearly results were filed beyond the deadline and became an exceptional event.

Further, in view of the delayed submission of Financial Results for March 31, 2021 in August 2021, the Company and the Auditors had very small window of time to complete the Q1FY22 results within time. Given the short timeline available in hand, though we were endeavoring to meet the deadline, the visibility to achieve the deadline was thin. We had continuous deliberations on this matter with our Auditors and the Notice was given as soon as there was strong visibility to achieve this by August 14, 2021.



## REPORTING OF FRAUDS BY THE AUDITORS

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee or Board, pursuant to the provisions of Section 143(12) of the Act, any fraud committed against the Company by its employees or officers.

## COST RECORDS AND COST AUDIT

The maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business and activities carried out by the Company.

## CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several benchmark corporate governance practices as prevalent globally. The Corporate Governance Report, as stipulated under the SEBI LODR Regulations, forms an integral part of this Annual Report. Further, in accordance with the applicable provisions of Schedule V of the said Regulations, a compliance certificate issued by M/s. S. K. Jain & Co. LLP, Practising Company Secretaries (ICSI Certificate of Practice No. 3076), confirming that the Company has complied with the conditions of corporate governance is annexed herewith and marked as **Annexure II**.

## NUMBER OF BOARD MEETINGS

During the FY2022, 9 (Nine) Board meetings were held. Further detail on the same is available in the Corporate Governance Report which forms part of this Annual Report.

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA Circulars granting exemptions in view of the Covid-19 pandemic.

## EMPLOYEES' STOCK OPTION SCHEME

Pursuant to the shareholders' approval dated April 21, 2015, the Nomination and Remuneration Committee of the Board of Directors of the Company has granted stock options as per the terms of "AGC Networks Employee Stock Option Scheme 2015" from time to time, to the employees and executive directors of the Company and its subsidiary(s). The following table shows detailed information with regards to the same:

<b>Total options granting eligibility of the Company (A)</b>	71,16,615
Total options granted as on 31.3.2021 (B)	77,94,565
Total options lapsed as on 31.3.2021 (C)	47,08,390
<b>Options available for grant as on 31.3.2022 (D) = (A-B+C)</b>	<b>40,30,440</b>
Options granted during the FY 2021-22 (E)	-
Options lapsed/cancelled during the FY 2021-22 (F)	-
<b>Options available for grant as on 31.3.2022 (H) = (D-E+F)</b>	<b>40,30,440</b>

*Note: All the figures have been adjusted for Sub-division of Equity Shares of ₹10/- each to ₹2/- each. Each of the options mentioned above is convertible into equal no. of Equity Shares of ₹2/- each on successful exercise.*



**Disclosures on ESOP Scheme of the Company for the FY2022, pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014:**

Sr. No.	Particulars	FY2022
1	Total no. of Shares covered by ESOP Scheme approved by the Shareholders	71,16,615
2	Options Granted	NIL
3	Options Vested	2,26,309
4	Options Exercised	14,20,120
5	Total no. of shares arising as a result of options	14,20,120
6	Options Lapsed	NIL
7	Pricing Formula	10% discount on last closing price
8	Variation of terms of Options/Exercise Price	-----
9	Money realized by exercise of Options	₹1,79,91,865
10	Total no. of Options in force	7,03,405

*Note: All the figures have been adjusted for Sub-division of Equity Shares of ₹10/- each to ₹2/- each. Each of the options mentioned above is convertible into equal no. of Equity Shares of ₹2/- each on successful exercise.*

**Employee wise details of options granted to:**

Category	Number of Options Granted
Senior Managerial Personnel	NIL
Employee receiving grant of options in any one year of option amounting to 5% or more of options granted during the year	NIL
Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital of the company at the time of grant	NIL

Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20: Kindly refer note no. 29 forming part of notes to accounts of Standalone Financial Statements.

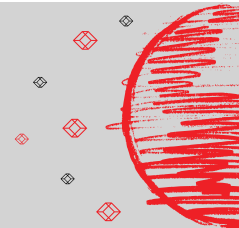
Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options: Kindly refer note no. 31 forming part of notes to accounts of Standalone Financial Statements.

The details pursuant to the SEBI ESOP Regulations have been placed on the website of the Company and web link of the same is [https://bbnscdn.azureedge.net/cms/docs/investors/esop/esop-statement\\_31-03-2022c4f132c1548a4419a27930f619140729.pdf](https://bbnscdn.azureedge.net/cms/docs/investors/esop/esop-statement_31-03-2022c4f132c1548a4419a27930f619140729.pdf).

**TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND/SHARES TO IEPF**

The dividends which remained unpaid/unclaimed for a period of more than seven consecutive years from the date of transfer to respective unpaid dividend account, have been transferred on due dates by the Company to the Investor Education and Protection Fund (“IEPF”) established by the Central Government.





Pursuant to the applicable provisions of Section 124 of the Companies Act, 2013 (the “Act”) read with applicable provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the Rules”), the Company is required to transfer all amounts of dividend that has remained unpaid or unclaimed for a period of seven years from the date of transfer to respective unpaid dividend account, to the IEPF Fund. Further, according to the applicable provisions of the said section read with the rules made thereunder, the Company is also required to transfer the corresponding shares with respect to the unpaid/unclaimed dividend, which has not been paid or claimed for seven consecutive years or more, to the demat account of the IEPF Authority.

Accordingly, the Company has transferred unpaid/unclaimed dividends alongwith the corresponding shares to IEPF Fund within the time limits prescribed under the said section and rules. The details of the shares already transferred and the shares which are due for transfer have been uploaded on the website of the Company and can be accessed at <https://www.blackbox.com/en-in/investors/investor-services/iepf>.

In accordance with the applicable provisions of the LODR Regulations, it is disclosed that there were no shares lying in the demat suspense account/unclaimed suspense account of the Company at the beginning of/during/at the end of the FY2022.

### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

All Directors of the Company, including the Independent Directors, are provided with necessary documents/brochures, reports and internal policies to facilitate their familiarization with the procedures and practices followed by the Company. Further, periodic presentations are made at the meetings of the Board of Directors and its various Committees, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates, new amendments, circulars and notifications issued by the regulatory authorities including ROC, RBI and SEBI which mandates further compliances for the Company and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Further, at the time of appointment of any Independent Director the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities alongwith Code of Conduct to be adhered by the Directors. The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

### **VIGIL MECHANISM**

The Vigil Mechanism of the Company in terms of the LODR Regulations, has been established through the Whistle Blower Policy/Policy on Vigil Mechanism of the Company. Protected disclosures can be made by a Whistle Blower through an e-mail or a letter to the Chief Ethics Officer or to the Chairman of the Audit Committee. The Policy on Vigil Mechanism/Whistle Blower Policy may be accessed on the Company’s website at the link <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

### **PERFORMANCE EVALUATION**

In terms of the requirement of the Companies Act, 2013 and LODR Regulations, annual performance evaluation of the Board, the Chairman of the Board, Independent and Non-Independent Directors and various Committees of the Board for the Financial Year 2021-22, was undertaken by the Company.

The evaluation was carried out through questionnaire based rating assessment mechanism where the evaluators were requested to give rating for each criteria set for evaluating the performance of the Director or the Committee of which, the performance was being evaluated. The board evaluation process was focused around how to make the

Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with management.

Additionally, during the evaluation process, the Board also focused on the contribution being made by the Board as a whole as well as through Committees. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning effectively.

### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 will be available on the Company's website on <https://www.blackbox.com/en-in/investors>.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")**

Section 152 of the Act provides that unless the Articles of Association provide for the retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the independent directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation. Accordingly, Mr. Naresh Kothari (DIN:00012523), Non- Executive Director of the Company shall retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

Mr. Deepak Kumar Bansal (DIN:07495199), was appointed as Executive Director of the Company w.e.f September 26, 2019 for a period of 3 (Three) years which is expiring in September 2022. The Nomination & Remuneration Committee and the Board has proposed to re-appoint Mr. Bansal as Executive Director for a further period of 3 (Three) years commencing from September 26, 2022.

Mrs. Mahua Mukherjee (DIN:08107320), was appointed as Executive Director w.e.f. August 1, 2018. The Nomination & Remuneration Committee and the Board has proposed to re-appoint Mrs. Mukherjee as Executive Director for a further period of 3 (Three) years commencing from September 1, 2022.

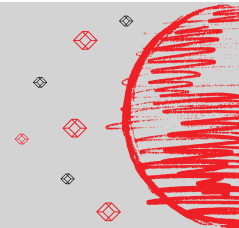
The above proposals will be considered for approval by the shareholders of the Company at the ensuing AGM.

During the year, following changes took place in composition of the Board of Directors and Key Managerial Personnel ("KMP") of the Company:

<b>Name</b>	<b>Event</b>	<b>Designation</b>	<b>Effective date of the Event</b>
Mr. Anshuman Ruia (DIN:00008501)	Appointment	Executive Director	9 September 2021
Mr. Sanjeev Verma (DIN:06871685)	Re-appointment	Whole-time Director	15 February 2022

As on March 31, 2022, the Company had the following KMPs:

- Mr. Sanjeev Verma, Whole-time Director (DIN:06871685)
- Mrs. Mahua Mukherjee, Executive Director (DIN:08107320)
- Mr. Deepak Kumar Bansal, Executive Director & Chief Financial Officer (DIN:07495199)
- Mr. Anshuman Ruia, Executive Director (DIN:00008501)
- Mr. Aditya Goswami, Company Secretary & Compliance Officer



The Company has received declarations from all the Independent Directors on its Board, confirming that he/she meets all the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b) of LODR Regulations and that he/she is not aware of any circumstance/situation, which exists or may be reasonably anticipated, that could impair/impact his/her ability to discharge the duties of an Independent Director with objective independent judgment and without any external influence. These declarations and confirmations of the Independent Directors were duly noted by the Board of Directors after due assessment. Consequently, the Board is of the opinion that all Independent Directors of the Company fulfil the criteria of independence specified under the Act & SEBI LODR Regulations and are independent from the management of the Company.

Further, in the opinion of the Board of Directors, all Independent Directors of the Company hold highest standards of integrity and possess requisite expertise & experience enabling them to fulfil their duties as Independent Directors.

For detailed composition of Board of Directors and various Committees, kindly refer the Corporate Governance Report forming part of the Annual Report.

The Nomination and Remuneration Committee of the Company has devised a policy for performance evaluation of Directors, Board and Senior Management which includes the criterias for performance evaluation as well as the remuneration policy for the Directors, Senior Management and Employees of the Company. These policies are annexed to this report as **Annexure III** and **Annexure IV** respectively and are also accessible on the Company's website at the link <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

### **COMMITTEES OF THE BOARD**

The details relating to various Committees constituted by the Board of Directors of the Company are mentioned in the 'Corporate Governance Report', which forms part of this Annual Report.

### **CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT**

Pursuant to the provisions of Regulation 17(5) of the LODR Regulations, a Code of Conduct for the Directors & Senior Management of the Company has been formulated & approved by the Board of Directors. Further, in accordance with the provisions of Regulation 26(3), all Directors & Members of Senior Management of the Company have affirmed compliance with the said Code of Conduct during the Financial Year 2021-22.

The said Code of Conduct is accessible on the Company's website at the link <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

Further, pursuant to the provisions of Regulation 34(3) readwith Schedule V Part D of the LODR Regulations, Mr. Sanjeev Verma, Whole-Time Director, has issued a declaration stating that all the Directors and members of Senior Management of the Company have complied with the Code of Conduct of the Company during the FY2022. The said declaration has been disclosed in the Corporate Governance Report forming part of this Annual Report.

### **PERSONNEL**

The Board places on record its appreciation for the hard work and dedicated efforts put in by all the employees. The relations between the management and employees continue to remain cordial on all fronts.

The statement of particulars of appointment and remuneration of managerial personnel and employees of the Company as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Board's Report as **Annexure V**.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

### **POLICY ON PREVENTION OF GENDER HARASSMENT AT WORKPLACE AND INTERNAL COMPLAINTS COMMITTEE ("ICC")**

The Company has in place a policy for prevention, prohibition and redressal of gender harassment at workplace. Appropriate reporting mechanisms are in place for ensuring protection against gender harassment and the right to work with dignity.

Further, in accordance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee ("ICC") to consider and resolve sexual harassment complaints raised by the employees of the Company. The constitution of the ICC is in accordance with the applicable provisions of the said Act.

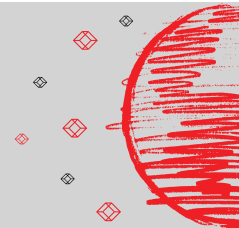
During the year under review, no complaints were received from any of the employee(s) of the Company.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

- (i) Part A pertaining to conservation of energy is not applicable to the Company.
- (ii) Part B pertaining to particulars relating to technology absorption is as per **Annexure VI** to this report.
- (iii) Part C pertaining to foreign exchange earnings and outgoings is as mentioned below:

	₹ in Crores	
Expenditure in foreign currency (accrual basis)	FY2022	FY2021
Service charges	0.39	9.91
Travelling and conveyance expenses	0.25	0.54
Expenses reimbursement paid	0.46	0.63
Other items	-	0.54
<b>Total</b>	<b>1.11</b>	<b>11.62</b>

	₹ in Crores	
Earnings in foreign currency (accrual basis)	FY2022	FY2021
Sale of goods and services (Including sale from overseas branch and to Export Oriented Units)	33.04	23.94
Commission income	0.33	0.78
Expenses reimbursement received	18.31	21.31
<b>Total</b>	<b>51.68</b>	<b>46.03</b>



## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is accessible on the Company's website at the link <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

The Report on CSR activities is annexed herewith marked as **Annexure VII**.

## **RISK MANAGEMENT POLICY**

The Company has a comprehensive Risk Management Policy in place which clearly indicates all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks that have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Risk Management Policy is accessible on the Company's website at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

In terms of Regulation 21(5) of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted the Risk Management Committee (the "Committee" or "Risk Committee") on April 02, 2021. The Committee's constitution and terms of reference meet with the requirements of the Regulations. The Risk Committee dwells upon the potential risks associated with the business and their possible mitigation plans and is responsible for Framing, Overseeing and Monitoring implementation of Risk Management Policy.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Company's policy of on materiality of related party transactions. Most of these are purchase/sales transactions and maintenance services transactions which are of the duration of 3 months to 12 months. Your Directors draw attention of the members to Note no. 36 (Consolidated) and Note No. 33 (Standalone) to the financial statement which sets out related party disclosures.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is accessible on the Company's website at the link [https://bbnscdn.azureedge.net/cms/docs/investors/corporate-governance/policies/related\\_party\\_transaction\\_\(rpt\)\\_policy\\_\(ver-01-04-2022\).pdf](https://bbnscdn.azureedge.net/cms/docs/investors/corporate-governance/policies/related_party_transaction_(rpt)_policy_(ver-01-04-2022).pdf).

## **DIRECTORS' RESPONSIBILITY STATEMENT**

**Your Directors state that:**

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and of the profit/(loss) of the Company for the financial year ended on the said date;

- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a 'going concern' basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company; work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee; the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2022.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

#### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT 31 MARCH, 2022**

There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

#### **ACKNOWLEDGEMENTS**

The Board is thankful to the Shareholders, Bankers and Customers of the Company for their continued support. It also takes this opportunity to express gratitude to its various suppliers and its partners for their continued co-operation, support and assistance. Above all, the Board expresses its appreciation to each and every employee for his / her contribution, dedication and sense of commitment to the Company's objectives.

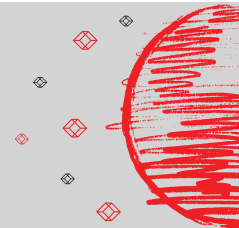
#### **For and on behalf of the Board of Directors**

**Sanjeev Verma**  
Whole-time Director  
DIN: 06871685

**Dallas, USA**  
August 12, 2022

**Mahua Mukherjee**  
Executive Director  
DIN: 08107320

**Mumbai**  
August 12, 2022



# ANNEURE I TO DIRECTORS' REPORT

**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**The Members**  
**Black Box Limited,**  
(Formerly known as AGC Networks Limited)  
501,5<sup>th</sup> Floor, Building No.9,  
Airoli Knowledge Park,  
MIDC Industrial Area,  
Airoli, Navi Mumbai- 400708

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Black Box Limited (Formerly known as AGC Networks Limited)** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2022** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in ‘**Annexure-I**’ for the financial year ended on **31<sup>st</sup> March, 2022** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(The Company has complied with Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004);**

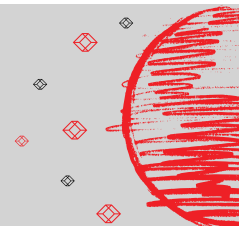


- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any Debt Securities during the financial year under review)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable as the Company has not delisted/propose to delist its Equity Shares from any Stock Exchange during the financial year under review)**
  - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **(Not applicable as the Company has not bought back / propose to buy-back any of its securities during the financial year under review)**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. **Other laws specifically applicable to the Company are:**
- a) Information Technology Act, 2000 as amended up to date and the rules made thereunder;
  - b) The Trade Marks Act, 1999;

I have also examined Compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with (Listing Obligations and Disclosures Requirements Regulations, 2015.)

I have also examined the books, papers and returns filed and other records maintained by **Black Box Limited (Formerly known as AGC Networks Limited)** for the Financial Year ended on **31<sup>st</sup> March, 2022** according to the provisions of various other Laws applicable, including the Rules made is, and amended from time to time, to the Company, as informed by the Company.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except for the following:

- i. *The Company was required to submit Annual Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021 within 60 days from the end of the Financial year as prescribed under Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Company has, however submitted the Annual Audited Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2021 on 3<sup>rd</sup> August, 2021. The Company has paid fine to NSE as well as BSE for the delay in compliance.*
- ii. *The Company was required to submit prior intimation to the Stock Exchanges for the Board Meetings held on 31<sup>st</sup> July, 2021 and 14<sup>th</sup> August, 2021 at least five days in advance (excluding the date of the intimation and date of meeting) as required under Regulation 29(2) and 29(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Company has, however submitted the prior intimation for the above mentioned Board Meeting as follows:*

<b>Board Meeting Date</b>	<b>Date of Prior Intimation</b>
31 <sup>st</sup> July, 2021	28 <sup>th</sup> July, 2021
14 <sup>th</sup> August, 2021	13 <sup>th</sup> August, 2021

*The Company has paid fine to NSE as well as BSE for the delay in compliance.*

#### **I further report that**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, 1961; Goods and Services Tax Act, 2017 and The Customs Act, 1962. I have relied on the Reports given by the Statutory Auditors of the Company.

**I further report that** during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

I further report that during the audit period, the Company has the following specific events:

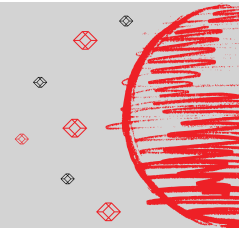
1. Alteration in Memorandum of Association and Articles of Association of the Company pursuant to Change in Name of the Company from “AGC Networks Limited” to “Black Box Limited”
2. Shifting of Registered office of the Company from its existing location i.e. “Essar House, 11 Keshavrao Khadye Marg, Opposite Race Course, Mahalaxmi, Mumbai – 400034” to “501, 5<sup>th</sup> Floor, Building No. 9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708.”
3. Mr. Anshuman Ruia (DIN: 00008501), was re-designated from Non-Executive Director to Executive Director with effect from 20/09/2021. The shareholders of the Company approved the appointment of Mr. Anshuman Ruia as an Executive Director by passing Special Resolution by the .
4. Company have received disclosures from Onir Metallica Limited, a member of the promoter group, on July 08, 2021 under Regulation 10(1) (a) and 29 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015, regarding an inter-se transfer amongst promoter groups by Scheme of Merger and Amalgamation with Essar Steel Metal Trading Limited on July 07, 2021. Thus, Essar Steel Metal Trading Limited has now become the holder of 68,07,267 Equity shares and 4,98,964 Convertible Warrants issued by the Company which were previously held by Onir Metallica Limited.
5. Issuance and Allotment of Equity Shares pursuant to exercise of Options as per ESOP Scheme, 2015 of the Company during the year under review is depicted as below:

Sr. No.	Employee	No. of Options Exercised
1.	Jagdeesh Mhalgi	9,678
2.	Deepak Bansal	23,485
3.	Sanjeev Verma	2,50,861
<b>Total</b>		<b>2,84,024</b>

Place: Mumbai  
Date: 01-06-2022

For S. K. Jain & Co.  
CS. Dr. S. K. Jain  
Practicing Company Secretary  
FCS No: 1473  
C P No: 3076  
UDIN: F001473D000446599

This report is to be read with our letter of even date which is annexed as “Annexure - III” and forms an integral part of this report.



## **ANNEXURE-I**

### **List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Financial year ended 31<sup>st</sup> March, 2021.
3. Minutes of the Meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Ethics Compliance Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.

**Place: Mumbai**  
**Date: 01-06-2022**

**For S. K. Jain & Co.**  
**CS. Dr. S. K. Jain**  
**Practicing Company Secretary**  
**FCS No: 1473**  
**C P No: 3076**  
**UDIN: F001473D000446599**

## **ANNEXURE-II**

### **List of applicable laws to the Company**

1. The Payment of Bonus Act, 1965;
2. The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
3. The Payment of Gratuity Act, 1972;
4. The Profession Tax Act, 1975;
5. The Bombay Shops and Establishment Act, 1948;
6. The Maternity Benefit Act, 1961;
7. The Sexual Harassment at Workplace (Prohibition, Prevention and Redressal) Act, 2013;
8. The Bombay Stamp Act. 1958.

**ANNEXURE - III**

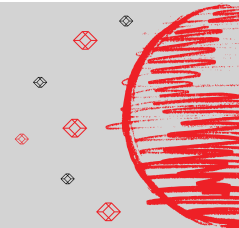
**To,  
The Members  
Black Box Limited  
(Formerly known as AGC Networks Limited)**

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai  
Date: 01-06-2022**

**For S. K. Jain & Co.  
CS. Dr. S. K. Jain  
Practicing Company Secretary  
FCS No: 1473  
C P No: 3076  
UDIN: F001473D000446599**



# ANNEXURE II TO DIRECTORS' REPORT

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To,  
**The Members**  
**Black Box Limited,**  
**(Formerly known as AGC Networks Limited)**  
501,5<sup>th</sup> Floor, Building No.9,  
Airoli Knowledge Park,  
MIDC Industrial Area,  
Airoli, Navi Mumbai- 400708

We have examined the compliance of conditions of Corporate Governance by **Black Box Limited (Formerly known as AGC Networks Limited)** for the year ended on **31<sup>st</sup> March, 2022**.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Managements Responsibility

The Compliance of conditions of Corporate Governance is responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) and (i) of Regulation 46 and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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

### Restriction on Use

The certification is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Mumbai  
Date: 01-06-2022

For **S. K. Jain & Co.**  
**CS. Dr. S. K. Jain**  
**Practicing Company Secretary**  
**FCS No: 1473**  
**C P No: 3076**  
**UDIN: F001473D000446599**

## ANNEXURE III TO DIRECTORS' REPORT

### **POLICY FOR EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED)**

#### **1. INTRODUCTION:**

**BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED)** (hereinafter referred to as “the Company”) believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour, in consonance with the Company’s Code of Conduct policy for its Board of Directors and Senior Management Personnel. The honesty, integrity and sound judgment and performance of the Directors and the Senior Management are key criteria for the success and for building a good reputation of the Company. Each Director and executive in the Senior Management is expected to comply with the letter and spirit of this Policy. Any actual or potential violation of this Code by the Board Directors would be the matter of serious concern for the Company.

Therefore, the Company has made this Policy to comply with various provisions under the Listing Agreement entered into by the Company and Stock Exchanges in India as per the SEBI Regulations published vide its Circular No. CIR / CFD / POLICY CELL / 2/ 2014 dated April 17, 2014 as amended and published vide its Circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 and also the formal annual evaluation made by the Board of Directors of its own performance (self-appraisals) and that of its Committees and Individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. The Nomination & Remuneration Committee shall evaluate the performance of the each Board of Director as per subsection (2) of Section 178 and based on the functions of the Board of Directors as indicated under Schedule IV (as per section 149) annexed to the Companies Act, 2013 and the Rules made thereunder.

#### **2. DEFINITIONS:**

“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactment thereof.

“**The Company**” shall mean **BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED)**

“**The Director**” or “**the Board**” in relation to the Company shall mean and deemed to include the collective body of the Board of Directors of the Company including the Chairman of the Company.

“**The Independent Director**” shall mean an Independent Director as defined under section 2 (47) read with section 149 (6) of the Act.

“**The Policy**” or “**This Policy**” shall mean the Policy for Evaluation of performance of Board of Directors of the Company.

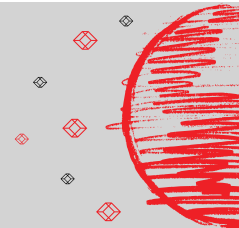
“**The Committee**” or “**This Committee**” shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Section 178 of Companies Act, 2013.

#### **3. OBJECTIVE:**

The Board is ultimately responsible for the sound and prudential management of the Company.

Performance evaluation is the process of both formally and informally providing feedback about an individual’s implementation of his / her responsibilities. The object of this policy is to formulate procedures and also to prescribe and lay down the criteria to evaluate the performance of the entire Board of the Company.





#### **4. VARIOUS KINDS OF PERFORMANCE EVALUATION:**

##### **A. EVALUATION OF THE PERFORMANCE:**

The Committee shall evaluate the performance of each Director and Senior Management of the Company on the basis of the criteria of Evaluation and rating of Performance as per clause 6 and 7 of this Policy.

Based on the performance evaluation of each and every Director and Senior Management of the Company, the Committee shall provide the ratings based on each criteria and sub-criteria. The detail process of evaluation and ratings thereon are mentioned in the clause 6 and 7 of this policy respectively.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

##### **B. EFFECTIVENESS OF THE BOARD:**

Based on the ratings given by the Nomination & Remuneration Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

#### **5. SEPARATE MEETING FOR EVALUATION OF PERFORMANCE OF BOARD MEMBERS:**

Evaluation of the Executive Directors of the Company shall be carried out by entire Board except the Director being evaluated. The meeting for the purpose of evaluation of performance of Board Members shall be held at least once in a year and the Company shall disclose the criteria laid down by the Nomination and Remuneration Committee for performance evaluation on its website for the reference and also in the Annual Report of the Company.

#### **6. CRITERIA FOR EVALUATION OF PERFORMANCE:**

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board as specified in Annexure – 1 (Board Member Feedback) and available on the website of the Company.

#### **7. PROCEDURE TO RATE THE PERFORMANCE:**

Based on evaluation criteria, the Nomination & Remuneration Committee and the Board shall rate the performance of each and every Director.

The performance rating shall be given within minimum 1 and maximum 10 categories, the rating 1 being least effective and 10 being most effective. Based on the rating of performance the Board can decide the strategy to extend or continue the term of appointment or to introduce new candidate as a member of the Board or retirement of the member based on his/her performance rating as to create and maintain the most effective and powerful top level management of the Company for its future growth, expansion, diversification and also to maximize the returns on investments to the stakeholders of the Company.

#### **8. AMENDMENTS:**

The Company reserves its right to amend or modify this Policy as may be considered appropriate at any time.

# ANNEXURE IV TO DIRECTORS' REPORT

## REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

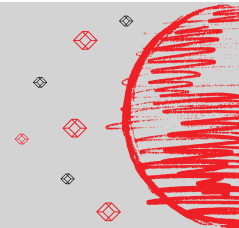
Policy Name	Nomination & Remuneration Policy
<b>Purpose</b>	To provide guidelines and restrictions with regards to the appointment and compensation of Directors, Key Managerial Personnel and other senior employees for fulfilment of their employment obligations within Black Box Limited (Formerly known as AGC Networks Limited) (“the Company”)
<b>Aims and Objectives</b>	<p>This policy is intended to ensure that:</p> <ul style="list-style-type: none"> <li>• All Directors and Executives of the Company are recognized and rewarded for their performance in a fair and equitable manner;</li> <li>• To ensure that remuneration paid to Directors and Executives is competitive, enabling the Company to attract and retain employees capable of meeting the Company’s needs and service delivery obligations; and</li> <li>• To reward Directors and Executives for achieving pre-determined Company, Departmental as well as personal/individual performance targets and goals.</li> </ul>
<b>Policy Custodian</b>	Compliance Officer
<b>Approving Authority</b>	Recommended by Nomination and Remuneration Committee (“the Committee”) and approved by the Board of Directors of the Company (“the Board”)
<b>Applicability</b>	This policy applies to all the Directors, Key Managerial Personnel and other permanent senior employees as may be decided by the Committee.
<b>Policy Benchmark and References</b>	As required under section 178 of the Companies Act, 2013 (“the Act”) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

### PREFACE:

**Black Box Limited (Formerly known as AGC Networks Limited)** (hereinafter called and referred to as “the Company”) believes in conducting its affairs in a fair and transparent manner by adopting highest standard of professionalism and good Corporate Governance Practices. The Company is committed to ensure that equitable remuneration is paid to all directors and employees of the Company. In order to attract and retain qualified and skilled directors and executives, to fill vacancies at all levels, it is the Company’s aim to maintain fair and competitive remuneration consistent with industry practices and all necessary regulations.

### APPLICABILITY OF THIS POLICY:

Directors, Key Managerial Personnel and other Senior Employees as may be decided by the Committee or Board of the Company, subject to the approval of members in the General Meeting for their appointment wherever applicable and subject to the provisions of the Companies Act, 2013 shall be remunerated in line with the service agreement.

**CATEGORIES OF EMPLOYEES COVERED UNDER THIS POLICY:**

- Directors which includes Whole-time or Executive Directors and Non-Executive or Independent Directors.
- Key Managerial Personnel as defined under Section 2 (51) of the Act.
- Senior Management i.e. the employees designated as Vice-President and above (normally include the first layer of the management below the Board level).

**As per Companies Act 2013:**

“Key Managerial Personnel”, in relation to a company, means—

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed.

**As per Listing Regulations:**

“Senior Management” includes officers or personnel of the Company who are members of the core management team of the Company excluding the Directors and normally comprising of all the members of management one level below the Chief Executive Officer/ Managing Director/Whole-time Director/Manager (including the Chief Executive Officer/ Manager). The Chief Financial Officer and Company Secretary are specifically included in this definition of Senior Management.

**GENERAL POLICY STATEMENT:**

The role of the Committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Recommend to the Board the extension of the appointment of the independent Directors based on their performance evaluation
6. Recommend to the Board all remuneration, in whatever form, payable to Senior Management. The Nomination and Remuneration Committee shall ensure that—

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and other employees of the quality required to run the company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

Provided that such policy shall be disclosed on the website of the Company and the salient features of the policy and changes therein, if any, along with the web address of the policy, shall be disclosed in the Board's report.

The Nomination and Remuneration Policy of the Company is performance driven and is structured to motivate directors and employees, recognize their merits and achievements and promote excellence in their performance. Individual performance pay is determined by business performance and the performance of the individuals is measured through the annual appraisal process. Through compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce that will ensure the long term sustainability of the Company and create a competitive advantage in the development field.

The remuneration of the Board members and the Senior Executives is based on the Company's size and global presence, its economic and financial position, industrial trends, compensation paid by the peer companies etc. Compensation reflects the Board members and executives responsibility and performance.

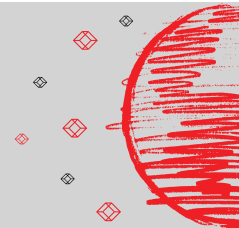
#### **TERMS OF REFERENCE OF THE COMMITTEE:**

- i. To identify persons who are qualified to become directors and who may be appointed in senior management level in accordance with the criteria laid down in **Schedule I** of this policy.
- ii. To recommend to the Board, appointment and removal of the directors and evaluation of every director's performance as laid down in **Schedule I** of this policy.
- iii. To formulate the criteria for determining qualifications and positive attributes of the Directors.
- iv. To deal with the matters relating to the remuneration payable to Whole time Directors, Key Managerial Personnel and Senior Management Executives and commission, if any, to be paid to Non-Executive directors, apart from sitting fees.
- v. To review the overall compensation policy, service agreement and other employment conditions of Whole time Directors, Key Managerial Personnel and Senior Management Executives which include the employees designated as Vice-President and above (normally include the first layer of management below the Board level).
- vi. To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

#### **THE LEVEL AND COMPONENTS OF REMUNERATION**

##### **Remuneration of Whole-time Directors, Key Managerial Personnel and Senior Executives of the Company: Role and Type of Remuneration:**

The Company recognizes the competitive nature of the current professionally/ academically qualified work force and this requires to the Company to provide competitive remuneration offering to directors and employees to ensure that



a high caliber of staff is attracted to the Company and retained. The Company further acknowledges that it can only excel in service delivery through the exceptional performance of its people and that the remuneration offering to the directors and employees plays a substantial motivational role when exceptional performance is compensated with exceptional rewards.

The Remuneration of Whole time Directors, Key Managerial Personnel and Senior Executives of the Company are decided based on criteria stated in Schedule I of this policy and as per the recommendation of the Committee. The Company will pay remuneration to Whole time Directors, Key Managerial Personnel and Senior Executives by way of salary, retirement benefits perquisites, allowances (fixed component), incentives and commission (variable component) based on the recommendation of the Committee and approval of the Board of Directors and shareholders, if applicable.

**Fixed Component of Remuneration:**

Whole Time Directors and Employees are receiving fixed component of their Total package on a monthly basis. The total package includes in it guaranteed benefits such as employer's contribution to retirement funds i.e. provident fund and/or pension & gratuity and/ or medical aid funds and/or group life insurance fund contribution etc. as applicable.

**Variable Component of Remuneration:**

Annual performance linked incentive / increment for exceptional performance above the accepted standard and is variable. These rewards are based on individual, departmental or Company' performance relative to predefined targets. Performance is measured over a year's period.

The remuneration policy should accordingly be considered in the greater human resource context.

The Committee shall consult the Chairman and/or Managing Director about their proposals relating to the remuneration of other Whole time Directors, Key Managerial Personnel and Senior Executives.

**Remuneration of Executive Directors:**

For deciding remuneration of the Executive Directors, the Committee shall consider the performance of the Company, the current trends in the industry, their experience, past performance and other relevant factors. The Committee shall regularly keep track of the market trends in terms of compensation levels and practices in relevant industries.

**Remuneration of Non-Executive Directors:**

Non-Executive Directors are paid remuneration by way of sitting fees. The Company pays a sitting fee per meeting of the Board and the Committee (as may be decided from time to time) to the Non-Executive Directors for attending the meetings within the limit prescribed under the Act.

The remuneration by way of Annual Commission to the Non-Executive Directors shall be decided by the Board of Directors and will be paid to them based on their participation and contribution at the Board/Committee meetings and the time spent on matters other than at meetings.

An Independent director may receive remuneration by way fees provided under sub-section (5) of Section 197 of the Act, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members of the Company.

The Company shall disclose in the Board's report, the ratio of the remuneration of each director to the median employee's remuneration and such other details as may be prescribed under the Act.

Where any insurance is taken by a company on behalf of its managing director, whole-time director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel:

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **COST MANAGEMENT**

The objective of remuneration cost management is the importance of the directors and employee's role, thereby reflecting their relative worth to the Company. Cost management does not necessarily imply a reduction of overall salary and bill but rather the correct allocation thereof. The Finance and Budget Department in conjunction with Human Resource Department should manage remuneration cost within budgetary constraints, while ensuring the remuneration levels of competent, exceptional performers and key employees are positioned competitively against the market.

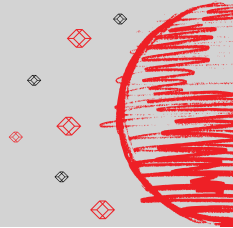
As per Provisions of sub-section (9) of Section 197 of the Companies Act, 2013, if any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without the approval of shareholders or requisite authorities, wherever applicable, he shall refund such sums to the company within 2 years or such a lesser period as may be determined by the Company and until such sum is refunded, hold it in trust for the company. The Company shall not waive the recovery of any sum refundable to it, unless such waiver is approved by the shareholders by special resolution within two years from the date the sum becomes refundable.

The Board of Directors of the Company has power to reconstitute the Committee as and when think fit so or as may be required under the law.

### **SCHEDULE I**

#### **Criteria for appointment and performance evaluation – related remuneration for Directors/Key Managerial Personnel and Senior Executives of the Company.**

- At the time of selection of a Director the Company must examine the integrity of the person and possession of relevant expertise, qualifications and experience.
- In case of appointment of Independent Director, the Company must observe the pecuniary relationship with the promoters and group companies.
- The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate directors/executives to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Financial and operating performance vis-à-vis the Annual and Operating Budget of the Company.
- Remuneration of directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.



- External Competitiveness: The quantum and nature of the total offering to directors and employees determines how competitive the Company is in recruiting and retaining them. The appropriate mix of guaranteed benefits and incentives further enhances the Company's ability to motivate them in a manner that will improve the Company's competitiveness.
- The size and complexity of a position is determined through a valid job evaluation system and individual performance is measured through the established and approved Performance Management System.
- Remuneration recognizes and rewards both high levels of competence and superior performance through the use of incentive bonuses linked to performance.
- Remuneration incentives should be compatible with risk policies and systems, if any.
- The committee shall consider the consequences and associates costs to the Company if basic salary increases and any other changes, whenever required.



## ANNEXURE V TO DIRECTORS' REPORT

### Particulars of employees as per Rule 5 (1) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

#### Ratio and Relationships

1. Ratio of the remuneration to each Director to the median remuneration of the employees of the Company for the financial year:

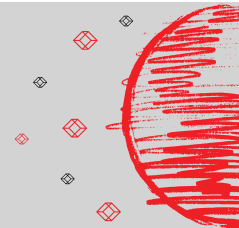
Name and Designation of the Director	Ratio of the remuneration to the median remuneration of the employees
Mrs. Mahua Mukherjee, Executive Director	10.61:1
Mr. Sujay R. Sheth, Independent Director	1.57 : 1
Mr. Dilip Thakkar, Independent Director	1.29 : 1
Ms. Neha Nagpal, Independent Director	0.60: 1

Notes:

- Median remuneration of the employees of the Company for the FY2022 was ₹10.82 Lacs.
  - Directors other than those mentioned above, did not receive any remuneration from the Company during the FY2022.
  - Independent Director's remuneration comprises of the sitting fees paid for attending the meetings of the Company.
2. Percentage increase in remuneration of each Director, CFO and CS during the year:

Name and Designation of the Director/KMP	% increase/(decrease) in remuneration
Mr. Sujay R. Sheth, Independent Director	NA
Mr. Dilip Thakkar, Independent Director	NA
Mr. Anshuman Ruia, Executive Director	NIL
Mr. Naresh Kothari, Non-Executive Director	NA
Mrs. Mahua Mukherjee, Executive Director	8.00
Ms. Neha Nagpal, Independent Director	NA
Mr. Sanjeev Verma, Whole-time Director	NIL
Mr. Deepak Kumar Bansal, Executive Director and CFO	NIL
Mr. Aditya Goswami, Company Secretary & Compliance Officer	35.00

Note: Non-Executive Director do not receive any remuneration. Independent Directors receive only sitting fee for attending meetings of the Board and its Committees.



3. % increase in median remuneration of the employees for the year: **5.5%**
4. Average percentile increase already made in the salary of employees during FY2021 in comparison with the percentile increase in the remuneration of MD/WTD/Manager/other Directors, alongwith justification:

The remuneration increase has been linked to the Company performance and market trends. The approach for salary increment during the pandemic period has been to recognize effort of employees in achievement of business continuity in the challenging times. The average increase in the remuneration of individual employee is guided by factors like performance, criticality of skills, retention and new / emerging business groups.

5. Total permanent employees on the rolls of Black Box Limited (Formerly known as AGC Networks Limited), India as on March 31, 2022: **405**
6. Information as per Rule 5 (2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Top 10 employees in terms of remuneration drawn during the year:

Sr. No.	Name	Designation	Remuneration received (₹ in Crores)	Qualification & Experience	Date of Commencement	Age (Years)	The last employment held by such employee before joining the Company
1	Jayantha Prabhu	Business Head - India & SAARC	1.43	MBA (ITM), 28 Years	15.01.1999	49	Essar Services India Pvt. Ltd.
2	Bhavin Barbhaya	Vice President - DC & Edge IT	0.81	BE (Electronics), 25 Years	02.11.2017	48	Sify Technologies Ltd.
3	Jagdeesh Mhalgi	Vice President - Service Delivery	0.81	BE (Electrical), 33 Years	16.07.2014	54	Servion Global Solution Ltd.
4	Abhinav Sharma	Vice President & Head - Sales (India & SAARC)	0.80	PGDBM, 26 Years	21.02.2011	50	CS Infocomm Pvt. Ltd.
5	Sanjeev Kumar Gupta	Vice President & Head - Finance (India & MEA Business)	0.65	CA, 25 Years	07.05.2019	54	Arya Iron & Steel Co.
6	Rajat Varma	Vice President - West Region	0.62	BE (Mechanical), 24 Years	04.04.2016	47	Passionkart Services Private Limited
7	Rohit Himatsingka	SVP - Corporate Development & Strategy	0.64	CA, 17 Years	01.04.2018	40	Essar Services India Pvt. Ltd.

Sr. No.	Name	Designation	Remuneration received (₹ in Crores)	Qualification & Experience	Date of Commencement	Age (Years)	The last employment held by such employee before joining the Company
8	Prasad Subramaniam	Vice President - Finance & Corporate Controller	0.50	ICWA, B.Com, 34 Years	01.02.1994	56	Gujarat Steel Tubes Limited
9	Ajaykumar Chincholi	Associate Vice President - Service Delivery Support	0.49	B.E Electronics & Communication Engg., 33 Years	13.03.1989	56	ISRO Satellite
10	Suresh Subramaniam	Vice President - South Region	0.48	PGDBA, Diploma (Mechanical), 29 Years	11.07.2018	49	Sify Technologies Ltd.

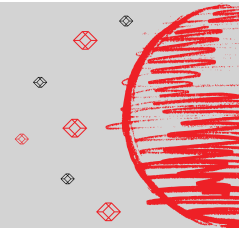
B. Employed for part of the year with an average salary above ₹8.5 lakhs per month: **None**

**Affirmation:**

The remuneration paid by the Company to its employees including members of the Senior Managements, MD/WTD/ Manager and other Directors, if any, is in accordance with the Remuneration Policy adopted by the Company.

**Notes:**

Employees mentioned above are neither relatives of any Directors, nor hold 2% or more of the Paid-up Equity Shares Capital of the Company as per Clause (iii) of sub-rule (2) of Rule of 5 of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014.



## ANNEXURE VI TO DIRECTORS' REPORT

### DISCLOSURE RELATING TO RESEARCH AND DEVELOPMENT (R&D) & TECHNOLOGY ABSORPTION

#### RESEARCH & DEVELOPMENT:

1. Specific areas in which Development carried out by the Company: None
2. Benefits derived as a result: NA
3. Future Plan on Development: NA
4. Expenditure on Development (₹ in Crores)
  - a. Capital: NIL
  - b. Recurring: NIL
  - c. % to Revenue: NIL

**Total (a+b): NIL**

#### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief, made towards, technology absorption, adaptation and innovation: None
2. Benefits derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution, etc.: None
3.
  - (i) Technology Imported : None
  - (ii) Year of Import : N.A.
  - (iii) Has technology been fully absorbed : N.A.
  - (iv) If not fully absorbed, areas where this has not taken place, reasons thereof & future plan : N.A.

# ANNEXURE VII TO DIRECTORS' REPORT

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs –

At Black Box (Formerly known AGC Networks) we believe an organisation's growth has to be in sync with social, economic growth of communities around us. This belief translates into our purpose and commitment to promote a culture of care, inclusiveness, responsibility and trust through our **CSR objective and goals**. It is an attempt in making our society inclusive by providing opportunities for economically, socially and physically disadvantaged sections through programs around education and healthcare.

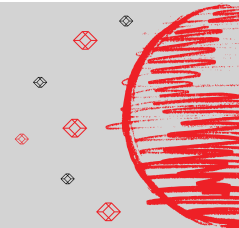
2. The Composition of the CSR Committee –

Sr. No	Name of the Director	Designation	Number of meetings of CSR Committee held during FY2022	Number of meetings attended
1	Mr. Sujay R. Sheth	Independent Director (Chairperson)	1	1
2	Mr. Sanjeev Verma	Whole-time Director (Member)	1	1
3	Mrs. Mahua Mukherjee	Executive Director (Member)	1	1

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

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

3. The CSR policy of the Company, as approved by the Board is available on website of the Company at the link <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.
4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : **Not Applicable**
6. Average net profit/(loss) of the company for last 3 Financial Years (after tax): (**₹ 3.32 Crores**)
7. Prescribed CSR Expenditure (two per cent of the amount as in item 6 above): **NA due to losses during the year.**



8. Details of CSR spent during FY2022:

- a. Total amount to be spent for the Financial Year: **NIL**
- b. Total amount spent during the year: ₹ **1.98 Lacs**
- c. Amount unspent, if any: **Not Applicable**
- d. Manner in which the amount spent during the financial year is detailed below:

CSR project activity identified	Sector in which the project is covered	Projects or programs Local area or others State and District where project/ program undertaken	Amount outlay (budget) – plan or project wise (₹ In Lacs)	Amount spent on the project or programs Sub-heads (₹ In Lacs): Direct expenditure on project or programs; Overheads	Cumulative expenditure upto reporting period (₹ In Lacs)	Amount spent: Direct or through implementing agency
Job Entrepreneurship and Empowerment Training	Employability enhancement for Differently-abled individuals.	Telangana, Andhra Pradesh, Rajasthan	1.98	1.98	1.98	Direct
<b>Total</b>			<b>1.98</b>	<b>1.98</b>	<b>1.98</b>	<b>-</b>

- 9. Details of Unspent CSR amount for the preceding three financial years: **Not applicable**
- 10. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : **Not applicable**
- 11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not applicable**
- 12. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): **Not applicable**

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

**Sujay R. Sheth**  
 Chairman and Independent Director  
 DIN: 03329107

**Sanjeev Verma**  
 Whole-time Director  
 DIN: 06871685

Singapore

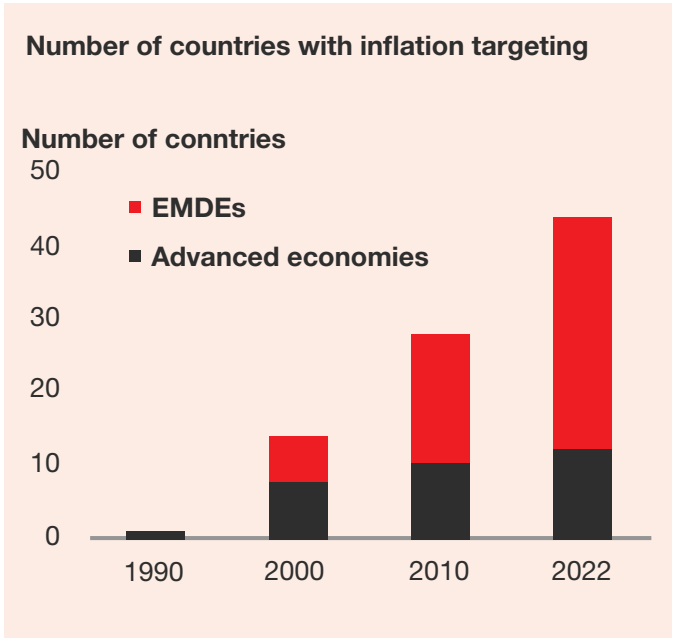
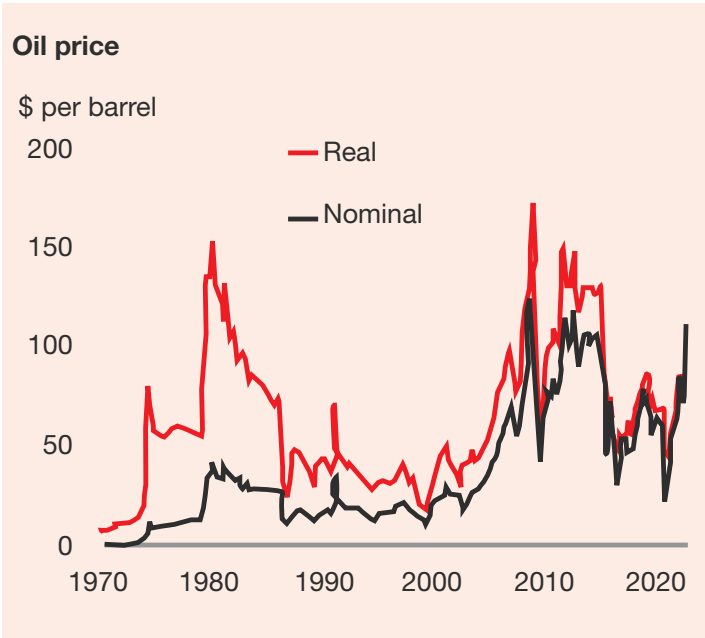
Texas, USA

# MANAGEMENT DISCUSSION AND ANALYSIS

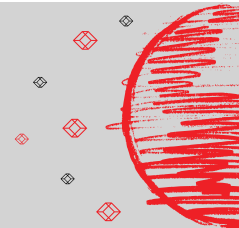
## GLOBAL ECONOMIC OUTLOOK

After its pandemic-related collapse in 2020, global growth rebounded to 5.7 percent in 2021, supported by unprecedented fiscal and monetary policy accommodation. It is now expected to slow to 2.9 percent in 2022 and 3.0 percent in 2023-24 because of the war in Ukraine, the fading of pent-up demand, and the withdrawal of policy support amid high inflation. Beyond the near-term, global growth is expected to slow further over the 2020s, reflecting a trend weakening of the fundamental drivers of growth.

In April 2022, global, advanced-economy, and Emerging Market and Developing Economy (EMDE) inflation reached multi-year highs. Meanwhile, prospects are for weakening growth. Soaring oil prices are a similarity to the stagflation in 1970s but the widespread prioritization of price stability by central banks is an important difference. The end of the stagflation of the 1970s was followed by a series of financial crises in EMDEs. Record high debt levels again make EMDEs vulnerable to the steep monetary policy tightening that might be needed to quell inflation.







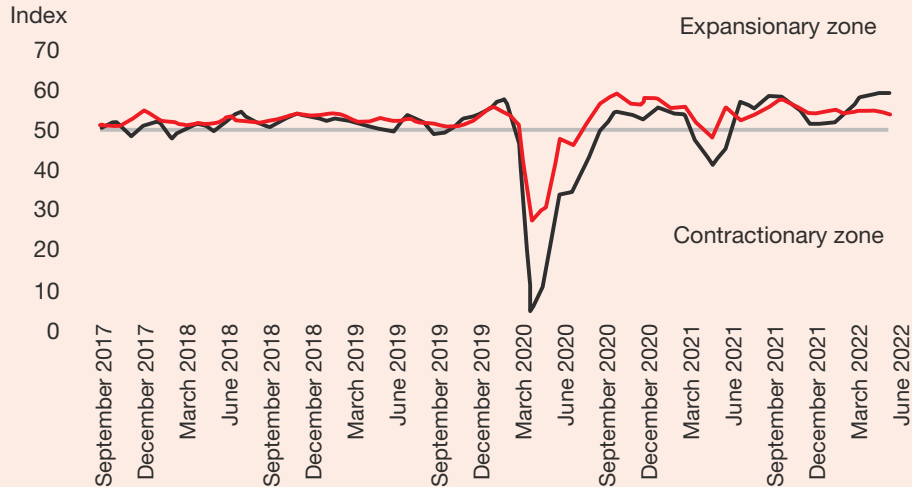
## INDIA ECONOMIC OUTLOOK

Risks are not strong enough to deny India an economic rebound given the domestic demand potential. India is expected to grow by 7.1%–7.6% in FY22–23 and 6%–6.7% in FY23–24. This will ensure that India reigns as the world’s fastest-growing economy over the next few years, driving world growth even as several major economies brace themselves for a slowdown or possibly a recession.

Inflation, like in many other countries, has been hard on Indian consumers, with low-income households getting disproportionately impacted. That said, consumer confidence is improving with the easing of mobility restrictions. There is an appetite for spending among the top 10 income percentile of the population that has not spent for more than a year and thus is onto revenge buying and traveling. The number of flights taking off and hotel reservations have enthused travel industrialists. Revival in business travels and in-person client interactions have also helped the hospitality sector. Furthermore, the number of foreign tourists visiting India almost doubled between January and April this year. While demand for services is skyrocketing as is evident from the PMI numbers that were at an 11-year high in May 2022, the industry sector is also holding up well (figure 1). Demand for electricity in the first six months of the year has been higher than in the past three years. The number of vehicles registered, meanwhile, has reached pre-pandemic levels.

**The Purchasing Managers’ Index (PMI) numbers point to strong industry and service activity**

— Industry PMI — ServicesPMI



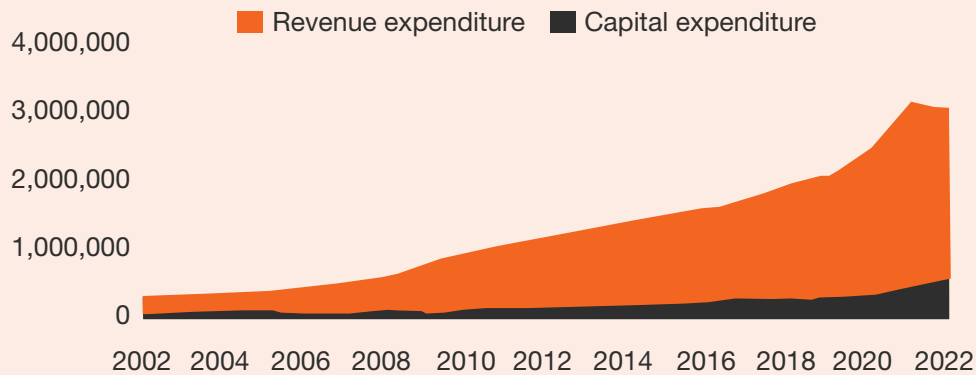
Source: The Centre for Monitoring Indian Economy

The other good news is that the government’s capital spending share is going up even as it is cutting down revenue expenses. India’s gross tax collection has beaten all expectations. The total tax collection reached INR 27.07 lakh crore (US\$356.82 billion) in FY21–22, surpassing the government’s revised target by a substantial margin. Improved economic activity and better compliance efforts in taxation have aided in better revenues. The tax buoyancy (which is a measure of growth in tax revenues compared to GDP growth), the simplified tax regime with low rates, comprehensive review and rationalization of the tariff structure, and digitization of tax filing are likely to support further capital spending in the future. Higher capital spending on infrastructure and asset-building projects is likely to boost growth multipliers in the medium term.

### The government's capital spending share is going up even as the government is cutting down revenue expenses

Components of expenditure: Center

INR crore



Source: the Centre for Monitoring Indian Economy

Source : [www2.deloitte.com/xe/en/insights/economy/asia-pacific/india-economic-outlook](http://www2.deloitte.com/xe/en/insights/economy/asia-pacific/india-economic-outlook)

### WORLDWIDE IT SPENDING

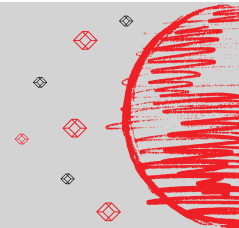
Worldwide IT spending is projected to total \$4.5 trillion in 2022, an increase of 3% from 2021. While IT spending is expected to grow in 2022, it will be at a much slower pace than 2021 due to spending cutbacks on PCs, tablets and printers by consumers, causing spending on devices to shrink 5%.

Spending on data center systems is forecast to experience the strongest growth of all segments in 2022 at 11.1%. Cloud consulting and implementation and cloud managed services are expected to grow 17.2% in 2022, from \$217 billion in 2021 to \$255 billion in 2022, helping to drive the overall IT services segment to 6.2% growth in 2022 (see Table 1).

**Table 1. Worldwide IT Spending Forecast (Million of U.S. Dollars)**

	2021 Spending	2021 Growth (%)	2022 Spending	2022 Growth (%)	2023 Spending	2023 Growth (%)
Data Center Systems	191,001	64	212,218	11.1	221,590	4.4
Software	735,869	14.7	806,800	96	902,182	11.8
Devices	808,580	16.0	767,872	-5.0	790,888	3.0
IT Services	1,207,966	12.8	1,283,192	6.2	1,389,169	8.3
Communications Services	1,458,527	3.8	1,464,551	0.4	1,505,733	2.8
<b>Overall IT</b>	<b>4,401,944</b>	<b>10.2</b>	<b>4,534,63</b>	<b>3.0</b>	<b>4,809,561</b>	<b>6.1</b>
Source: Gartner	(July 2022)					

Source: Gartner (July 2022)

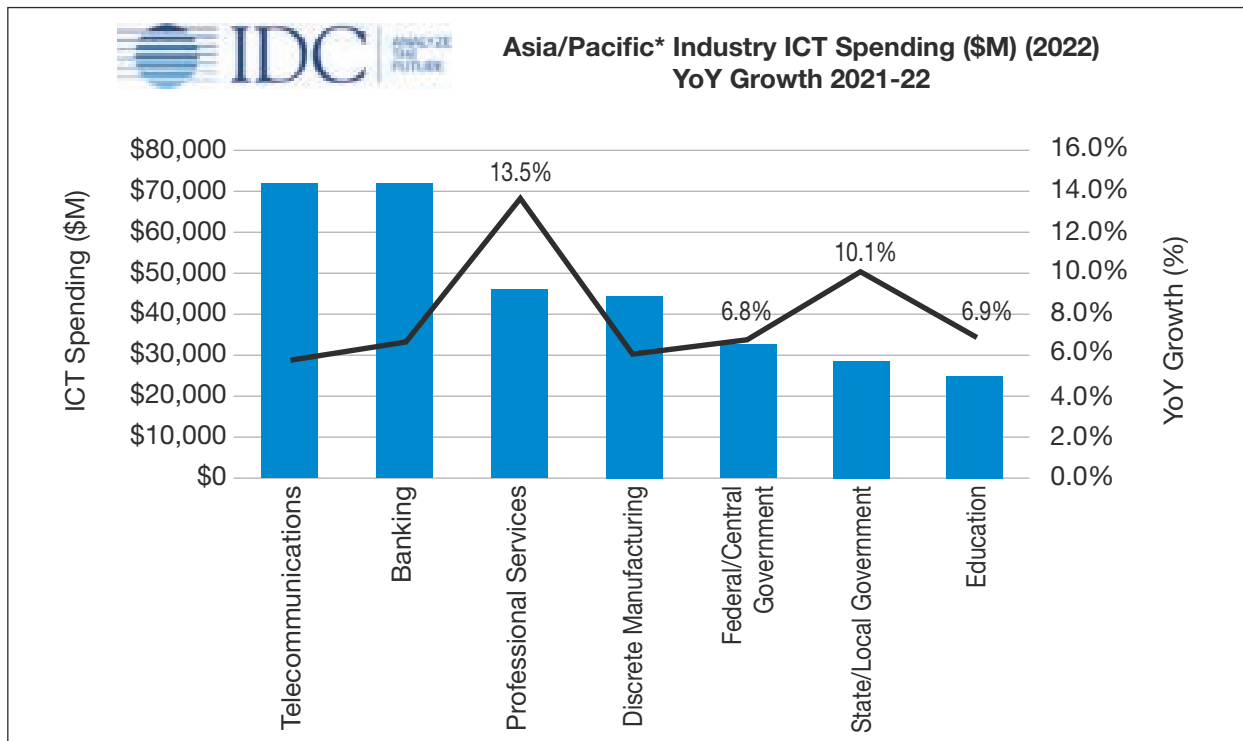


**APAC ICT SPENDING**

IDC research report said ICT spending in Asia Pacific will grow by over 5 percent to \$1.04 trillion in 2022 and expected to reach \$1.21 trillion by 2025 with a compounded annual growth (CAGR) of 5.6 percent by the end of 2025. Focus towards customer engagement and retention are key areas which will improve organization’s future.

As per a recent IDC survey, most respondents across the region feel that uncertainties due to COVID-19 or supply chain disruptions will not impact the economy in 2023. However, changing environmental regulations and cybersecurity threats will play an increasing role in organizations’ technology investment plans.

The geopolitical situation in Europe may act as a dampener in the region’s economic growth. Enterprise are following inflationary trends and will adapt their technology budgets accordingly



**UNIFIED COMMUNICATIONS AS A SERVICE (UCAAS) MARKET**

The global United Communications as a Service market is expected to grow from \$30.25 billion in 2021 to \$35.29 billion in 2022 at a compound annual growth rate (CAGR) of 16.67%. The change in growth trend is mainly due to companies’ stabilising their output after catering to the demand that grew exponentially during the COVID-19 pandemic in 2020. The market is expected to reach \$65.22 billion in 2026 at a CAGR of 16.611%.

The different unified communication as a service verticals include banking, financial services and insurance, IT and telecommunications, IT-enabled services, education, retail and consumer goods, government and defense, healthcare and other verticals.

North America was the largest region in the unified communication as a service market in 2021. Asia-Pacific is expected to be the fastest-growing region in the forecast period.

The rising demand for BYOD (bring your own device) and mobility is expected to propel the growth of the unified communication as a service market. This allows to use one's personally owned device, rather than using an officially provided device by an organization, offering greater productivity gains, cost saving and employee satisfaction.

Source : [www.finance.yahoo.com/news/unified-communication-ucaas-global-market-103500901.html](http://www.finance.yahoo.com/news/unified-communication-ucaas-global-market-103500901.html)

### **GLOBAL DATA CENTERS MARKET**

The global data center market size was estimated at \$220.0 billion in 2021, globally. This market number is expected to increase with a CAGR of 5.1%, to reach \$343.6 billion in 2030. The exponential increase in data is the major factor that contributes to the growth of the market. In the recent past, the use of social media platforms has exploded, causing the construction of new centers to store the gathered information.

There are several government initiatives that are playing a crucial role in the growth of the market. For instance:

In July 2021, the U.K. government announced proposals to boost competition in the digital sector. The proposal promotes the country's technological sector as well as consumer protection.

In February 2021, the Malaysian government announced plans to spend up to RM 56 billion on infrastructure, for faster and wider internet connectivity, under a 10-year plan aimed at developing the country's digital economy.

In September 2020, the Ministry of Electronics and Information Technology of India announced that it is working to enhance the contribution of the digital economy to 20% of the GDP in the next five years.

The North American data center market was the largest contributor, with over 40% of the market share, in the year 2021. Additionally, the region will grow with a CAGR of approximately 3%. The U.S. has over 2,600 such centers, many of these in northern California, where many IT firms, such as Google, Facebook, Uber, Twitter, and Yelp, are headquartered.

Source : [www.psmarketresearch.com/market-analysis/data-center-market](http://www.psmarketresearch.com/market-analysis/data-center-market)

### **GLOBAL CYBER SECURITY MARKET**

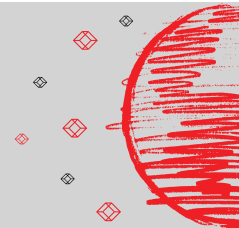
The global cyber security market size was valued at \$197.36 billion in 2020, and is projected to reach \$478.68 billion by 2030, growing at a CAGR of 9.5% from 2021 to 2030.

Post COVID-19 emergence, cyber security software segment led the global cyber security market owing to the need for safeguarding business data and prevent loss from cyber-attacks, demand for strong authentication methods specially after rapid adoption of remote working technology, post COVID-19.

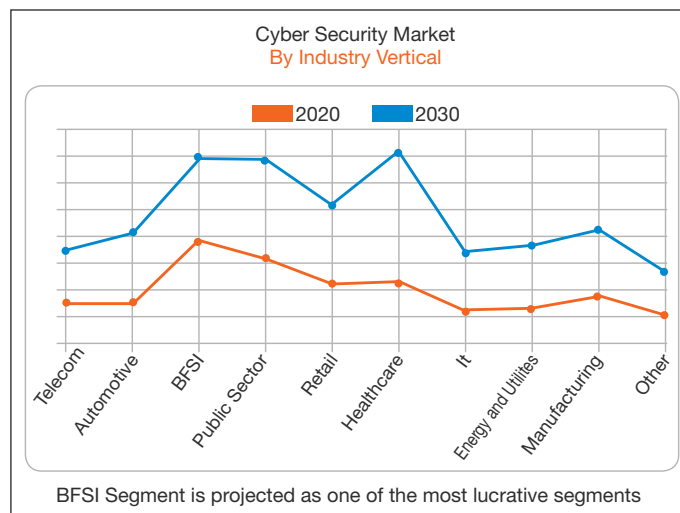
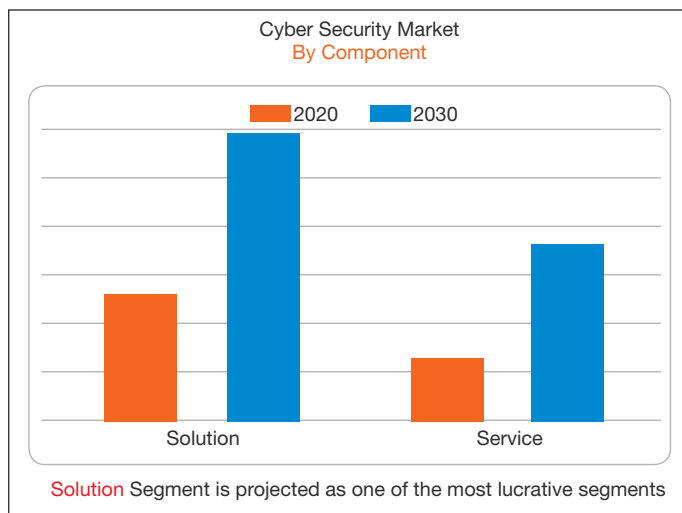
Rise in malware and phishing threats among enterprises and increase in adoption of IoT and BYOD trend are boosting the growth of the cyber security market. In addition, surge in demand for cloud-based cyber security solutions positively impacts the growth of the market.

In terms of component, solution segment holds the largest share of the cyber security market. As a critical component of modern-day corporate IT infrastructure, software-based cyber security solutions assist organizations in controlling precise log-in network traffic roadmaps that specify what flows in and out of the network.

However, the services segment is expected to grow at the highest rate during the forecast period, owing to rise in COVID-19 pandemic which increased the demand for aiding employees working remotely to be able to access their work network more securely and conveniently.



Region wise, the cyber security market was dominated by North America in 2020 and is expected to retain its position during the forecast period. However, Asia-Pacific is expected to witness significant growth during the forecast period, owing to increase in technological investments in sectors such as cloud and digital technologies.



Due to the criticality of data created in these businesses, industries such as BFSI, healthcare, and government are particularly exposed to such assaults. As a result, an increase in the risk of malware and phishing attacks is a major element driving the cybersecurity market forward. Furthermore, during the COVID-19 pandemic, the incidence of malware attacks on major businesses' databases has increased, necessitating the need to tighten data base security, driving the worldwide cybersecurity industry.

Source : [www.alliedmarketresearch.com/cyber-security-market](http://www.alliedmarketresearch.com/cyber-security-market)

## GLOBAL AI SERVICES MARKET

Artificial Intelligence is a top emerging technology with applications across industries and implications for our society. It has been reshaping the global economy and national security. The global AI industry is thriving. In 2021, AI global funding doubled to \$66.8 billion, and a record 65 AI companies reached \$1B+ valuations, up 442% from the previous year. Each year, more and more companies and governments worldwide adopt AI solutions.

## GLOBAL IT INDUSTRY OUTLOOK

The global information technology market is expected to grow from \$8,384.32 billion in 2021 to \$9,325.69 billion in 2022 at a compound annual growth rate (CAGR) of 11.2%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$13,818.98 billion in 2026 at a CAGR of 10.3%.

Asia Pacific was the largest region in the information technology (IT) market in 2021. North America was the second largest region of the information technology market. The demand for cloud computing services is expected to drive the demand for IT services during the forecast period.

Source : [www.globenewswire.com/news-release/2022/](http://www.globenewswire.com/news-release/2022/)

## **HUMAN RESOURCES MANAGEMENT**

FY2022 saw two successive waves of COVID-19, the pandemic was still testing, and this was time for us to either take a back seat or look at this opportunity and focus on sustainable and inclusive growth. Displaying exceptional resilience in dealing with an unprecedented future, we focussed our energy in our endeavour to acquire more brands under our feather. The Company acquired Dragonfly Technologies Australia to further enhance and strengthen our presence in Australia in fields of our Cyber Security, Enterprise Networking, Automation & Consulting capabilities.

At Black Box we have always believed in building a culture of excellence, we strongly believe our people are our strength and at the centre of everything we do. Our energies are always focussed on creating a progressive workplace where every Black Box employee feels heard, included, and respected. At the end of financial year, a Global Employee Engagement Survey – ‘Every Voice Matters’ was launched to help us identify opportunities to improve employee engagement.

An organization is only as good as its people, and we are making sure we bring talented, like-minded yet diverse pool at all levels. Propelled by this recruitment philosophy, we hired talent across the organization — from early talent programs, to lateral hires, to leadership roles. One of the important dimensions, we focus on when looking for the right talent is ‘culture fit’. Whether the candidates’ beliefs, behaviours, and values align with those of our organization. This year, the company on-boarded more than 900 hires across the globe, this included fresh Graduate Engineer Trainees to build resource pool, followed by dedicated Campus to Corporate Program –“Metamorphosis”, to enable the transition of campus graduate hires into corporate life and Black Box’s organizational culture. Metamorphosis, as an ongoing program is created with the goal of empowering fresh graduates with tools for refining their personal and professional excellence.

The focus on providing our people an environment that provides challenging work assignment with ample scope to upskill continued. The Learning frameworks established to encourage skills progression and support individual career development. A program to enhance and strengthen skills of business managers - Management Development Program (MDP) was launched. This transformative learning experience consist of classroom based, online lessons, leadership discussions, and action oriented learning approach.

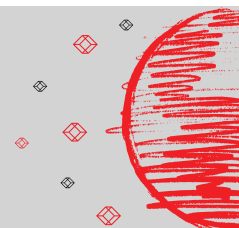
The Company has made rapid advances in Human Resource automation to streamline and increase the turnaround time and empowering the people. We exhibited a robust upward trajectory in all realms of HR to strengthen the foundations of our process and people-driven growth trajectory for FY2023 and beyond.

## **INTERNAL CONTROL SYSTEMS**

Black Box has an adequate system of internal controls to ensure that the assets are safeguarded and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

The Company engages a detailed process of internal audits, reviews by management, and documented policies, guidelines and procedures to ensure that the financial records are relevant and reliable.

The management has implemented an integrated SAP and SFDC business management system for Black Box Limited (BBL) including Black Box Corporation US, providing system-based checks and controls. This results in increased efficiency and effectiveness of Company’s internal control systems. Implementation of ERP project to have SAP for rest of the Black Box entities is currently underway and we expect to go live with SAP by end of FY2023 with integration of SFDC, Oracle and Service now. This newly implemented SAP would be integrated with overall BBL SAP to have one platform as planned for FY2023.



The Company management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Regulation 17 of SEBI LODR Regulations 2015) as on March 31, 2022.

M/s. Walker Chandio & Co LLP, the Statutory Auditors of the Company, has audited the financial statements included in this Annual Report and has issued a report on our internal control over financial reporting (as defined in Section 143 of Companies Act 2013).

The Company's internal audit systems independently oversees the operations of the organization regularly.

The top management and the Audit Committee of the Board reviews internal audit findings and recommendations. The Audit Committee is authorized by the Board to investigate any matter pertaining to the internal control and audit. The Committee also ensures compliance of internal control systems in addition to the quarterly, half-yearly and annual financial statements before submission to the Board.

### FINANCIAL PERFORMANCE (CONSOLIDATED)

An overview of the consolidated financial results for FY2021 and FY2022

₹ in Crores

Particulars	FY2022	FY2021
<b>Revenue from Operations</b>	<b>5,370.17</b>	<b>4,674.02</b>
<b>Gross Profit</b>	<b>1,549.40</b>	<b>1,497.28</b>
<b>Gross Profit Margin</b>	<b>28.85%</b>	<b>32.03%</b>
Gain on foreign currency transaction (net)	2.60	-12.76
Total Other Expenses	1,291.63	1,132.80
<b>EBITDA</b>	<b>260.37</b>	<b>351.72</b>
<b>EBITDA Margin</b>	<b>4.85%</b>	<b>7.52%</b>
Other Income	6.36	11.13
Depreciation (as per IND AS 116)	98.60	95.56
Depreciation (as per business)	48.55	32.88
<b>EBIT</b>	<b>168.13</b>	<b>267.29</b>
<b>EBIT Margin</b>	<b>3.13%</b>	<b>5.72%</b>
Finance Cost (as per IND AS 116)	73.60	97.91
Finance Cost (as per business)	56.39	85.68
Loss / (gain) on fair value of financial liability	0.00	-41.70
Gain on settlement of financial liability	13.59	0.00
Exceptional Item Gain/(Loss)	-22.14	-31.69
<b>Profit Before Tax (PBT)</b>	<b>85.98</b>	<b>95.99</b>
<b>PBT Margin</b>	<b>1.60%</b>	<b>2.05%</b>
Tax	13.26	17.90
<b>Profit After Tax (PAT)</b>	<b>72.72</b>	<b>78.09</b>
<b>PAT Margin</b>	<b>1.35%</b>	<b>1.67%</b>
<b>Basic EPS</b>	<b>4.45</b>	<b>5.21</b>



## Consolidated Balance Sheet

₹ in Crores

Particulars	31 March 2022	31 March 2021
<b>Non-Current Assets</b>		
Property, Plant And Equipment	190.40	164.15
Right of Use Asset	194.32	145.65
Goodwill	300.35	269.18
Other Intangible Assets	47.42	43.27
Financial Assets	23.83	27.90
Deferred & Tax Assets (Net)	61.04	67.20
Other Non-Current Assets	26.11	31.37
<b>Total Non-Current Assets</b>	<b>843.47</b>	<b>748.72</b>
<b>Current Assets</b>		
Inventories	225.94	148.75
Trade Receivables	374.21	239.76
Cash and Cash Equivalents	311.25	410.29
Financial Assets	604.40	532.85
Other Current Assets	290.92	222.74
<b>Sub-Total - Current Assets</b>	<b>1,806.72</b>	<b>1,554.39</b>
<b>Total - Assets</b>	<b>2,650.19</b>	<b>2,303.11</b>

₹ in Crores

Particulars	31 March 2022	31 March 2021
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	32.81	32.53
Other Equity	227.59	174.17
<b>Total Equity</b>	<b>260.40</b>	<b>206.70</b>
<b>Non-Current Liabilities</b>		
Borrowing	228.92	119.39
Lease Liabilities	116.45	94.18
Other Financial Liabilities	10.31	86.57
Other Non Current Liabilities	51.16	24.75
Provisions	69.86	77.72
<b>Sub-Total - Non-Current Liabilities</b>	<b>476.70</b>	<b>402.61</b>

₹ in Crores

Particulars	31 March 2022	31 March 2021
<b>Current Liabilities</b>		
Borrowing	44.91	56.81
Trade Payables	897.95	515.61
Lease Liabilities	90.38	57.77
<b>Other Financial Liabilities</b>	<b>287.54</b>	<b>373.33</b>
<b>Other Current Liabilities</b>	<b>521.88</b>	<b>563.57</b>
Provisions	64.32	58.56
Income Tax Liabilities	6.11	68.15
<b>Sub-Total - Current Liabilities</b>	<b>1,913.09</b>	<b>1,693.80</b>
<b>Total - Equity And Liabilities</b>	<b>2,650.19</b>	<b>2,303.11</b>

#### Revenue by Geography

Particulars	FY2022	FY2021
India	7%	6%
Europe	8%	9%
MEA	3%	4%
APAC	6%	9%
Latin America	1%	1%
North America	75%	71%

#### Revenue by Industry

Particulars	FY2022	FY2021
Financial Services	22%	26%
Business Services	11%	9%
Healthcare	13%	13%
Distributors	8%	8%
Manufacturing	5%	6%
Technology	16%	10%
Retail	7%	6%
Others	18%	22%

#### Segment Revenue

₹ in Crores

Business Segments	FY2022	FY2021
System Integration	4,426.93	3,878.66
Technology Product Solution	839.31	728.85
Consulting	103.93	66.51
<b>Total</b>	<b>5,370.17</b>	<b>4,674.02</b>

Offerings under the System Integration include Unified Communication, Data Center & Edge IT, Cyber Security, Digital Solutions & Applications and Seamless Customer Support and managed services.

Offerings under the Technology Product Solution include IT infrastructure, specialty networking, multimedia and keyboard/video/mouse (“KVM”) switching.

Consulting business is related to providing consulting services for performance improvement and customer experience.

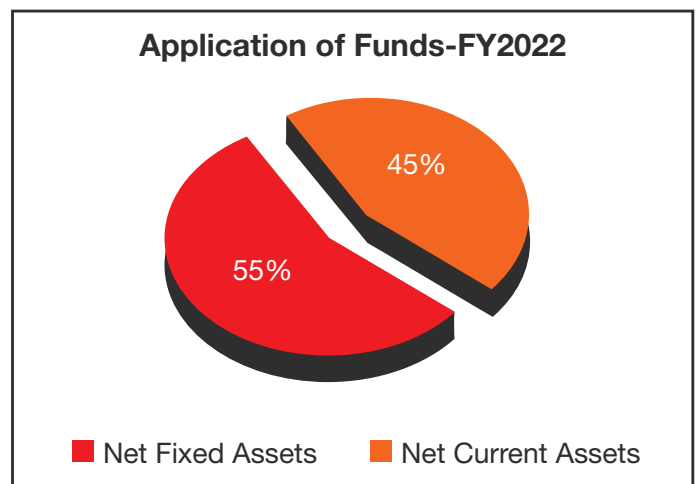
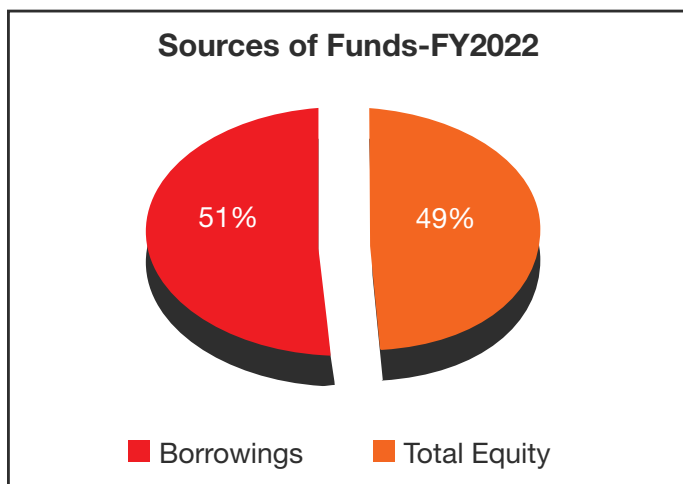
**SHARE CAPITAL**

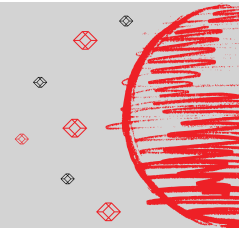
As on March 31, 2022, the Issued, Subscribed and Paid-up Equity Share Capital of the Company was ₹ 32,81,28,540/- divided into 3,28,12,854 Equity Shares of ₹ 10/- (Rupees Ten only) each. The Company has not issued any other class of shares.

Subsequently, the Equity shares of ₹10/- (Rupees Ten only) each of the Company were sub-divided into Equity Shares of ₹2/- (Rupees Two Only) each pursuant to approval of Shareholders by way of Special Resolution passed through Postal Ballot on April 20, 2022.

**OTHER EQUITY**

Total Other Equity stands at ₹ 227.59 Crores which mainly includes Capital Reserve of ₹ 38.04 Crores, Securities Premium Reserves of ₹ 223.11 Crores, General Reserves of ₹ 100.59 Crores, accumulated losses of ₹ 134.88 Crores as at March 31, 2022.

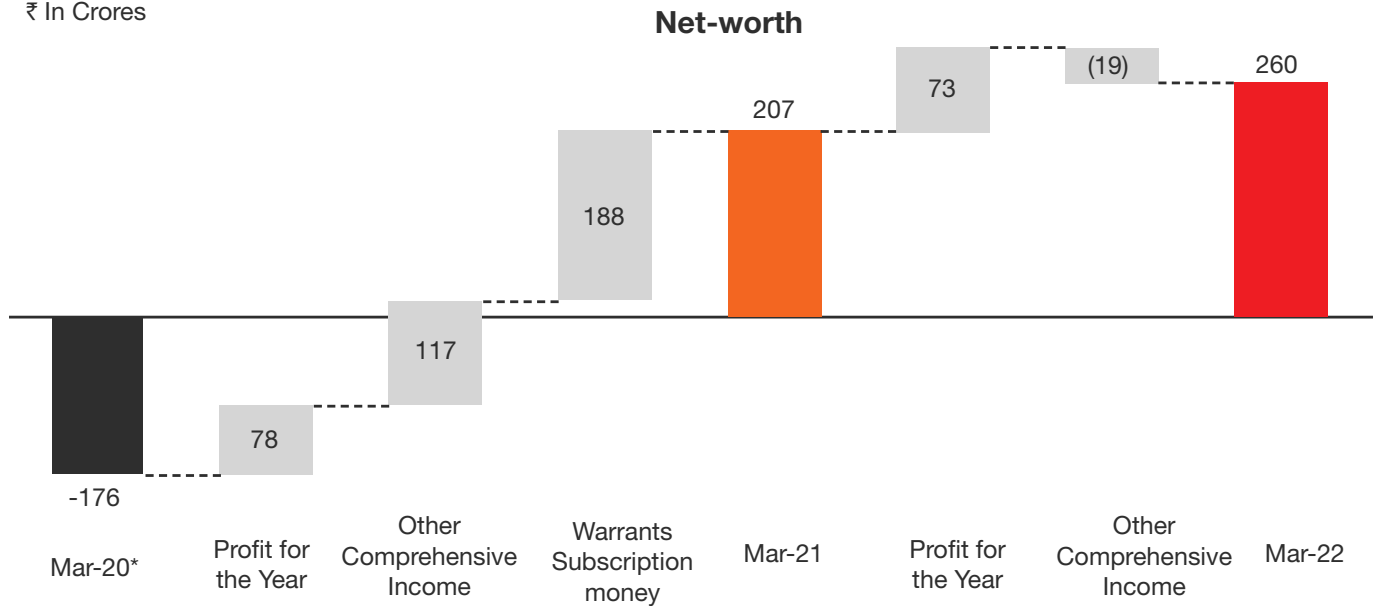




## NET WORTH

An overview of the Net Worth movement of the consolidated financial statement from FY2020 to FY2022

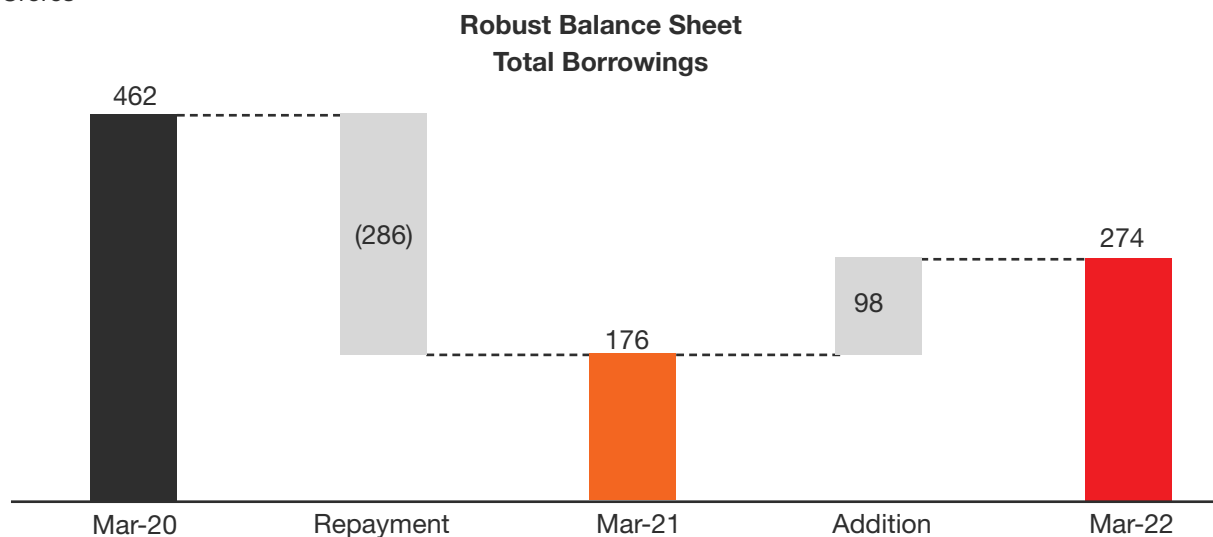
₹ In Crores



## BORROWINGS

Additional debt drawn in FY2022 to fulfil working capital requirements to augment growth.

₹ In Crores



## FIXED ASSETS

The fixed assets (net block including PPE and intangible) is at ₹ 237.82 Crores as on March 31, 2022. The total Goodwill stands at ₹ 300.35 Crores. In addition, during the current year ended March 31, 2022, the Company has Right of use assets for ₹ 194.32 Crores.

## OPERATING RESULTS

On Consolidated basis, the Company for the year ended March 31, 2022, recorded gross turnover of ₹ 5,370.17 Crores as against ₹ 4,674.02 Crores for the period ended March 31, 2021 registering growth of 14.9% over previous year, primarily attributed to healthy order book reflected in new customer booking this year and strong execution capabilities.

On Consolidated basis, the Company has incurred a net profit of ₹ 72.72 Crores for FY2022 against a net profit of ₹ 78.09 Crores for the FY2021.

On Consolidated basis, Gross Margin has reduced from 32.0% in FY2021 to 28.9% in FY2022 which is mainly attributable to inflationary pressure on overall manpower cost including contingent workforce, increase in procurement cost due to supply chain challenges and higher freight costs.

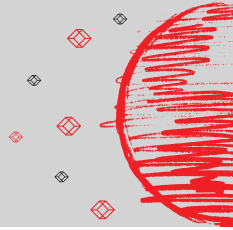
Finance Cost stood at ₹ 73.60 Crore for the FY2022 as against ₹ 97.91 Crores in the previous year.

## KEY RATIOS

Particulars	Consolidated		% Change
	FY2022	FY2021	
Revenue from Operations	5,370.17	4,674.02	14.9%
EBITDA	4.9%	7.5%	-2.7%
Operating Profit Margin	3.0%	4.2%	-1.2%
Net Profit Margin before exceptional item	1.5%	3.2%	-1.7%
Return on Net Worth	28.0%	37.8%	-9.9%
Return on Net worth (Excluding re-measurement of defined benefit obligation)	27.3%	37.2%	-9.9%
Interest Coverage Ratio	2.17	1.98	9.5%
Debtors Turnover	4.37	3.89	12.4%
Inventory Turnover	2.34	2.70	-13.2%
Current Ratio	0.95	0.92	2.9%
Debt Equity Ratio	1.05	0.85	23.7%
Debt Equity Ratio (Excluding re-measurement of defined benefit obligation)	1.03	0.84	22.3%

### Details/reasons of significant changes:

On a Consolidated basis, EBITDA has reduced by 2.7% mainly on account of inflationary pressure on overall manpower cost including contingent workforce, increase in procurement cost due to supply chain challenges and higher freight costs.



**CAUTIONARY STATEMENT**

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, risk inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

# CORPORATE GOVERNANCE REPORT

Corporate Governance is a systematic process having strong foundation by which Corporates are directed and controlled to enhance their wealth-generating capacity. It provides the structure through which corporations set and pursue their objectives while reflecting the context of the social, regulatory and market environment. Governance is a mechanism for monitoring the actions, policies and decisions of corporations. Governance involves the alignment of interests among the stakeholders. Corporate governance is the system of structures, rights, duties and obligations by which corporations are directed and controlled, keeping in mind long-term interest of stakeholders which encourages and moves a viable and accessible financial reporting structure and enables a transparent system. The governance structure specifies the distribution of rights and responsibilities among different participants in the corporation such as the board of directors, employees, shareholders, creditors, auditors, regulators and other stakeholders and specifies the rules and procedures for making decisions in corporate affairs.

We, at Black Box, are driven by the six major characteristics of Corporate Governance which are Transparency, Independence, Accountability, Responsibility, Fairness and Social Responsibility.

## **CORPORATE GOVERNANCE AT BLACK BOX**

The Company's philosophy of Corporate Governance is aimed at maximizing the shareholders' value and protection of the interest of other stakeholders. The Company aims to achieve this through proper & full disclosure of material facts and achievement of the highest levels of transparency, accountability and equity in all facets of its operations.

Over the years we have strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account before making any business decision. We believe, Corporate Governance is not just a destination but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations" or "LODR Regulations", as applicable, with regard to Corporate Governance.

## **BOARD OF DIRECTORS**

As on March 31, 2022, the Board of Directors of the Company ("the Board") consists of Eight (8) members comprising of Three (3) Independent Directors of which One (1) is a Woman Director; Four (4) Executive Directors of which One (1) is a Woman Director and One (1) Non-Executive Non-Independent Director. The composition of the Board is in conformity with Regulation 17 of the Regulations read with Section 149 of the Companies Act, 2013 ("the Act"). In addition to its primary role of monitoring corporate performance, the functions of the Board also include:

1. Approving Corporate Philosophy and Mission
2. Participating in the formulation of Strategic Business Plans
3. Reviewing and Approving Financial Plans and Budgets
4. Monitoring and Reviewing Corporate Performance vis-à-vis the Business Plans
5. Ensuring compliance of laws and regulations





The required details related to the Board as on March 31, 2022 are listed below:

Name and DIN of Director	Designation and Category	Directorship in other Companies	Name of the other companies in which directorship held (including category of Directorship)	Chairmanship in Committees of Boards of other companies	Membership in Committees of Boards of other companies
Mr. Sujay R. Sheth DIN: 03329107	Chairperson-Independent Director	1	Black Rose Industries Limited (Independent Director)	1	2
Mr. Sanjeev Verma DIN: 06871685	Whole-time Director	None	-	-	-
Mr. Dilip Thakkar DIN: 00007339	Independent Director	10	Premier Limited (Independent Director)	-	-
			Poddar Housing and Development Limited (Non-Executive Director)	-	-
			Indo Count Industries Limited (Independent Director)	-	1
			Walchandnagar Industries Limited (Independent Director)	1	3
			Hamlet Constructions (India) Private Limited (Independent Director)	-	-
			Windmere Hospitality (India) Private Limited (Independent Director)	-	-
			Starrock Investments and Trading Private Limited (Independent Director)	-	-
			Rajsvi Properties and Holdings Private Limited (Independent Director)	-	-
			Universal Trustees Private Limited (Independent Director)	-	-
			Essar Ports Limited (Independent Director)	1	2
Mrs. Mahua Mukherjee DIN: 08107320	Executive Director	1	Black Box Network Services India Private Limited (Executive Director)	-	-

Name and DIN of Director	Designation and Category	Directorship in other Companies	Name of the other companies in which directorship held (including category of Directorship)	Chairmanship in Committees of Boards of other companies	Membership in Committees of Boards of other companies
Mr. Naresh Kothari DIN: 00012523	Non-Executive Director	4	B L Kashyap and Sons Limited (Non-Executive Director)	-	2
			Soul Space Projects Limited (Non-Executive Director)	-	-
			Alpha Alternatives Holdings Private Limited (Executive Director)	-	-
			Provincial Finance and Leasing Co Private Limited (Executive Director)	-	-
Mr. Deepak Kumar Bansal DIN: 07495199	Executive Director	1	Fed On-Demand Technology Private Limited (Non-Executive Director)	-	-
Ms. Neha Nagpal DIN: 08842400	Independent Director	2	Fliplearn Education Private Limited (Non-Executive Director)*	-	-
			Skillcation Private Limited (Non-Executive Director)	-	-
Mr. Anshuman Ruia DIN: 00008501	Executive Director	2	Essar Sapphire Holding Limited (Non - Executive Director)	-	-
			Essar Ports Holdco Limited (Non - Executive Director)	-	-

\*Ms. Neha Nagpal ceased to be the Director of Fliplearn Education Private Limited w.e.f. from June 14, 2022

The above information is presented as per the latest disclosures submitted by the Directors. Further, none of the Directors of the Company are related inter-se.

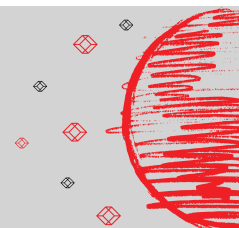
#### Certificate by Practicing Company Secretary

In accordance with the applicable provisions of Regulation 34(3) of the Regulations read with Schedule V to the said Regulations, M/s. S. K. Jain & Co., Practicing Company Secretaries, have issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a Director of any Company by Securities Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other regulatory/statutory authority. The said certificate has been attached as "Annexure A" to this Report.

#### BOARD MEETINGS

During the FY2022, 9 (Nine) Board meetings were held on the following dates:

June 10, 2021, June 29, 2021, July 31, 2021, August 14, 2021, September 20, 2021, November 14, 2021, November 17, 2021, February 10, 2022 and March 14, 2022.



The attendance of the directors at the board meetings held during the year is given below:

Name of the Director	Number of meetings held during FY2022	Number of Board meetings attended	Attended Last AGM	Shareholding in the Company as on March 31, 2022
Mr. Sujay R. Sheth	9	9	Yes	NIL
Mr. Sanjeev Verma	9	9	Yes	21,34,985 Equity Shares
Mr. Dilip Thakkar	9	9	Yes	NIL
Mrs. Mahua Mukherjee	9	8	Yes	NIL
Mr. Naresh Kothari	9	9	Yes	32,27,625 Equity Shares held beneficially
Mr. Deepak Kumar Bansal	9	7	Yes	1,17,425 – Equity Shares 34,650 Equity Shares held by relative
Ms. Neha Nagpal	9	8	Yes	NIL
Mr. Anshuman Ruia	9	6	Yes	NIL

Note: Shareholding of the Directors has been adjusted for subdivision of Equity Shares of the Company from ₹10/- to ₹2/-

#### DIRECTORS APPOINTMENT/RE-APPOINTMENT

Mr. Naresh Kothari shall retire by rotation at the ensuing 36<sup>th</sup> Annual General Meeting (“AGM”) of the Company. Further, Mr. Kothari is proposed to be re-appointed as Non-Executive Director of the Company at the said AGM, on the existing terms of appointment as approved by the Members at the 33<sup>rd</sup> AGM of the Company held on September 26, 2019.

Mr. Deepak Kumar Bansal who was appointed as Executive Director by the shareholders at the 33<sup>rd</sup> AGM held on September 26, 2019 is proposed to be re-appointed as Executive Director for a further period of 3 (Three) Years effective from September 26, 2022.

Mrs. Mahua Mukherjee was appointed as Executive Director by the shareholders of the Company at the 32<sup>nd</sup> AGM held on August 01, 2018. It is proposed to re-appoint Mrs. Mahua Mukherjee as Executive Director for a period of 3 (Three) Years w.e.f. September 1, 2022.

Mr. Sanjeev Verma has been re-appointed as Whole-Time Director of the Company with effect from February 15, 2022 through Postal Ballot approved on March 18, 2022 subject to approval of the Central Government pursuant to Part I of Schedule V of the Companies Act, 2013.

Mr. Anshuman Ruia was appointed as an Executive Directors w.e.f. September 20, 2021, by the shareholders of the Company at the 35<sup>th</sup> AGM held on October 27, 2021.

The requisite details with regards to the proposed appointment(s)/re-appointment(s) as applicable, have been provided in the notice of the forthcoming AGM of the Company.

#### INDEPENDENT DIRECTORS

At present, the Board of the Company consists of 3 (Three) Independent Directors, 1 (One) of which is a Woman Director and the strength of Independent Directors on the Board is 37.5% which is in conformity with the requirements of Regulation 17 of the LODR Regulations. All the Independent Directors of the Company have submitted declarations stating that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b)

of the LODR Regulations and that they are not aware of any circumstance/situation, which exists or may be reasonably anticipated, that could impair/impact their ability to discharge the duties of an Independent Director with objective independent judgment or without any external influence. Based on the above declaration, the Board is of the opinion that the Independent Directors of the Company fulfill the conditions specified in these regulations and are independent of the management.

The Company's Independent Directors are required to meet at least once in every financial year without the presence of Executive Directors or management personnel. The exclusive meeting of Independent Directors was held on August 11, 2022.

The Performance Evaluation for the FY2022 was duly undertaken by the Board through questionnaire based assessment system. The Company provided the Independent Directors (as well as all other Directors of the Company) the means to review the performance of the Chairperson of the Company (taking into account the views of Executive Directors and Non-Executive Directors); the performance of the Board as a Whole (including Committees thereof); the performance of the Non-Independent Directors & assess the quantity and timeliness of flow of information between the Company's management and the Board, by way of a questionnaire based assessment mechanism. The remarks of every Director including Independent Directors as well as the outcome of the said evaluation conducted through questionnaires was placed before the Independent Director's meeting, Nomination and Remuneration Committee meeting and Board Meeting for its review and consideration, which was duly noted by them respectively.

During the year under review, there was no instance of resignation of any Independent Director of the Company.

### **FAMILIARIZATION PROGRAMS FOR BOARD MEMBERS**

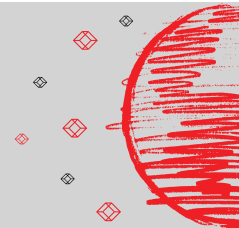
All Directors of the Company, including the Independent Directors, are provided with necessary documents/brochures, reports and internal policies to facilitate their familiarization with the procedures and practices followed by the Company. Further, periodic presentations are made at the meetings of the Board of Directors and its various Committee, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on new amendments, circulars and notifications issued by the regulatory authorities including ROC, RBI and SEBI which mandates further compliances for the Company and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Further, at the time of appointment of any Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

### **BOARD PERFORMANCE EVALUATION**

In terms of the requirement of the Act and LODR Regulations and pursuant to the corresponding relaxations granted by the relevant Regulators, the annual performance evaluation of each members of the Board, the Chairperson, the Board of Directors as a whole and the Committees thereof was undertaken.

The process of performance evaluation of each member of the Board, the Chairperson, the Board of Directors as a whole and the Committees thereof was undertaken through a questionnaire based rating assessment mechanism where the evaluators were requested to give rating for each criteria set for evaluating the performance of the Director or the Committee, the performance of which was being evaluated. The Board Evaluation process was focused around



how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was apprised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with Management. Additionally, during the evaluation process, the Board also focused on the contribution being made by the Board as a whole, individually as well as through Committees. The overall assessment of the Board was that all the directors were comfortable with the composition of the Board and the way meetings of Committee and Board are conducted and felt that all the directors can easily voice their opinions from time to time and also assessed that the Board has been functioning as a cohesive body including committee thereof which are functioning effectively as well.

### **BOARD DIVERSITY POLICY**

In compliances with the provision of the LODR Regulations, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity.

The objective of the Policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills such that it best serves the governance and strategic needs of the Company. The Board composition at present meets with the above objective.

### **KEY BOARD ATTRIBUTES, SKILLS AND EXPERTISE**

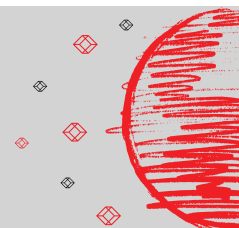
The Board of the Company comprises of qualified members who bring in requisite and diverse knowledge, skills and experience, which enables them to make effective contribution to the Board and its Committees as well as best serve the governance and strategic needs of the Company.

The below table summarizes the key attributes, skills and expertise which are taken into consideration while nominating candidate to serve on the Board of the Company:

### **DEFINITION OF DIRECTOR SKILLS/EXPERTISE**

<b>Areas of Skills/ Expertise</b>	<b>Definition of Skills/Expertise</b>	<b>Name of Director possessing Skills/Expertise</b>
Financial	Expertise to deal in complex financial market by having a deep understanding of its behavior and consequent effects on various industries. Skillsets to handle financial management, capital allocation and financial reporting process or experience in performing similar functions.	Sujay R. Sheth; Dilip Thakkar; Naresh Kothari; Sanjeev Verma and Deepak Kumar Bansal
Technology	Significant background in technology industry resulting in knowledge of how to anticipate industry trends, generate disruptive innovation and expand/create new business models.	Sanjeev Verma; Deepak Kumar Bansal and Anshuman Ruia
Leadership	Extended experience in holding leadership roles in a significant enterprise generating practical understanding of organizations, process, strategic planning and risk management. Demonstrates strengths in developing talents, planning succession and driving change and long-term growth.	Sujay R. Sheth; Dilip Thakkar; Naresh Kothari; Sanjeev Verma; Deepak Kumar Bansal; Mahua Mukherjee and Anshuman Ruia

Areas of Skills/ Expertise	Definition of Skills/Expertise	Name of Director possessing Skills/Expertise
Global Outlook	Experience in managing business activities across various GEOs resulting in better understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global opportunities.	Sanjeev Verma; Deepak Kumar Bansal; Mahua Mukherjee and Anshuman Ruia
Strategy and Expansion	Experience in leading the effort of an organisation for acquisition and other forms of corporate restructuring, ability to analyze the compatibility of the acquisition targets with the Company's strategy and culture, negotiation skills & accuracy in valuation of said transaction and ability to formulate & effectively implement integration plans post restructuring.	Sanjeev Verma; Deepak Kumar Bansal and Anshuman Ruia
Governance	Experience of service on the board of companies belonging to various industries/sectors (including public companies), to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate governance practices.	Sujay R. Sheth; Dilip Thakkar; Naresh Kothari and Sanjeev Verma
Sales & Marketing	Experience in developing sale and marketing strategies aimed at generating higher sale with better margins, increasing market share, building strong business relations with desired vendors and customer base, building brand awareness and equity as well as enhancing enterprise reputation.	Sanjeev Verma
Industry specific Expertise	Experience in managing or leading operations of an enterprise engaged providing IT Solutions Integration services; Possesses understanding of Integrated Real-Time Communications Solutions, Data Center Technology (including its networking and security requirements), Cyber Security Solutions & various IT Solutions services offered in the industry such as Remote maintenance of IT Infrastructure & applications etc. Ability to analyze the current industry trends, its implications on the Company's business and accordingly devise strategic business plans to bank on opportunities or overcome challenges presented by the industry.	Sanjeev Verma and Deepak Kumar Bansal
Legal Expertise	Possessing knowledge and understanding of varied industry specific or generic laws/acts applicable on the Company and its business operations, keeping update-to-date with landmark judgements and latest amendments, modifications or repealment of such applicable laws/acts; Ability to evaluating the legal implications and accordingly provide requisite advise, guidance or opinion to the management, wherever sought, on the comprehensive legal overview/implications of any major strategic business plans/transactions undertaken or proposed to be undertaken including restructuring transactions such as M&A, Demergers, Foreign collaborations, JVs etc., market/product growth or expansion strategies etc	Neha Nagpal



## BOARD COMMITTEES

As of March 31, 2022, the Company has following Board Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Ethics and Compliance Committee
4. Stakeholders Relationship Committee
5. Corporate Social Responsibility Committee
6. Risk Management Committee

## MEETINGS OF VARIOUS COMMITTEES OF THE BOARD HELD DURING THE YEAR AND ATTENDANCE OF THE MEMBERS OF SUCH COMMITTEES:

During the FY2022, 7 (Seven) Audit Committee meetings, 5 (Five) Nomination and Remuneration Committee meetings, 4 (Four) Stakeholders Relationship Committee meetings, 4 (Four) Ethics & Compliance Committee meetings, 1 (One) Corporate Social Responsibility meeting and 2 (Two) Risk Management Committee, meetings were held on the following dates:

- **Audit Committee:** June 10, 2021, June 29, 2021, July 31, 2021, August 14, 2021, November 14, 2021, November 17, 2021, and February 10, 2022.
- **Nomination and Remuneration Committee:** August 02, 2021, August 14, 2021, September 20, 2021, November 17, 2021 and February 10, 2022.
- **Stakeholders Relationship Committee:** July 31, 2021, August 14, 2021, November 17, 2021 and February 10, 2022.
- **Ethics & Compliance Committee:** July 31, 2021, August 14, 2021, November 17, 2021 and February 10, 2022.
- **Corporate Social Responsibility Committee:** July 31, 2021.
- **Risk Management Committee :** July 31, 2021 and November 17, 2021

Board Committees	Audit Committee	Nomination & Remuneration Committee	Ethics and Compliance Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
<b>Meetings held</b>	7	5	4	4	1	2
<b>Directors' Attendance</b>						
Mr. Sujay R. Sheth	7	5	4	4	1	2
Mr. Dilip Thakkar	7	5	N.A.	4	N.A.	N.A.
Mr. Sanjeev Verma	N.A.	N.A.	N.A.	4	1	2
Mrs. Mahua Mukherjee	7	N.A.	4	N.A.	1	N.A.
Mr. Naresh Kothari	N.A.	5	N.A.	N.A.	N.A.	N.A.
Mr. Deepak Kumar Bansal	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Anshuman Ruia	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Neha Nagpal	N.A.	N.A.	N.A.	N.A.	N.A.	2



**TERMS OF REFERENCE AND OTHER DETAILS OF BOARD COMMITTEES:****Audit Committee**

Constitution of the Audit Committee as on March 31, 2022:

Mr. Sujay R. Sheth	Independent Director (Chairperson)
Mr. Dilip Thakkar	Independent Director (Member)
Mrs. Mahua Mukherjee	Executive Director (Member)

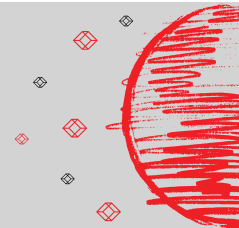
The Committee's composition meets the requirements of Section 177 of the Act and Regulation 18 of the LODR Regulations. Members of the Audit Committee possess financial / accounting expertise / exposure.

**Powers of the Audit Committee**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary

**Role of the Audit Committee, inter alia, includes the following:**

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company. Approving payment to statutory auditors, including cost auditors, for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in draft audit report.
- Reviewing the quarterly financial statements before submission to the Board for approval.
- Monitoring and reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency



monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Reviewing and monitoring the auditor's independence & performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties .
- Scrutiny of inter-corporate loans and investments.
- Examination of the financial statement and the Auditors' report thereon.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Establish a vigil mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed.
- Reviewing, with the management, the performance of statutory auditors & internal auditors and adequacy of internal control systems.
- Formulating the scope, functioning, periodicity and methodology for conducting the internal audit.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- Reviewing the utilization of loans and/or advances from/investments made by the Company in its subsidiary exceeding ₹ 100 crores or 10% of the asset size of such subsidiary, whichever is lower.
- Reviewing the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- Management letter/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor / internal auditor(s); and
- Quarterly Statement of Deviations or variations including reports of Monitoring Agency, if applicable, submitted to the Stock Exchange(s) in accordance with Regulation 32(1) of the said Regulations or Annual Statement of Utilisation of Funds for purposes other than those stated in the Offer documents/prospectus/ notice pursuant to Regulation 32(7) of the said Regulations.

### **NOMINATION AND REMUNERATION COMMITTEE**

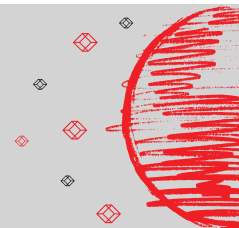
Constitution of the Nomination and Remuneration Committee as on March 31, 2022:

Mr. Dilip Thakkar	Independent Director (Chairperson)
Mr. Sujay R. Sheth	Independent Director (Member)
Mr. Naresh Kothari	Non-Executive Director (Member)

The Committee's composition meets the requirements of Section 178 of the Act, Regulation 19 of the LODR Regulations and SEBI (Share Based Employee Benefits) Regulations, 2014 as amended from time to time.

#### **Terms of Reference of the Committee, inter alia, includes the following:**

- To identify persons who are qualified to become Directors or who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes & independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend the continuance or extension of the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of such Director.
- To recommend to the Board, all remunerations, in whatever form, payable to the senior management.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
  - the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
  - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
  - the exercise period within which the employee should exercise the option, and that the option would lapse



on failure to exercise the option within the exercise period;

- the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
- the right of an employee to exercise all options vested in him at one time or various points of time;
- within the exercise period;
- the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
- the granting, vesting and exercising of options in case of employees who are on long leave; and
- the procedure for cashless exercise of options.

### REMUNERATION TO DIRECTORS

The Company does not pay remuneration to any of its Non-Executive Directors except the sitting fees which is paid only to Independent Directors for attendance during the meeting(s) of the Board of Directors and its various Committees.

The details of remuneration paid to the Executive Directors during the period from April 1, 2021 to March 31, 2022 are as follows:

₹ in Crores

Sr. No.	Name of Director	Fixed Salary	Bonus/ Incentives/ Variable pay	Perquisites on account of Stock Options exercised <sup>(a)</sup>	Commission	Total
1.	Mrs. Mahua Mukherjee	0.89	0.18	-	-	1.07
2.	Mr. Sanjeev Verma	-	-	28.90 <sup>(b)</sup>	-	28.90
3.	Mr. Deepak Kumar Bansal	-	-	2.48 <sup>(c)</sup>	-	2.48
<b>Total</b>		<b>0.89</b>	<b>0.18</b>	<b>31.38</b>	<b>-</b>	<b>32.45</b>

a) In accordance with the definition of perquisites under the Income-tax Act, 1961, the remuneration includes the value of stock options only on those shares that have been exercised during the period. Accordingly, the value of stock options granted during the period has not been included.

b) Perquisites value of stock options on account of exercise of 2,50,861 vested options under ESOP Scheme 2015.

c) Perquisites value of stock options on account of exercise of 23,485 vested options under ESOP Scheme 2015.

The details in respect of the remuneration paid to the Independent Directors during the period from April 1, 2021 to March 31, 2022 are as under:

₹ in Crores

Name	Designation	Particulars of Remuneration	Gross Amount
Mr. Sujay R. Sheth	Independent Director and Chairperson	Sitting Fees	0.17
Mr. Dilip Thakkar	Independent Director	Sitting Fees	0.14
Ms. Neha Nagpal	Independent Director	Sitting Fees	0.06
<b>Total</b>			<b>0.37</b>

### **ETHICS AND COMPLIANCE COMMITTEE**

Constitution of the Ethics and Compliance Committee as on March 31, 2022:

Mr. Sujay R. Sheth	Independent Director (Chairperson)
Mrs. Mahua Mukherjee	Executive Director (Member)

The Committee, at its meeting(s), sets forth the policies relating to and oversees the implementation of the 'Code of Conduct', adopted by the Board of Directors, at its meeting held on 23<sup>rd</sup> October, 2002, pursuant to the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, takes on record the status reports prepared by the Compliance Officer detailing the dealings in securities by the specified persons and decides penal action in respect of violation of the Regulations / the Code by any specified person. The Committee also overviews the 'Code of Conduct' of the Company and related matters (including review of complaints received under Whistle Blower Policy of the Company, any violations, penal actions, etc.).

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Constitution of the Stakeholders Relationship Committee as on March 31, 2022:

Mr. Sujay R. Sheth	Independent Director (Chairperson)
Mr. Dilip Thakkar	Independent Director (Member)
Mr. Sanjeev Verma	Whole-time Director (Member)

The Stakeholders Relationship Committee's composition and terms of reference meets with the requirements of Regulation 20 of the LODR Regulations and Section 178 of the Act.

#### **Terms of Reference of the Committee, inter alia, includes the following:**

- a) Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of the shares, non-receipt of the Annual Report, non-receipt of dividend declared, issue of new/duplicate share certificates, general meetings etc.
- b) Review of measure taken for effective exercise of voting rights by the shareholders.
- c) Review of adherence to the service standards adopted by the Company in respect of the services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the measures and initiative taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrant/annual report/statutory notices by the shareholders of the Company.

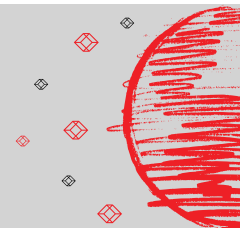
The Board has designated Mr. Aditya Goswami, Company Secretary, as the Compliance Officer.

The total number of correspondence (including complaints / queries) received and replied to the satisfaction of shareholders during the period April 1, 2021 to March 31, 2022, were 74. There was 5 outstanding complaint / query or request as on March 31, 2022.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Constitution of the Corporate Social Responsibility Committee as on March 31, 2022:

Mr. Sujay R. Sheth	Independent Director (Chairperson)
Mr. Sanjeev Verma	Whole-Time Director (Member)
Mrs. Mahua Mukherjee	Executive Director (Member)



The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

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

**Terms of Reference of the Committee, inter alia, includes the following:**

- a) To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder.
- b) To recommend the amount of expenditure to be incurred on the CSR activities.
- c) To monitor the implementation of the CSR Policy of the Company from time to time.

**RISK MANAGEMENT COMMITTEE**

Constitution of the Risk Management Committee as on March 31, 2022:

Mr. Sujay R. Sheth	Independent Director (Chairperson)
Mr. Sanjeev Verma	Whole-Time Director (Member)
Ms. Neha Nagpal	Independent Director (Member)

The Risk Management Committee was constituted by the Board of Directors of the Company as on April 02, 2021, as per the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Risk Management Committee dwells upon the potential risks associated with the business and their possible mitigation plans.

The Committee's constitution and terms of reference meet with the requirements of the Regulations.

**Terms of Reference of the Committee, inter alia, includes the following:**

- Framing, Overseeing and Monitoring implementation of Risk Management Policy.
- Validating the process and procedure of Risk Management and Risk Mitigation.
- Periodically reviewing and evaluating the Risk Management Policy.
- Review of the appointment, removal and terms of remuneration of the Chief Risk Officer, if any, etc.
- The Committee to meet at least twice a year.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a policy to regulate, monitor and report trading by insider under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Regulations"). The policy includes practices and procedures for fair disclosure of unpublished price sensitive information ("UPSI"), initial and continual disclosure by identified designated employee or specified persons and the Board receives the policy on a need basis. The Company Secretary cum Compliance Officer is responsible for implementation of the Code/Policy.

The Company has necessary infrastructure for submission of application for obtaining pre-clearance of trades and reporting of trades executed by the insiders in the securities of the Company including maintenance of a structured

digital database of such persons/entities with whom UPSI is shared in accordance with the provisions of the Insider Regulations. The Company has ensured that adequate internal controls and checks are incorporated to the system, to ensure security and non-tampering of any data, information or database.

### **CODE OF CONDUCT**

In compliance with Regulation 26(3) of the LODR Regulations and the Act, the Company has framed and adopted the Code of Conduct. The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code for the Financial Year 2021-22. The below given is the declaration made by Mr. Sanjeev Verma, Whole-time Director, with respect to the said affirmation by Directors and member of Senior Management of the Company, pursuant to the applicable provisions of Schedule V of LODR Regulations:

### **DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

To,  
The Members  
**Black Box Limited**

#### **Sub: Declaration on compliance with Code of Conduct of the Company during FY2022**

[Issued in accordance with Regulation 34(3) read with Schedule V Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

I, Sanjeev Shekhar Verma, Whole-time Director of the Company, based on the affirmations received from the members of the Board of Directors and Senior Management of the Company, hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the 'Code of Conduct for Directors & Senior Management' of the Company during the FY2022.

Yours Sincerely,

**Sd/-**  
**Sanjeev Verma**  
**Whole-time Director**  
DIN: 06871685  
Place: Dallas, Texas, US  
Date: August 29, 2022

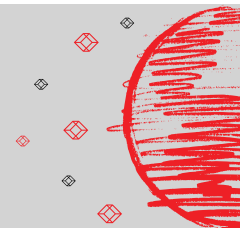
### **RECONCILIATION OF CAPITAL AUDIT**

A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted Equity Share Capital with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) and the total issued and Listed Equity Share Capital. The Secretarial Audit Report confirms that the total Issued / Paid-up Capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### **SHARE TRANSFER SYSTEM**

The Shares of the Company, being in the compulsory demat list, are transferable through the Depository System. Shares in physical & dematerialized form are processed through M/s. Datamatics Business Solutions Limited, Registrar





& Share Transfer Agent (“RTA”) of the Company. The RTA of the Company (i.e. specified official(s) of the RTA) is duly authorised by the Board of Directors of the Company to approve and process the requests lodged for demat, transmission, transposition etc. at the Registrar’s address. All requests for dematerialization of Shares are processed and the confirmation is given to the Depositories within the stipulated timeline (in line with relaxations granted by regulators with respect to the period under review, if any). Grievance received from members & other miscellaneous correspondence on change of address etc. is processed by the Registrar at the earliest within the prescribed time frame. The Company and its RTA have put system in place to adhere with the requirement stipulated under SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 with respect to process of any request compulsorily in demat form only. The shareholders are advised to visit following link: <https://www.blackbox.com/en-in/investors/investor-services/investor-request-forms> on Company’s website to follow the process prescribed for making any request with RTA.

### **NOMINATION**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholders. Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company’s RTA.

### **GENERAL BODY MEETINGS**

The particulars of last 3 (Three) Annual General Meetings (AGM) of the Company are as under. The shareholders passed all the resolutions set out in the respective notices.

<b>Date</b>	<b>Location</b>	<b>Time</b>	<b>No. of Special Resolution(s)</b>
October 27, 2021	Through Video Conferencing	10:00 AM	4
November 18, 2020	Through Video Conferencing	10:00 AM	NIL
September 26, 2019	Yashwantrao Chavan Centre, General Jagannath Bhosle Road, Nariman Point, Mumbai – 400021	11:00 AM	3

There was no Extra-Ordinary General Meeting held during the FY2022.

### **RESOLUTIONS PASSED BY POSTAL BALLOT**

1. During the year, the Company has passed following Resolutions by way of Postal Ballot:

<b>Date of Postal Ballot Notice</b>	<b>Date of approval</b>	<b>Type of Resolution</b>	<b>No. of Resolutions Passed</b>
November 17, 2021	December 23, 2021	Ordinary Resolution	1
February 10, 2022	March 18, 2022	Special Resolution	1
March 14, 2022	April 20, 2022	Special Resolution	2

**2. The details of e-voting on the aforementioned resolution(s) are provided hereunder:**

Description of Resolution(s)	Votes in favour of the Resolution(s)		Votes against the Resolution(s)		Invalid Votes, if any	Result
	No. of Votes	% of total valid votes cast	No. of Votes	% of total valid votes cast		
Appointment of Mr. Anshuman Ruia (DIN : 00008501) as Executive director through Postal Ballot notice dated November 17, 2021	27,21,678	100%	57	0%	NIL	Passed as an Ordinary Resolution
Re-appointment of Mr. Sanjeev Verma (DIN : 06871685) as Whole-time Director through Postal Ballot notice dated February 10, 2022	2,38,30,607	99.99%	1,741	0.01%	NIL	Passed as a Special Resolution
Amendment in Articles of Association through Postal Ballot notice dated March 14, 2022	68,97,813	99.98%	1,314	0.02%	NIL	Passed as a Special Resolution
Sub-Division of Equity Shares through Postal Ballot notice dated March 14, 2022	68,97,828	99.98%	1,299	0.02%	NIL	Passed as a Special Resolution

**3. Procedure for Postal Ballot:**

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and Circular No. 20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs.

**4. Scrutinizer Details:**

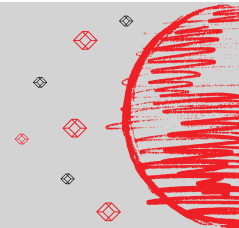
Dr. S. K. Jain, Practicing Company Secretary (FCS No. 1473) & Proprietor of M/s. S. K. Jain & Co., was appointed as the Scrutinizer by the Board of Directors to scrutinize the results of Postal Ballot(s) in a fair and transparent manner for all the above Postal Ballots conducted by the Company during the FY2022.

**DISCLOSURES**

**1. Disclosure of material financial and commercial transactions where management has personal interest that may have a potential conflict with the interest of the Company at large:**

During the year, there were no material financial and commercial transactions where management had personal interest that may have a potential conflict with the interest of the Company at large. Details with regards to Related Party Transactions have been provided under notes to accounts section of the Annual Report.

**2. Details of non-compliance by the Company, penalties and structures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years:**



During FY2022, the Company was required to submit Annual Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021 by June 30, 2021 (extended timeline considering the relaxation provided by SEBI due to Covid 2<sup>nd</sup> wave in the Country). The Company has, however submitted the Annual Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021 on 3<sup>rd</sup> August, 2021. The exchanges had imposed fine of ₹ 1,71,100/- each on the Company, for the delay in compliance which was duly paid by the Company.

Further, the Company was required to submit prior intimation to the Stock Exchanges for the Board Meetings held on 31<sup>st</sup> July, 2021 and 14<sup>th</sup> August, 2021 at least five days in advance (excluding the date of the intimation and date of meeting) as required under Regulation 29(2) and 29(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. These intimations were given at a shorter notice to the exchanges. The exchanges had imposed fine of ₹ 35,400/- each on the Company, for the delay in compliance which was duly paid by the Company.

Except for the above, there has not been any non-compliance by the Company and no penalties or strictures have been imposed/passed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

**3. Disclosure relating to establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

The Company has established a Vigil Mechanism through the Whistle Blower Policy/Policy on Vigil Mechanism and no personnel have been denied access to the Audit Committee of the Company. The said policy is accessible on the website of the Company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

**4. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements as specified under the LODR Regulations. Further, the Company has adopted the following non-mandatory requirements:

- (i) Separate personnel are appointed to the post of Chairman and WTD/Managing Director/CEO; and
- (ii) Internal Auditor of the Company reports directly to Audit Committee of the Company.

**5. Web-link for Policy for determining 'Material' subsidiaries:**

Pursuant to the provisions of Regulation 16(c) of LODR Regulations, the Company has adopted a Policy for determination of Material Subsidiaries of the Company. The said policy is accessible on the website of the Company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

**6. Web-link for Policy on dealing with Related Party Transaction ("RPT"):**

Pursuant to the provisions of Regulation 23(1) of LODR Regulations and applicable provisions of the Companies Act, 2013, the Company has adopted a policy on determining materiality of RPTs as well as for dealing with RPTs. The said policy is accessible on the website of the Company at [https://bbnscdn.azureedge.net/cms/docs/investors/corporate-governance/policies/related\\_party\\_transaction\\_rpt\\_policy\\_\(ver-01-04-2022\).pdf](https://bbnscdn.azureedge.net/cms/docs/investors/corporate-governance/policies/related_party_transaction_rpt_policy_(ver-01-04-2022).pdf).

**7. Web-link for details of Familiarization Program imparted to Independent Directors:**

The Familiarization Policy for Independent Directors is accessible on the website of the Company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.

**8. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:**

Not Applicable

**9. Disclosure on Commodity Risk, Foreign Exchange Risk and Hedging Activities:**

In accordance with the provisions of Regulation 34(3) of LODR Regulations read with Schedule V therein and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018, the Company makes the following disclosure regarding Commodity Risk faced by it and the corresponding hedging activities undertaken by the Company during the year under review:

- i. Risk Management Policy: The Company has adopted a Risk Management Policy for the purpose of identification, analysis & mitigation of all present and future risk exposures of the Company, establishing a framework for risk management and thereby assuring business growth and stability. The said Policy is accessible on the website of the company at <https://www.blackbox.com/en-in/investors/corporate-governance/policies>.
- ii. Commodity Risk Exposure:
  - a) Total Exposure of the Company to commodities (in ₹): **Nil**
  - b) Commodity-wise break-up of exposure: **Not Applicable**
  - c) Commodity risks faced by the Company during the year and how they have been managed: **Not Applicable**

The nature of business of the Company and the investment activities undertaken by the Company, if any, has not resulted in any commodity risk exposure. Thus, during the year under review there was no need for the Company to undertake mitigation measures with respect to Commodity Risk.

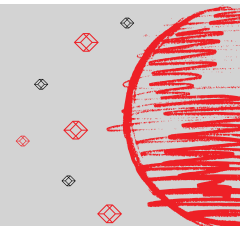
- iii. Foreign Exchange Risk: The foreign exchange risk borne by the Company has been disclosed in Note 36.3 to the Standalone Financial Statements of the Company provided in this Annual Report.

**10. Details of utilization of funds raised through Preferential Allotment or Qualified Institutional Placement (“QIP”):**

The Company has received entire proceeds of ₹225 Crores pursuant to Preferential Allotment of Convertible warrants as on date. The details of proceeds and utilization thereof is given below;

		₹ in Crores
Particulars		Total Amount
<b>A. Funds received</b>		
1.	Issue of 33,33,334 warrants (Initial Subscription)*	73.39
2.	Issue of 16,34,828 Equity shares of ₹ 10/- each on 1 <sup>st</sup> Conversion	65.63
3.	Issue of 9,63,823 Equity shares of ₹ 10/- each on 2 <sup>nd</sup> Conversion	48.79
4.	Issue of 36,73,415 Equity shares of ₹ 2/- each on 3 <sup>rd</sup> and final Conversion	37.19
<b>Total A</b>		<b>225.00</b>
<b>B. Utilisation of Funds</b>		
1.	Investment in Wholly-owned Subsidiary (ODI)	199.87
2.	Repayment of Loan to Indian Banks	25.13
<b>Total B</b>		<b>225.00</b>

*Note: Each Warrant was originally convertible into 1 Equity Share of ₹10/- each of the Company. Pursuant to subdivision of Equity Shares from ₹10/- to ₹ 2/-, each warrant was converted into 5 Equity Shares of ₹2/- each at the time of 3<sup>rd</sup> conversion.*



#### 11. Details of total fees paid to Statutory Auditors:

The details of the total fees paid by the Company or its Subsidiaries, on consolidated basis, to the Statutory Auditor (including its network entities) with respect to all services provided by them, is given below:

In ₹

Sr. No.	Particulars of Services	Amount of Fees paid to Statutory Auditor	Amount of Fees paid to entities belonging to Statutory Auditor's network	Total Amount of fees paid
1	Audit Services	10,910,793	1,226,453	12,137,246
2	Other Services	38,421,748	22,402,005	60,823,753
	<b>Total</b>	<b>49,332,541</b>	<b>23,628,458</b>	<b>72,960,999</b>

#### 12. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particular	No. of Complaints received during the FY2022	No. of Complaints disposed during the FY2022	No. of Complaints pending at the end of FY2022
No. of Complaints	Nil	Nil	Nil

#### 13. Disclosure of shareholding of Non-Executive Directors:

As on March 31, 2022, Mr. Naresh Kothari, Non-Executive Director of the Company beneficially holds alongwith Persons Acting in Concert (PAC) 1.98% shareholding in the Company.

### MEANS OF COMMUNICATION

The quarterly results (including half-yearly and annual results) are usually published in "The Free Press Journal" (English Daily) and "Nav Shakti" (Marathi Daily). The results are also promptly forwarded to the Bombay Stock Exchange ("BSE") Limited and The National Stock Exchange of India ("NSE") Limited where the securities of the Company are listed. The Company has developed a section dedicated for Investors on the Company's website at <https://www.blackbox.com/en-in/investors> to display latest annual, half-yearly & quarterly results. The official news releases and the presentations made to the Investors / Analysts, if any, are also displayed on the said website. The Management Discussion and Analysis Report is attached to and forms part of this Annual Report. All Financial and other important information is promptly communicated to BSE Limited and NSE Limited where the securities of the Company are listed.

### CERTIFICATE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS BY PRACTICING COMPANY SECRETARY

In accordance with the applicable provisions of Regulations 34(3) of LODR Regulations read with Schedule V to the said regulations, M/s. S. K. Jain & Co., Practicing Company Secretaries, has issued the certificate on compliance by the Company with conditions of Corporate Governance specified under the LODR Regulations, which is given in this Annual Report on page no. 66.

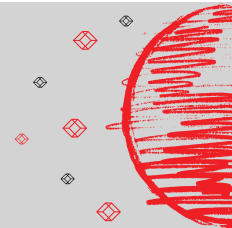
### GENERAL SHAREHOLDER INFORMATION

#### Annual General Meeting (AGM)

The AGM of the Company for FY2022 shall be held on Monday, September 26, 2022 at 10:00 A.M. through Video Conferencing ("VC").

Following are the other general shareholder information:

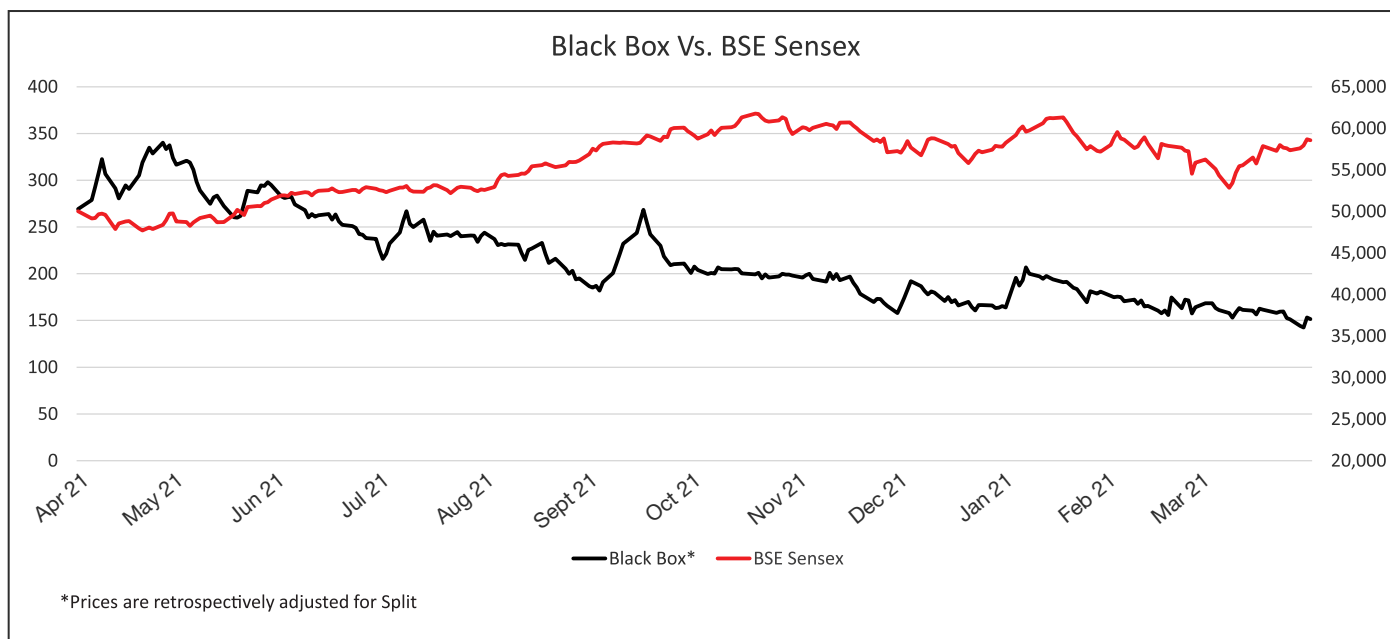
<b>Financial Year</b>	April 1, 2021 to March 31, 2022
<b>Dates of Book Closure</b>	Tuesday, September 20, 2022 to Monday, September 26, 2022 (both days inclusive)
<b>Dividend Payment Date</b>	No dividend is recommended by Directors of the Company on Equity Shares for the current Financial Year.
<b>Name and Address of the Stock Exchanges where the securities of the Company are listed</b>	<p><b>Bombay Stock Exchange (BSE) Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001</p> <p><b>The National Stock Exchange of India (NSE) Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051</p> <p>The Company has paid the annual listing fees to both the Stock Exchanges well within the stipulated timelines.</p>
<b>Stock Code/Symbol Demat ISIN Numbers in NSDL &amp; CDSL for Equity Shares</b>	<p>BSE – 500463, NSE – BBOX</p> <p>ISIN - INE676A01027</p>
<b>Market price Data : High, Low during each month in the FY 2021-22 and stock performance comparison with BSE Sensex &amp; NSE Nifty 50</b>	See Table No.1 below
<b>In case the securities are suspended from trading, the Board's Report shall explain the reason thereof</b>	Not Applicable
<b>Registrar and Share Transfer Agents</b>	Datamatics Business Solutions Limited, Plot No. B-5, MIDC, Part B, Cross Lane, Andheri (East), Mumbai – 400093 to whom the authority has been delegated by the Board to attend share transfer formalities etc.
<b>Share Transfer System</b>	<p>Pursuant to SEBI Circular, no Physical transfers are processed by RTA or the Company.</p> <p>The Company ensures that the Compliance Certificate pursuant to Regulations 40(9) and 40(10) of the LODR Regulations are filed with the Stock Exchanges within the stipulated timelines.</p>
<b>Distribution of shareholding &amp; Category- wise distribution</b>	See Table No. 2 & 3
<b>Dematerialization of shares and liquidity as on March 31, 2022</b>	See Table No. 4
<b>Credit Rating(s)</b>	<p>During the year under review, credit rating(s) were subject to periodic review by CRISIL Ratings and the ratings assigned to the credit facilities of the Company were revised as below:</p> <p>On November 11, 2021, Credit Rating for Long Term Bank Facilities was revised from CRISIL BBB-/Stable (Triple B Minus: Stable) to <b>CRISIL BBB/Stable (Triple B: Stable)</b> and Credit Rating for Short Term Banking Facilities was revised from CRISIL A3 (A Three) to <b>CRISIL A3+ (A Three Plus)</b>.</p> <p>The Company has intimated the Stock Exchanges about the aforesaid Credit Rating revisions, pursuant to applicable provision of Regulation 30 of LODR Regulations.</p>
<b>Address for correspondence</b>	Registered Office: 501, 5 <sup>th</sup> Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400 708



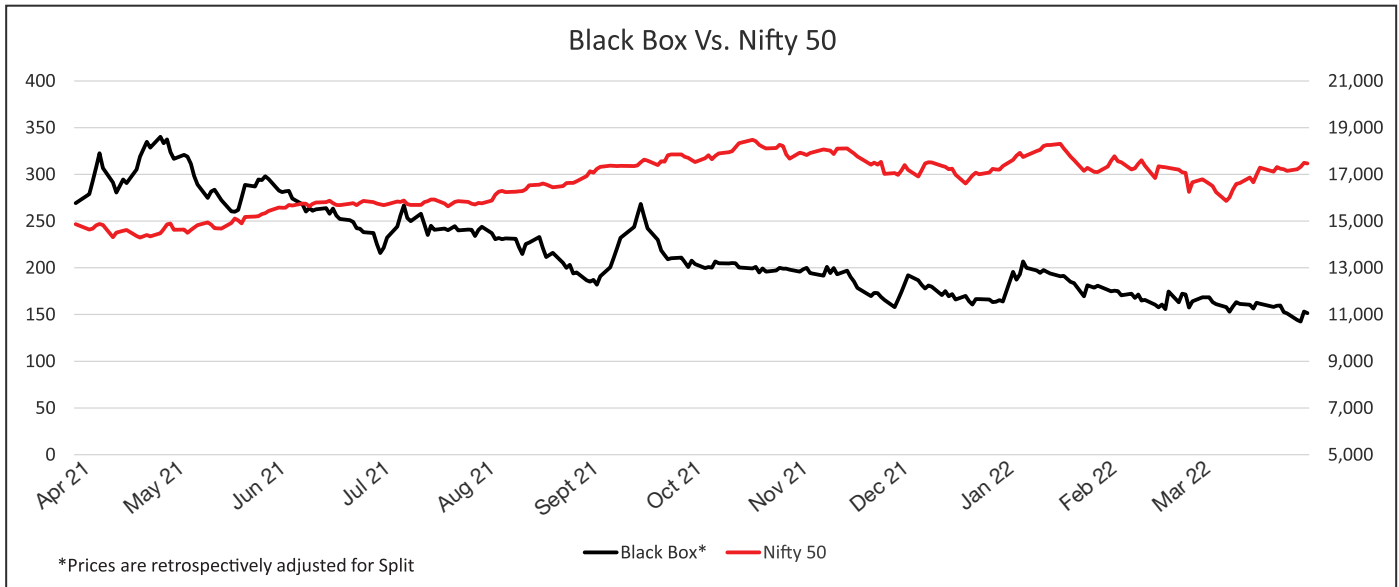
**Table No. 1: Market price Data - High, Low during each month in the FY2021-22 and stock performance comparison with BSE Sensex & NSE Nifty 50**

Month	BSE		NSE	
	High	Low	High	Low
April 2021	1,771.00	1,301.00	1,750.00	1,300.00
May 2021	1,635.45	1,236.85	1,641.75	1,235.00
June 2021	1,458.90	1,071.45	1,477.40	1,060.00
July 2021	1,374.00	1,045.00	1,351.00	1,020.00
August 2021	1,216.00	896.10	1,239.40	905.00
September 2021	1,343.75	891.00	1,342.05	881.05
October 2021	1,060.00	927.30	1,049.00	921.50
November 2021	1,027.90	787.05	1,020.40	775.50
December 2021	999.95	785.00	992.35	800.10
January 2022	1,073.95	830.80	1,070.00	830.10
February 2022	927.00	770.00	927.30	768.10
March 2022	884.30	707.60	883.00	771.00

**Stock performance comparison with BSE Sensex & NSE Nifty 50**





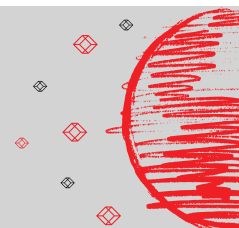


**Table No. 2: Distribution of shareholding as on March 31, 2022**

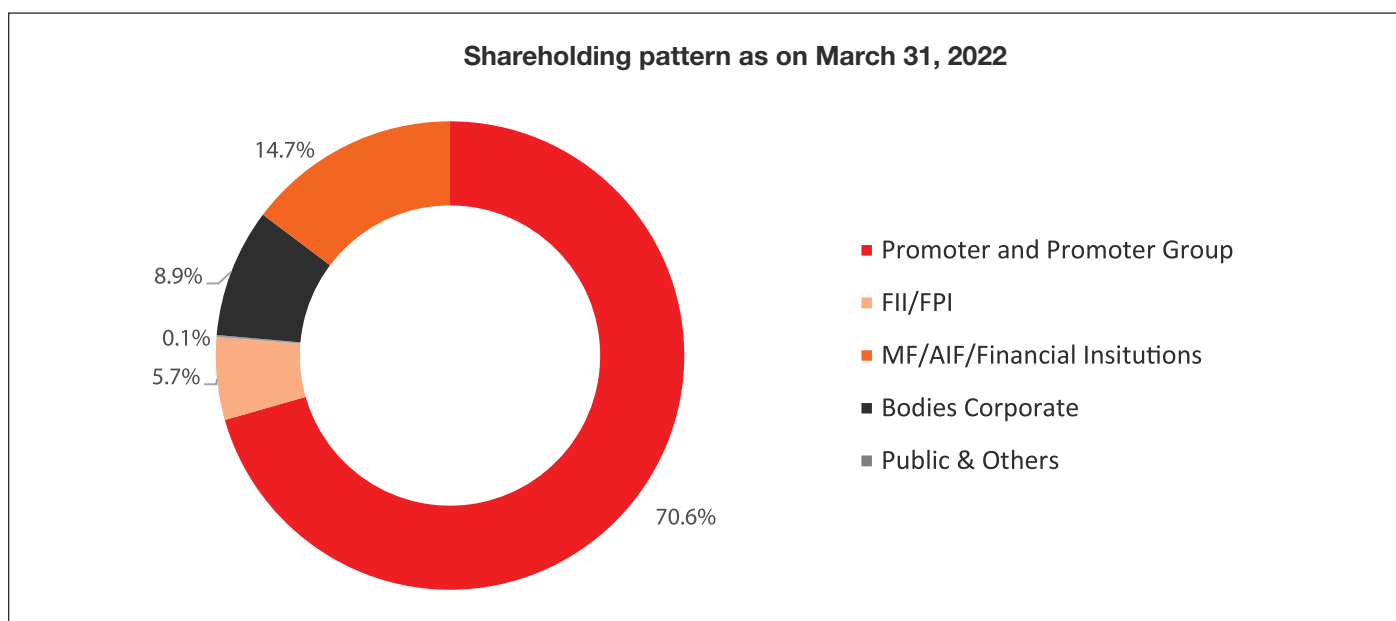
Sr. No.	Shares Range		No. of Shares	% of Total Shares	No. of Shareholders	% of Total Shareholders
	From	To				
1	1	100	2,16,427	0.66	6,966	64.08
2	101	500	7,80,161	2.38	2,988	27.49
3	501	1,000	3,63,412	1.11	524	4.82
4	1,001	5,000	5,54,560	1.69	279	2.57
5	5,001	10,000	3,03,722	0.93	41	0.38
6	10,001	1,00,000	16,41,947	5.00	56	0.52
7	1,00,001	99,99,99,99,999	2,89,52,625	88.24	17	0.16
<b>TOTAL</b>			<b>3,28,12,854</b>	<b>100.00</b>	<b>10,871</b>	<b>100.00</b>

**Table No. 3: Category-wise distribution as on March 31, 2022**

Sr. No.	Category of Shareholders	No. of Shareholders	No. of Shares held	% of Total Shareholders
1	Promoter Companies	2	2,31,53,603	70.56
2	FII's and OCBs	14	18,68,258	5.69
3	Banking / Financial Institutions / Insurance Companies	6	43,466	0.13
4	Mutual Funds	6	2,814	0.01
5	Bodies Corporate/Trusts	233	29,11,072	8.87



Sr. No.	Category of Shareholders	No. of Shareholders	No. of Shares held	% of Total Shareholders
6	Non-Resident Individuals	206	1,41,058	0.43
7	Resident Individuals	10,403	45,48,182	13.86
8	Investor Education And Protection Fund (IEPF)	1	1,44,401	0.44
	<b>Total</b>	<b>10,871</b>	<b>3,28,12,854</b>	<b>100.00</b>



**Table No. 4: Dematerialization of shares and liquidity as on March 31, 2022**

Description	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
NSDL	5,107	46.98	2,41,57,971	73.62
CDSL	4,569	42.04	83,20,667	25.36
Physical	1,194	10.98	3,34,216	1.02
<b>TOTAL</b>	<b>10,870</b>	<b>100.00</b>	<b>3,28,12,854</b>	<b>100.00</b>

**Sanjeev Verma**  
**Whole-time Director**  
**DIN: 06871685**

Place: Dallas, Texas, USA  
 Date: August 12, 2022

# ANNEXURE "A" TO CORPORATE GOVERNANCE REPORT

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**BLACK BOX LIMITED**  
*(Formerly known as AGC Networks Limited)*  
501,5<sup>th</sup> Floor, Building No.9, Airoli Knowledge Park,  
MIDC Industrial Area, Airoli, Navi Mumbai- 400708

I have examined the relevant Registers, Records, Forms, Returns and disclosures received from the Directors of **Black Box Limited, (Formerly known as AGC Networks Limited)**, having **CIN: L32200MH1986PLC040652** and having registered office at **Mumbai Maharashtra-400708** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mr. Dilip Jayantilal Thakkar	00007339	08/02/2018
2.	Mr. Anshuman Shashikant Ruia	00008501	10/09/2020
3.	Mr. Naresh Lakshman Singh Kothari	00012523	17/01/2019
4.	Mr. Sujay Rajababu Sheth	03329107	21/05/2011
5.	Mr. Sanjeev Verma	06871685	15/05/2014
6.	Mr. Deepak Kumar Bansal	07495199	14/08/2019
7.	Mrs. Mahua Mukherjee	08107320	05/04/2018
8.	Ms. Neha Nagpal	08842400	10/09/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**FOR S. K. JAIN & CO.**

Sd/-

**Dr. S. K. JAIN**

**PCS**

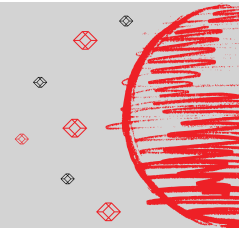
**FCS 1473**

**COP No. 3076**

**UDIN: F001473D000446632**

**Place: Mumbai**

**Date: June 01, 2022**



# SECRETARIAL COMPLIANCE REPORT OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED)

**FOR THE YEAR ENDED MARCH 31, 2022**

I, **Shubhakaran Jain**, Practicing Company Secretary, have examined:

- (a) all the documents and records made available to us and explanation provided by **BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED)** (hereinafter referred to as “the Listed Entity”),
- (b) the filings/submissions made by the listed entity to the Stock Exchanges,
- (c) website of the Listed Entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this Certification, For the year ended March 31, 2022 (“Review Period”) in respect of compliance with the provisions of:
  - i. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder;and
  - ii. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”)

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

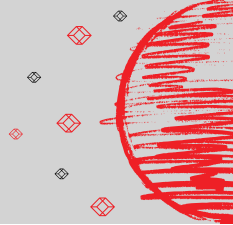
- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations,2018;**(Not applicable as the Listed Entity has not bought back/propose to Buy-back any of its securities during the Financial Year under review)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(Not applicable as the Listed Entity has not listed it Debt securities)**
- (g) Securities and Exchange Board of India(Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations,2013; **(The Listed Entity has not issued any Non- Convertible and Redeemable Preference Shares during the financial year under review)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;  
and circulars/ guidelines issuedthereunder;  
and based on the above examination, **I hereby Report that, during the Review Period:**

1. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	The Company was required to submit Annual Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2021 within 60 days from the end of the Financial year.	The Company has, however submitted the Annual Audited Standalone Financial Statements for the year ended 31 <sup>st</sup> March, 2021 on 3 <sup>rd</sup> August, 2021
2.	Regulation 29(2) and 29(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	The Company was required to give prior intimation to the Stock Exchanges for the Board Meetings held on 31 <sup>st</sup> July, 2021 and 14 <sup>th</sup> August, 2021 atleast five days/ Eleven working days in advance (excluding the date of the intimation and date of meeting).	The Company has, however submitted the prior intimation on 28 <sup>th</sup> July, 2021 and 13 <sup>th</sup> August, 2021 for the Board Meetings held on 31 <sup>st</sup> July, 2021 and 14 <sup>th</sup> August, 2021 respectively.

2. The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
3. The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder:

Sr No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE and NSE	Non-Submission of the Financial results within the period prescribed under Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015	Fine of ₹5000/- per day computed till 1 <sup>st</sup> August, 2021 including GST paid to BSE and NSE	The Company has submitted the Annual Audited Standalone Financial Statements for the year ended 31 <sup>st</sup> March, 2021 on 3 <sup>rd</sup> August, 2021
2.	BSE and NSE	Delay in furnishing prior intimation about the Board Meetings under Regulation 29(2) and Regulation 29(3) of SEBI (LODR) Regulations, 2015	Fine of ₹ 10,000/- per instance of Non-Compliance per item i.e. ₹ 30,000/- each (excluding GST) paid to BSE and NSE.	The Company has furnished the prior intimation on 28 <sup>th</sup> July, 2021 and 13 <sup>th</sup> August, 2021 for the Board Meetings held on 31 <sup>st</sup> July, 2021 and 14 <sup>th</sup> August, 2021 respectively.



4. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31 <sup>st</sup> March, 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA				

For S.K. JAIN & Co.

CS. Dr. S. K. Jain  
Practicing Company Secretary  
Membership No.1473  
COP No. 3076  
UDIN: F001473D000375308

Place: Mumbai  
Date: 24-05-2022

## WTD AND CFO CERTIFICATE

To,  
**BLACK BOX LIMITED**  
(Formerly known as AGC Networks Limited)

**Sub: WTD & CFO Certificate**  
*[Issued in accordance with Regulation 17(8) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulation, 2015]*

**Dear Members of the Board,**

We, Sanjeev Verma, Whole-Time Director and Deepak Kumar Bansal, Executive Director & Chief Financial Officer of the Company hereby certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2022 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2022 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors as well as the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There was no instance of significant change in internal control over financial reporting during the year under reference;
  - ii) There were no instances of any significant change in accounting policies during the year under reference; and
  - iii) During the year under reference, we are not aware of any instance of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

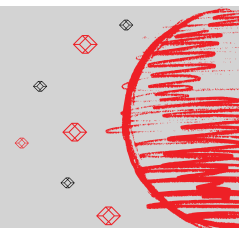
Yours Sincerely,

Sd/-  
**Sanjeev Verma**  
Whole-Time Director  
DIN: 06871685

Sd/-  
**Deepak Kumar Bansal**  
Executive Director & CFO  
DIN: 07495199

**Place: Dallas, Texas, USA**  
**Date: August 22, 2022**





# BUSINESS RESPONSIBILITY REPORT

**FOR THE YEAR ENDED MARCH 31, 2022**

(Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”))

## SECTION A: GENERAL INFORMATION

Corporate Identification Number (CIN):	L32200MH1986PLC040652
Name of the Company:	Black Box Limited (Formerly known as AGC Networks Limited)
Registered Office Address:	501, 5 <sup>th</sup> Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai -400708
Website:	<a href="http://www.blackbox.com">www.blackbox.com</a>
Email id:	<a href="mailto:investors@agcnetworks.com">investors@agcnetworks.com</a>
Financial Year Reported:	April 1, 2021 to March 31, 2022
Sector(s) that the Company is engaged in (Industrial activity code-wise):	Class 620 (Computer Programming, Consultancy and Related activities); Sub-Class: 62011, 62013 and 62020
List key products/services that the Company manufactures/provides (as in balance sheet):	<ol style="list-style-type: none"> <li>Solutions related to Connected Buildings, Digital Workplace and Customer Experience</li> <li>Enabling technology for In-building 5G/CBRS, Edge Networking, Data centers and Cyber security</li> <li>Technology Products such as KVM, AV, IOT and Networking products</li> </ol>
Total number of Locations where business activities are undertaken by the Company:	<ol style="list-style-type: none"> <li>Number of National Locations: <b>Eight (8)</b></li> <li>Number of International Locations (Name 5 major locations): <b>Twenty Nine (29) countries; Majorly in North America, Europe, Asia Pacific, Middle East and Latin America</b></li> </ol>
Markets served by the Company (Local/ State/National/International):	All

## SECTION B: STANDALONE FINANCIAL INFORMATION AS ON MARCH 31, 2022

Paid-up Capital:	₹ 32,81,28,540/-
Total Turnover:	₹ 2,93,59,52,956/-
Total Profit/(Loss) after Tax:	₹ 5,80,62,404/-
Total spending on Corporate Social Responsibility (CSR) as % of Profit after Tax:	₹ Nil
List of activities in which expenditure in point 4 above has been incurred:	Kindly refer to Report on Corporate Social Responsibility i.e. <b>Annexure VII</b> of the Directors Report section of this Annual Report.

## SECTION C: OTHER DETAILS

### 1. Does the Company have any Subsidiary Company(s)?

Yes. For more details/information, kindly refer to the list of Subsidiaries/Step-Down Subsidiaries provided in the Directors Report section of this Annual Report.

### 2. Do the Subsidiary Company(s) participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s):

Yes. The Company policies are applicable across its Subsidiaries, unless otherwise stated. Further, various Subsidiaries contribute to the Company's overall performance across all parameters – Economic, Social and Environmental.

### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility ("BR") initiatives of the Company?

The Company deals with multiple vendors, suppliers, distributors etc. While they do not participate directly in the Business Responsibility ("BR") initiatives of the Company, they may have their own policies and programs with regards to Business Responsibility.

## SECTION D: BUSINESS RESPONSIBILITY ("BR") INFORMATION

### 1. Details of Directors & BR Head responsible for implementation of BR policy(s):

The Corporate Social Responsibility ("CSR") Committee is responsible for the implementation of relevant BR Policies. The following are details of the Directors constituting the CSR Committee:

Sr. No.	Name of Director & Designation	DIN
1.	Sujay R. Sheth, Independent Director	03329107
2.	Sanjeev Shekhar Verma, Whole-time Director	06871685
3.	Mahua Mukherjee, Executive Director & Chief People Officer	08107320

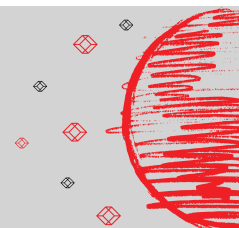
The details of BR Head alongwith their contact details:

Mahua Mukherjee, Executive Director & Chief People Officer

Tel No: +91 22 66617300 & Email id: [Mahua.Mukherjee@blackbox.com](mailto:Mahua.Mukherjee@blackbox.com)

### 2. Principle-wise (as per NVGs) BR Policy(s): Principles (P) as per SEBI Business Responsibility Report Framework:

- P1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3: Businesses should promote the well-being of all employees.
- P4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5: Businesses should respect and promote human rights.



- P6: Business should respect, protect and make efforts to restore the environment.
- P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8: Businesses should support inclusive growth and equitable development.
- P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

**a. Details of compliance (in Yes/No):**

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for ....	Yes	Yes	Yes	Yes	Yes	Yes (Refer Note 1)	Yes (Refer Note 8)	Yes	Yes
2.	Has the policy been formulated in consultation with the relevant stakeholders? (Refer Note 2)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy confirm to any National/ International Standards? (Refer Note 3)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director? (Refer Note 4)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the Policy? (Refer Note 4)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Indicate the link for the policy to be viewed online	Refer Note 5 & 6								
7.	Has the policy been formally communicated to all relevant Internal and External Stakeholders ? (Refer Note 5 & 6)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	Does the Company have in-house structure to implement the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10.	Has the Company carried out Independent Audit/ evaluation of the working of this policy by an Internal or External agency? (Refer Note 7)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**Notes:**

1. Black box has adopted an internal HR Policy on Health, Safety & Environment which is applicable to all employees. Further, Environment Protection is one of the thrust area in CSR Policy. However, Black Box does not have a separate policy on Environment Protection as it is not engaged in any major manufacturing activities.

2. *While there may not be formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders/departments.*
3. *The policies are framed as per all applicable law and as per Industry standards.*
4. *Certain Policies have been approved by the Board of Directors of the Company (“the Board”) or by Committee(s) thereof, in accordance with the applicable provisions of the Companies Act or the applicable provisions of LODR Regulations. All other policies have been approved by respective Committee(s) of the Board, designated Functions/Departments or Functional Heads/Business Leaders and they oversee the implementation of such policies.*
5. *It has been Company’s practice to upload policies on Company’s website for the information of all the stakeholders. The Code of Conduct for Directors and Senior Management, the Code of Conduct for Individuals, Whistle Blower Policy, Corporate Social Responsibility Policy and Policy on Prevention of Gender Harassment are available on the Company’s website at <https://www.blackbox.com/in/investors/>.*
6. *Additionally, the Company has also adopted various policies such as Policy on Human Rights; Policy on Equal Employment Opportunities, Policy on Prohibition of Child Labour Employment, Policy on Health, Safety & Environment, Policy on Prevention of Bribery and Corruption etc. which have been uploaded on the intra Company website [www.agctalkies.com](http://www.agctalkies.com) and access of the same is available to all the employees of the Company.*
7. *While the Company has not carried out independent audit of the policies, the Internal Audit Function periodically looks at the implementation of the policies.*
8. *The Company does not have separate policy for P7 as the Company does not participate in such policy advocacy activities.*

**b. If answer to the Question No. 1 in above table against any Principle is ‘No’, please explain why:**

Not Applicable.

**3. Governance related to BR:**

**a) Indicate the frequency with which the Board, Committee thereof or CEO assess the BR performance of the Company (Within 3 months, 3-6 months, Annually, More than One year):**

The Company’s BR performance will be assessed on an Annual Basis.

**b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?**

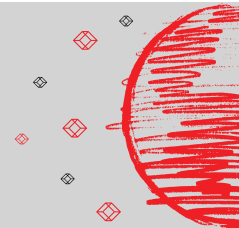
The Company’s BR Reports will be uploaded on the Company’s website at <https://www.blackbox.com/in/investors/> as a part of the Annual Report for each respective financial year.

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**PRINCIPAL 1:**

**a. Does the policy relating to Ethics, Bribery and Corruption cover only the Company?**

The Company’s ‘Code of Conduct’ aims to uphold the standards of its business ethics and practices which are required to be observed in all business transactions. These are applicable to all its employees and Directors. Additionally, the Company’s ‘Policy on Prevention of Bribery and Corruption’ which has a Zero tolerance approach towards bribery and corruption and drives all Black Box Group employees, outsourced employees and



all consultants, suppliers, partners, distributors, vendors etc. working with Black Box to act professionally, fairly and with integrity in all their business transactions and relationships, wherever we operate.

**b. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes. The Company has adopted its 'Policy on Prevention of Bribery and Corruption' with the object to conduct business in an honest & ethical manner while employing a Zero tolerance approach towards Bribery and Corruption. The said policy is applicable on all employees of the Company (including its subsidiaries/affiliates) across various Geos; outsourced personnel working in the Company premises and consultants, suppliers, partners, distributors and vendors associated either directly or indirectly with the Company. The Company has a well-defined 'Code of Conduct for Directors and Senior Management' which is applicable on Directors of the Company and its Subsidiary Company(s) as well as Members of Senior Management of the Company and its Subsidiary Company(s) that covers issues, inter alia, related to ethics, honesty, misconduct etc. Further, the 'Code of Conduct of Individuals' adopted by the Company prescribes the standards of ethics and integrity to be followed by all Directors, Officers and Employees while dealing with various stakeholders such as Customers, Suppliers, Competitors etc.

**c. How many Stakeholder Complaints have been received in the current financial year i.e. FY2022 and what % was satisfactorily resolved by the management?**

During FY2022, the Company has not received any complaints from any of its Stakeholders (other than Shareholders).

The total number of complaints/requests received and replied to the satisfaction of Shareholders during the period April 1, 2021 to March 31, 2022 was 74. There was 5 outstanding complaint / query or request as on March 31, 2022.

**PRINCIPAL 2:**

**a. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:**

The Company is engaged in the space of providing IT solutions/services (including consulting service) such as solutions related to Connected Buildings, Digital Workplace and Customer Experience; enabling technology for In-building 5G/CBRS, Edge Networking, Data Centers and Cyber security as well as Technology Products such as KVM, AV, IOT and Networking products, all of which fundamentally are premised on improving resource efficiency and reducing environmental footprint. The Company works in the various industry domains including that of health care and life sciences, government services, retail, banking and financial services helping enhance provisioning of services across all sections of the society.

**b. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product, if any:**

The Company provides a range of IT Solutions/services to its customers such as solutions related to Connected Buildings, Digital Workplace and Customer Experience; enabling technology for In-building 5G/CBRS, Edge Networking, Data Centers, Cyber security and Technology Products such as KVM, AV, IOT and Networking products etc. It does not undertake any manufacturing activity of physical products other than assembly of products sometimes. Thus, given the nature of service offerings of the Company, it is difficult to quantify the details of per unit resource use.

Further, all IT services/solutions provided by the Company facilitates efficient resource management and minimization of environmental impacts for our customers.

**c. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

Yes. During the previous years the Company has undertaken various measures to meet its cost-optimization and transformation targets which also includes sustainable sourcing including from global sources.

**d. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (If yes, what steps have been taken to improve their capacity and capability of local and small vendors?)**

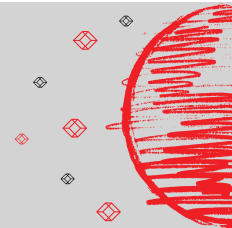
Yes. The Company engages with various vendors and suppliers at the national & international level. It is the policy of the Company to choose its suppliers solely based on merit, considering among other things, price, quality, delivery capability and reputation for service and integrity. Thus, the procurement activities of the Company are undertaken in a non-discriminatory manner. Further, all Suppliers dealing with the Company are required to conduct their business in ethical and legal manner as well as in line with the 'Code of Conduct' adopted by the Company.

**e. Does the Company have a mechanism to recycle products and waste? (If yes, what is the percentage of recycling of products and waste?)**

The Company has established appropriate Waste Management systems and procedures which enable minimization, management and proper disposal of wastes. Under the said system specific emphasis has been given to disposal of wastes (including hazardous waste) in a responsible manner and in accordance with the applicable regulatory/statutory requirements or procedures in the geographies we operate. With a view to reduce its carbon footprint, the Company has adopted various Recycling practices specifically for consumable resources such as papers, computer hardware, accessories, other electronic goods etc. As a part of such Recycling initiatives in India, the Company actively participated in paper and electronic goods recycle campaign in association with Evergreen Recycle Karo (I) Pvt. Ltd., an organisation approved by Maharashtra Pollution Control Board. Through such initiative, the Company collected and donated for recycling purposes approx. 1,250 kgs of waste papers. Also, with a view to minimise waste generation, wherever possible, the use of paper is actively discouraged across the organisation and internal procedures have been aligned to process various admin/accounts transactions through electronic submissions of vouchers, receipts and other documents.

**PRINCIPAL 3:**

- a. Total no. of employees: **405**
- b. Total no. of employees hired on temporary/contractual/casual basis: **7**
- c. Total no. of permanent Women employees: **46**
- d. Total no. of permanent employees with disabilities: **4**
- e. Does the Company have an employee association recognized by the management?: **No**
- f. What percentage of permanent employees are members of this recognized employee association?: **Not Applicable**



**g. Details of complaints relating to Child Labour, Forced Labour, Involuntary Labour, Sexual Harassment in the FY2022:**

Sr. No.	Category	No of complaints filed during FY2022	No of complaints pending as on the end of FY2021
1.	Child Labour/Forced Labour/Involuntary Labour	Nil	Nil
2.	Sexual Harassment	Nil	Nil
3.	Discriminatory Employment	Nil	Nil
	<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>

**h. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- a) Permanent Employees: **24%**
- b) Permanent Women: **1.5%**
- c) Casual/Temporary/Contractual Employees: **1.29%**
- d) Employees with Disabilities: **0.2%**

**PRINCIPAL 4:**

**a. Has the Company mapped its internal and external stakeholders?**

Yes

**b. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

Yes

**c. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

Yes, at Black Box we believe an organisation’s growth must be in sync with social, economic growth of communities around us. This belief translates into our purpose and commitment to promote a culture of care, inclusiveness and responsibility towards different stakeholders of Black Box through our CSR initiatives. It is an attempt in making our society inclusive by providing opportunities for economically, socially and physically disadvantaged sections through programs around education and healthcare.



Through its Corporate Social Responsibility (CSR) initiatives, Black Box launched a Program of:

CSR project activity identified	Sector in which the project is covered	Projects or programs (1) Local area or others (2) State and District where project/ program undertaken	Amount outlay (budget) – plan or project wise (₹ In Lacs)	Amount spent on the project or programs Sub-heads (₹ In Lacs): (1) Direct expenditure on project or programs; (2) Overheads	Cumulative expenditure upto reporting period (₹ In Lacs)	Amount spent: Direct or through implementing agency
Job Entrepreneurship and Empowerment Training	Employability enhancement for Differently-abled individuals	Telangana, Andhra Pradesh, Rajasthan	1.98	1.98	1.98	Direct
<b>Total</b>			<b>1.98</b>	<b>1.98</b>	<b>1.98</b>	<b>-</b>

For further details on said CSR initiatives kindly refer to 'Report on Corporate Social Responsibility' enclosed as **Annexure VII** of Director Report section of this Annual Report.

**PRINCIPAL 5:**

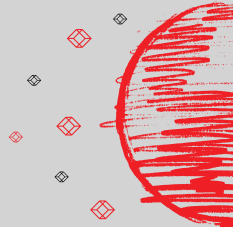
**a. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes. Black Box has adopted the 'Policy on Human Rights' wherein the Company and all its employees undertake to preserve the human rights of every individual and community it deals with. Black Box while undertaking its operations has always strived to uphold the integrity and respect the Human rights of every individual including its various stakeholders. Black Box undertakes various measure to supports and protects the human rights of all individuals within its sphere of influence in order to prevent any form of violation of human rights in any of its actions, intentions, policies and dealings with people.

**b. How many stakeholder complaints have been received in the current financial year and what percent was satisfactorily resolved by the management?**

During FY2022, the Company has not received any complaints from any of its Stakeholders (other than Shareholders).

The total number of complaints/requests received and replied to the satisfaction of Shareholders during the period April 1, 2021 to March 31, 2022 was 74. There were 5 outstanding Shareholders complaint or request as on March 31, 2022.

**PRINCIPAL 6:**

- a. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others?**

Black Box has adopted an internal HR Policy on Health, Safety & Environment which is applicable to all employees. Further, Environment Protection is one of the thrust area in CSR Policy. However, Black Box does not have a separate policy on Environment Protection as it is not engaged in any major manufacturing activities.

- b. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? (If yes, please give hyperlink for webpage etc.)**

Yes. Black Box is committed to achieve excellence in health, safety and environment by facilitating safe and healthy working conditions to its employees and adopting such operational practices that will assist in protecting and conserving the environment. Black Box has demonstrated commitment towards environment protection and conservation through various measures. It regularly takes measure to identifies, monitors and mitigates its carbon footprint and contribution to pollution as well as reduce its environmental impact. Some of these measures include adopting the culture of optimum utilisation of resources by planning and carrying out operations through environmentally responsible processes, techniques and practices; Judicious consumption of certain resources such water, energy, paper etc; Environmental risk and Hazard Assessment of its operations by through audits and review of standard operating procedures as well as taking steps to mitigate such risks; and Increasing the Health Safety and Environment Awareness and Competency of its employees.

- c. **Does the Company identify and assess potential environmental risks?**

Yes

- d. **Does the Company have any project related to Clean Development Mechanism? (If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed)**

Given the nature of the business of the Company, this is not relevant.

- e. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? (If yes, please give hyperlink for web page etc.)**

Kindly refer to the initiative of the Company as specified for the abovementioned point b for Principle No. 6.

- f. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Not applicable as no hazardous emission or waste generated from the Company's business.

- g. **Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year:**

The Company has not received any show cause / legal notice from CPCB / SPCB as on financial year ended on March 31, 2022.

**PRINCIPLE 7:**

- a. **Is your company a member of any trade chamber or association?**

No

- b. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? (If yes specify the broad areas (i.e. Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

**PRINCIPLE 8:**

- a. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? (If yes details thereof).**

Yes. Black Box aims in creating a community of inclusiveness while striving for diversity. We believe in creating a culture of equality irrespective of economic, social and physical difference. Black Box is committed towards creating a sustainable future, creating a platform of equality for all and a healthier lifestyle for disadvantaged individuals. These objectives were met through 3 initiatives last year- School Improvement & Education, Sponsorship for Differently abled patients and Mother & Child Malnutrition Project

Black Box strongly emphasizes that as an organization, it is committed towards achieving a sustainable future and helping the environment and communities become healthier.

- b. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

The aforesaid initiatives have been implemented in collaboration with Essar Foundation which can provide requisite guidance to Company to identify Socially Responsible (CSR) projects as well as effectively implement such programs/projects/initiatives to reach the right audience.

- c. **Have you done any impact assessment of your initiative?**

The company in collaboration with Essar foundation ensured the funds are utilised appropriately and through due diligence evaluated progress/outcomes during the course of the program through reports submitted by these organisations.

- d. **What is your Company's direct contribution to community development projects? (Amount in ₹ and the details of the projects undertaken)**

For information and details on Company's contribution towards project related to community development undertaken by way of CSR initiatives, kindly refer to 'Report on Corporate Social Responsibility' enclosed as **Annexure VII** of Director Report section of this Annual Report.

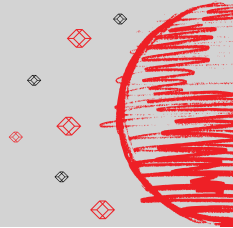
- e. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

The implementation and impact of the CSR initiatives undertaken by the Company are duly monitored and reported to the Corporate Social Responsibility (CSR) Committee of the Company for review purposes.

**PRINCIPLE 9:**

- a. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

During the financial year 2021-2022, the Company has received a total of 20,869 service requests. Significant



number of these requests aggregating to 93.74%, were resolved within a period of 3 days from the date of receipt of the requests itself whereas only 0.26% service requests were pending as on March 31, 2022. Further, no consumer cases were pending against the Company as on the end of the financial year.

**b. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

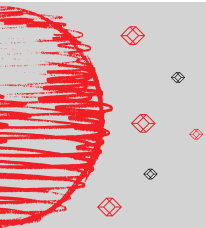
Not Applicable.

**c. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?**

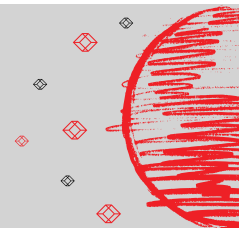
None.

**d. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

No.



# FINANCIAL STATEMENTS



# INDEPENDENT AUDITOR'S REPORT

## To the Members of Black Box Limited (formerly known as AGC Networks Limited) Report on the Audit of the Standalone Financial Statements

### OPINION

1. We have audited the accompanying standalone financial statements of Black Box Limited (formerly known as 'AGC Networks Limited') (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### EMPHASIS OF MATTER – NON-COMPLIANCE WITH LAWS AND REGULATIONS

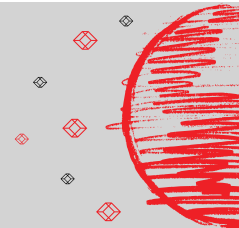
4. We draw attention to Note 44 to the accompanying standalone financial statements which describes the delay in remittance of import payments and repatriation of proceeds of export of goods and services, aggregating to ₹ 2.71 Crores and ₹ 15.04 Crores, respectively, outstanding as at 31 March 2022 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999, as amended from time to time. The management has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines / penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying standalone financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.

## KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue Recognition under Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115')</b></p> <p>Refer note 2D(xvii) – 'Income recognition' and note 20 – 'Revenue from contracts with customers' to the standalone financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year.</p> <p>Revenue for the Company consists primarily of sale of goods and sale of implementation and maintenance services for networking equipment and communications technology solutions.</p> <p>Owing to the multiplicity of the Company's products and services, compliance with varied customer specifications, and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention.</p> <p>Further, the application of Ind AS 115 involves significant judgements / material estimates relating to identification of distinct performance obligations, determination of transaction price, including impact of variable consideration, of the identified performance obligations and the appropriateness of the basis used to measure revenue recognised over a period of time.</p> <p>Considering the materiality of amounts involved, significance of the area to the standalone financial statements, combined with significant judgements and estimates involved, revenue recognition has been considered to be a key audit matter for the current year audit.</p>	<p>Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition:</p> <ul style="list-style-type: none"> <li>• Evaluated the design and tested the operating effectiveness of internal financial controls relating to the application of revenue accounting standard specifically those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.</li> <li>• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and presenting revenue in accordance with the revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> <li>o Read, analysed and identified the distinct performance obligations in these contracts;</li> <li>o Compared such performance obligations with those identified and recorded by the management; and</li> <li>o Reviewed contract terms to determine the transaction price including variable consideration, if any, to determine the appropriate transaction price for computing revenue.</li> </ul> </li> <li>• Samples in respect of revenue recorded for sale of products were tested by inspection of customer acceptances, invoices and historical trend of collections and disputes. Further, tested sample transactions before and after year end to ensure revenue is recorded in the correct period.</li> </ul>





Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>• In respect of samples relating to fixed maintenance contracts, verified the period of the contract with the customer agreements and verified if the revenue was recognised appropriately over the period of contract as services were being rendered basis the method of determination of satisfaction of performance obligations in accordance with Ind AS 115.</li> <li>• Tested a sample of credit notes issued during the year and subsequent to year end to confirm revenue recognised during the period was appropriate.</li> <li>• Performed analytical procedures for reasonableness of revenue recorded such as trend analysis by product and service offering categories, by geographical locations, etc.</li> <li>• In relation to revenue recognised through services rendered to EPC Constructions India Limited ('EPCCIL'), critically evaluated whether the revenue recognition is strictly meeting the criteria laid out in Ind AS 115.</li> <li>• Assessed the appropriateness and adequacy of disclosures included in the standalone financial statements, in accordance with the requirements of Ind AS 115.</li> </ul>
<p><b>Recoverability of outstanding dues from EPCCIL</b></p> <p>Refer note 46 to the accompanying standalone financial statements.</p> <p>The Company had filed a claim before National Company Law Tribunal ('NCLT'), Mumbai, towards recovery of dues from EPCCIL on account of services rendered by the Company to EPCCIL during its ongoing Corporate Insolvency Resolution Process ('CIRP') commenced from April 2018.</p> <p>National Company Law Tribunal ('NCLT') vide its order, had directed EPCCIL to make full payment of all outstanding dues to the Company within a stipulated period and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Company.</p>	<p>Our audit included, but was not limited to, the following procedures performed in respect of recoverability of outstanding dues from EPCCIL:</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation and tested the operating effectiveness of the internal financial controls in estimation of expected credit loss ('ECL') provisioning against trade receivable including the impact of any ongoing litigations/ disputes considered by the management in such assessment</li> <li>• Obtained and assessed management's analysis of the overall accounting treatment of the said matter, including revenue recognition, in accordance with applicable Ind AS and generally accepted accounting principles in India.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>Subsequently, on appeal filed by EPCCIL challenging the aforesaid order, National Company Law Appellate Tribunal ('NCLAT') had passed an order directing EPCCIL to pay partial amount to the Company within the stipulated period and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Company.</p> <p>Considering the series of events as aforementioned, materiality of outstanding amount and uncertainty of ultimate collection of amount due given the ongoing CIRP, the assessment of recoverability of the said receivables involved significant management judgment and estimation which in turn required significant auditor judgement and therefore, this matter has been considered to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Obtained copies of all NCLT and NCLAT orders and agreed all relevant details within the assessment to such orders.</li> <li>• Inspected above mentioned orders to assess the merits of the case and evaluate the appropriateness of management's assessment of recoverability of aforementioned dues through discussion with the management's in-house legal team and senior management.</li> <li>• Evaluated the adequacy of the disclosures made by the Company in respect of aforementioned matter in the standalone financial statements.</li> </ul>

## INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

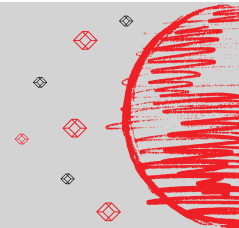
Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting



records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

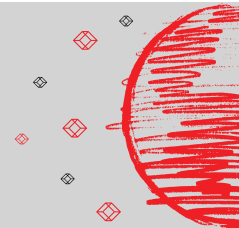
#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
  14. 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.
  15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure – I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure - I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate report in Annexure - II wherein we have expressed an unmodified opinion; and



- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in note 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 50(f) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entity ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company (the 'Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 50(f) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

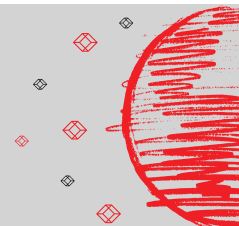
**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 22106815AJTXFC9405**

**Place :** Mumbai  
**Date :** 27 May 2022

**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment and right of use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment and right of use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has a working capital limit in excess of ₹ 5 Crores sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit / review, except, as disclosed in note 49 to the accompanying standalone financial statements.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 186 in respect of investment and guarantee, as applicable. Further, in our opinion the Company has not entered into any transactions covered under sections 185 and 186 of the Act in respect of loans and security.



**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products and services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Undisputed tax collected at source which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows.

Statement of arrears of statutory dues outstanding for more than six months:

Name of the statute	Nature of the dues	Amount (₹ in Crores)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Income-tax Act, 1961	Tax collected at source	0.01	May 2021	07 June 2021	Not applicable	Unpaid till date of this report

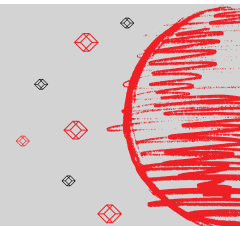
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	13.01	13.01	Assessment year 2005-06	Deputy Commissioner of Income Tax
Income-tax Act, 1961	Income tax	2.13	2.13	Assessment year 2006-07	Deputy Commissioner of Income Tax
Income-tax Act, 1961	Income tax	5.12	5.12	Assessment year 2007-08	Deputy Commissioner of Income Tax
Income-tax Act, 1961	Income tax	0.55	0.55	Assessment year 2009-10	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	5.53	5.53	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	0.55	0.54	Assessment year 2015-16	Commissioner of Income Tax (Appeals)



**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

Name of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	0.04	-	Assessment year 2016-17	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	0.21	0.21	Assessment year 2018-19	Assistant Director of Income Tax, CPC
West Bengal Sales Tax Act, 1994	Sales tax	0.03	-	2003-04, 2005-06 and 2006-07	Sr. Joint Commissioner of Commercial Tax, West Bengal
The Kerala Value Added Tax Act, 2003	Value added tax	0.08	-	2008-09	Kerala VAT Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	0.28	0.08	2008-09	Additional Commissioner (Appeals) of Commercial Tax, Lucknow
The Kerala Value Added Tax Act, 2003	Value added tax	0.05	0.02	2011-12	Assistant Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	Value added tax	0.03	0.01	2009-10	Assistant Commissioner (Appeals)
The Gujarat Value added Tax Act, 2003	Value added tax	0.74	0.26	2011-12	Gujarat VAT Tribunal
The Gujarat Value added Tax Act, 2003	Value added tax	1.58	0.44	2012-13	Gujarat VAT Tribunal
The Gujarat Value added Tax Act, 2003	Value added tax	0.20	0.06	2013-14	Gujarat VAT Tribunal
The Maharashtra Value Added Tax Act, 2002	Value added tax	0.47	0.03	2013-14	Joint Commissioner of Appeals
The Gujarat Value added Tax Act, 2003	Value added tax	0.54	0.07	2015-16	Joint Commissioner Appeals, Ahmedabad
Tamil Nadu Value Added Tax Act, 2006	Value added tax	0.10	-	2015-16	Deputy Commissioner (Appeals), Chennai



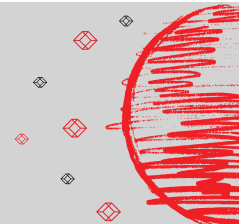
**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

Name of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
The Kerala Value Added Tax Act, 2003	Value added tax	1.15	-	2013-14, 2014-15, 2015-16 and 2016-17	State Tax Officer
The Maharashtra Value Added Tax Act, 2002	Value added tax	0.51	-	2015-16	Deputy Commissioner of State Tax
The Gujarat Value added Tax Act, 2003	Value added tax	2.50	-	2016-17	Commissioner of State Tax, Ahmedabad
The Haryana Value Added Tax Act, 2003	Value added tax	0.21	-	2014-15	Excise and Taxation Officer, Gurgaon
The Gujarat Value Added Tax Act, 2003	Value added tax	0.60	0.02	2017-18	Joint Commissioner of Commercial Tax, Ahmedabad
The Maharashtra Value Added Tax Act, 2002	Value added tax	1.09	-	2016-17	Deputy Commissioner of Sales Tax, Mumbai
Delhi Value added Tax Act, 2004	Value added tax	0.64	-	2012-13 2015-2016	SOHA (Special Objection Hearing Authority Appeals)
Finance Act, 1994	Service tax	0.50	0.05	2006-07, 2007-08 and 2011-12	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Finance Act, 1994	Service tax	4.17	0.35	2003-04 to 2006-07	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Finance Act, 1994	Service tax	0.74	0.04	2004-05 to 2006-07	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service tax	4.73	0.05	2003-04 to 2007-08	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
Finance Act, 1994	Service tax	5.40	0.50	2004-05 to 2007-08	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad

**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

Name of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	0.06	0.03	2005-06	Commissioner of Central Excise and Service Tax - Appeals
Finance Act, 1994	Service tax	2.90	-	2016-17	Commissioner (Appeals), Gandhinagar

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been recorded in the books of account.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.



**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
  - (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
  - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
  - (b) We have considered the reports issued by the internal auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of

**ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTD)**

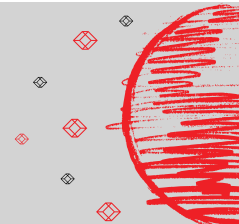
one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of this audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanations given to us, although the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 22106815AJTXFC9405**

**Place :** Mumbai  
**Date :** 27 May 2022



## **ANNEXURE - II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

### **Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')**

1. In conjunction with our audit of the standalone financial statements of Black Box Limited (formerly known as AGC Networks Limited) (the 'Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria ('IFC 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 (the 'Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone

**ANNEXURE - II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF BLACK BOX LIMITED (FORMERLY KNOWN AS AGC NETWORKS LIMITED) ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

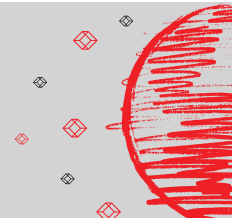
8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the IFC criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 22106815AJTXFC9405**

**Place :** Mumbai  
**Date :** 27 May 2022





# STANDALONE BALANCE SHEET as at 31 March 2022

	Notes	As at 31 March 2022	As at 31 March 2021
<b>₹ in Crores</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	8.42	5.68
Right of use assets	4	23.47	4.88
Other intangible assets	5	1.24	0.70
<b>Financial assets</b>			
Investments	6	194.48	194.48
Other financial assets	7	10.80	2.92
Deferred tax assets (net)	8	-	-
Tax assets (net)		44.34	48.94
Other non-current assets	9	5.09	4.89
<b>Total non-current assets</b>		<b>287.84</b>	<b>262.49</b>
<b>Current assets</b>			
Inventories	10	6.87	11.86
<b>Financial assets</b>			
Trade receivables	11	82.48	66.88
Cash and cash equivalents	12	0.30	3.69
Bank balances other than cash and cash equivalents	12	1.93	2.61
Other financial assets	7	30.88	29.42
Other current assets	9	46.14	52.57
<b>Total current assets</b>		<b>168.60</b>	<b>167.03</b>
<b>TOTAL ASSETS</b>		<b>456.44</b>	<b>429.52</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	32.81	32.53
Other equity		252.44	244.11
<b>Total equity</b>		<b>285.25</b>	<b>276.64</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	14	27.92	3.08
Other financial liabilities	15	0.23	-
Provisions	16	7.26	7.18
Other non-current liabilities	17	0.43	2.66
<b>Total non-current liabilities</b>		<b>35.84</b>	<b>12.92</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	22.49	16.43
Lease liabilities	14	2.57	2.05
Trade payables	19		
Total outstanding dues to micro enterprises and small enterprises		18.13	11.15
Total outstanding dues to creditors other than micro enterprises and small enterprises		52.54	50.38
Other financial liabilities	15	18.82	31.89
Other current liabilities	17	20.10	27.40
Provisions	16	0.70	0.66
<b>Total current liabilities</b>		<b>135.35</b>	<b>139.96</b>
<b>TOTAL LIABILITIES</b>		<b>171.19</b>	<b>152.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>456.44</b>	<b>429.52</b>

The accompanying notes form an integral part of the standalone financial statements

This is the standalone balance sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. : 001076N/N500013

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place : Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**BHARAT SHETTY**  
Partner  
Membership No. 106815

**ADITYA GOSWAMI**  
Company Secretary

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place : Dallas, Texas, USA

Place : Mumbai  
Date : 27 May 2022

Place : Mumbai  
Date : 27 May 2022

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

	Notes	₹ in Crores	
		31 March 2022	31 March 2021
<b>INCOME</b>			
Revenue from operations	20	293.59	249.54
Other income	21	6.10	8.47
<b>Total income (I)</b>		<b>299.69</b>	<b>258.01</b>
<b>EXPENSES</b>			
Purchase of stock-in-trade		112.49	71.19
Changes in inventories of work-in-progress and stock-in-trade	22	5.05	(1.97)
Service charges		101.22	104.57
Employee benefits expense (net)	23	38.11	32.21
Finance costs	24	5.70	17.01
Depreciation and amortisation expense	25	4.49	5.39
Other expenses	26	25.73	30.22
<b>Total expenses (II)</b>		<b>292.79</b>	<b>258.62</b>
<b>Profit / (loss) before impact of foreign currency transactions and translations, exceptional item and tax (I-II)</b>		<b>6.90</b>	<b>(0.61)</b>
Gain / (loss) on foreign currency transactions and translations (net)		0.64	(1.25)
<b>Profit / (loss) before exceptional item and tax</b>		<b>7.54</b>	<b>(1.86)</b>
Exceptional item - expense	27	1.73	-
<b>Profit / (loss) before tax</b>		<b>5.81</b>	<b>(1.86)</b>
Tax expenses	28	-	-
<b>Net profit / (loss) for the year</b>		<b>5.81</b>	<b>(1.86)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
- Remeasurement gain on defined benefit plan		0.50	0.32
- Income tax on above item	28	-	-
<b>Other Comprehensive Income for the year</b>		<b>0.50</b>	<b>0.32</b>
<b>Total Comprehensive Income / (Loss) for the year</b>		<b>6.31</b>	<b>(1.54)</b>
<b>Earnings / (loss) per equity share (Face value of ₹ 10 each)</b>	29 and 47		
Basic (in ₹)		0.36	(0.12)
Diluted (in ₹)		0.35	(0.12)

The accompanying notes form an integral part of the standalone financial statements

This is the standalone statement of profit and loss referred to in our report of even date

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. : 001076N/N500013

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place : Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**BHARAT SHETTY**  
Partner  
Membership No. 106815

**ADITYA GOSWAMI**  
Company Secretary

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place : Dallas, Texas, USA

Place : Mumbai  
Date : 27 May 2022

Place : Mumbai  
Date : 27 May 2022



# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

	₹ in Crores	
	31 March 2022	31 March 2021
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before tax	5.81	(1.86)
<b>Adjustments for non-cash transactions and items considered separately:</b>		
Depreciation and amortisation expense	4.49	5.39
Gain on sale of investment in subsidiary	-	(1.85)
Gain on remeasurement of lease	(0.39)	(0.59)
Gain on sublease arrangement	(0.45)	-
Interest on income-tax refund	(2.42)	(3.18)
Actuarial gain on defined benefits plan	0.50	0.32
Creation / (reversal) of provision for warranties	0.07	(0.09)
Allowance for expected credit loss (net)	5.44	9.16
Sundry balances written off	-	2.08
Liabilities / provisions for earlier years no longer required written back / reversed	(1.25)	(3.64)
Net (gain) / loss on foreign currency translation	(0.51)	1.33
Finance costs	5.70	17.01
Interest income on bank deposits	(0.30)	(0.23)
Expenses on share based payments	0.51	0.31
Interest income on inter corporate deposits	-	(1.67)
<b>Operating profit before working capital changes</b>	<b>17.20</b>	<b>22.49</b>
<b>Changes in working capital :</b>		
Trade receivables	(20.41)	(0.96)
Inventories	4.99	(1.86)
Financial and other assets	(1.55)	(13.52)
Trade payables	9.85	0.06
Provisions and other liabilities	1.35	(8.83)
<b>Cash generated from operating activities before taxes</b>	<b>11.43</b>	<b>(2.61)</b>
Income taxes refund	7.02	25.34
<b>Net cash generated from operating activities (A)</b>	<b>18.45</b>	<b>22.73</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and other intangible assets	(4.73)	(0.38)
Proceeds from sale of property, plant and equipment and other intangible assets	-	1.46
Inter corporate deposit received back	-	17.30
Interest received on inter corporate deposits	-	7.19
Interest received on bank deposits	0.29	0.14
Investment made in subsidiary	-	(160.26)

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

	₹ in Crores	
	31 March 2022	31 March 2021
Proceeds from sale of investment in subsidiary	-	16.35
Investment in long term margin money deposits and bank deposits	(1.88)	(0.79)
Liquidation of long term margin deposits and bank deposits	0.72	1.81
Investment in short term margin deposits and bank deposits (net)	(0.02)	(1.92)
<b>Net cash used in investing activities (B)</b>	<b>(5.62)</b>	<b>(119.10)</b>
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares	0.28	2.14
Money received against share warrants	-	73.38
Securities premium received on issue of equity shares and conversion of warrants	1.51	113.40
Availment / (repayment) of cash credit facilities (net)	6.06	(77.39)
(Repayment) / availment of letter of credit facility	(16.33)	10.51
Payment of lease liabilities (net)	(4.60)	(7.00)
Payment of interest (excluding interest on lease liabilities)	(3.16)	(16.08)
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(16.24)</b>	<b>98.96</b>
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>(3.41)</b>	<b>2.59</b>
Cash and cash equivalents at the beginning of the year	3.69	1.09
Unrealised gain on foreign currency cash and cash equivalents	0.02	0.01
<b>Cash and cash equivalents at the end of the year</b>	<b>0.30</b>	<b>3.69</b>
<b>Components of cash and cash equivalents (refer note 12)</b>		
Balances with banks:		
– In current accounts	0.28	0.35
– In deposit accounts	-	3.33
Cash on hand	0.02	0.01
<b>Total cash and cash equivalents</b>	<b>0.30</b>	<b>3.69</b>

The accompanying notes form an integral part of the standalone financial statements

The above standalone statement of cash flows has been prepared under the “Indirect Method” as set out in Ind AS 7 “Statement of Cash Flows” specified under section 133 of the Companies Act, 2013 (‘the Act’).

This is the standalone statement of cash flows referred to in our report of even date

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. : 001076N/N500013

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place : Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

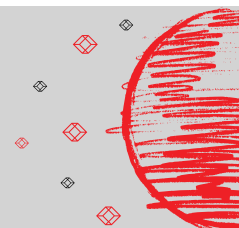
**BHARAT SHETTY**  
Partner  
Membership No. 106815

**ADITYA GOSWAMI**  
Company Secretary

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place : Dallas, Texas, USA

Place : Mumbai  
Date : 27 May 2022

Place : Mumbai  
Date : 27 May 2022



# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

## EQUITY SHARE CAPITAL

Particulars	Note	Number of shares	₹ in Crores
<b>As at 1 April 2020</b>	<b>13</b>	<b>29,744,649</b>	<b>29.75</b>
Changes during the year		2,784,181	2.78
<b>As at 31 March 2021</b>	<b>13</b>	<b>32,528,830</b>	<b>32.53</b>
Changes during the year		284,024	0.28
<b>As at 31 March 2022</b>	<b>13</b>	<b>32,812,854</b>	<b>32.81</b>

## OTHER EQUITY

Particulars	Reserves and surplus						Money received against share warrants	Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Stock options outstanding account	Remeasurement of defined benefit plan (net of taxes)		
<b>As at 1 April 2020</b>	<b>22.64</b>	<b>45.90</b>	<b>100.58</b>	<b>(111.90)</b>	<b>2.16</b>	<b>(0.18)</b>	-	<b>59.20</b>
Loss for the year	-	-	-	(1.86)	-	-	-	(1.86)
Remeasurement of defined benefit obligation	-	-	-	-	-	0.32	-	0.32
Expenses on employee stock option scheme	-	-	-	-	0.31	-	-	0.31
Transferred to general reserve	-	-	0.01	-	(0.01)	-	-	-
Transferred to securities premium	-	0.72	-	-	(0.72)	-	-	-
Issue of equity shares, net of transaction costs	-	173.74	-	-	-	-	-	173.74
Money received against share warrants	-	-	-	-	-	-	12.40	12.40
<b>As at 31 March 2021</b>	<b>22.64</b>	<b>220.36</b>	<b>100.59</b>	<b>(113.76)</b>	<b>1.74</b>	<b>0.14</b>	<b>12.40</b>	<b>244.11</b>
Profit for the year	-	-	-	5.81	-	-	-	5.81
Remeasurement of defined benefit plan	-	-	-	-	-	0.50	-	0.50
Expenses on employee stock option scheme	-	-	-	-	0.51	-	-	0.51
Transferred to securities premium	-	1.24	-	-	(1.24)	-	-	-
Issue of equity shares on exercise of employee stock options	-	1.51	-	-	-	-	-	1.51
<b>As at 31 March 2022</b>	<b>22.64</b>	<b>223.11</b>	<b>100.59</b>	<b>(107.95)</b>	<b>1.01</b>	<b>0.64</b>	<b>12.40</b>	<b>252.44</b>

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

## Nature and purpose of reserves:

### Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instrument is transferred to capital reserve.

### Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Act.

### General reserve

This represents appropriation of profit by the Company.

### Retained earnings

Retained earnings comprises of current year and prior years undistributed earnings / (loss) after taxes.

### Stock option outstanding account

The stock option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to the securities premium account upon exercise of stock options by employees, as applicable. In case of forfeiture, corresponding balance is transferred to general reserve.

### Remeasurement of defined benefit plan

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in Other Comprehensive Income and are adjusted to retained earnings.

---

The accompanying notes form an integral part of the standalone financial statements

This is the standalone statement of changes in equity referred to in our report of even date

#### For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No. : 001076N/N500013

#### **BHARAT SHETTY**

Partner

Membership No. 106815

Place : Mumbai

Date : 27 May 2022

#### For and on behalf of the Board of Directors of

**Black Box Limited (formerly known as AGC Networks Limited)**

#### **SANJEEV VERMA**

Whole-time Director

DIN - 06871685

Place : Dallas, Texas, USA

#### **ADITYA GOSWAMI**

Company Secretary

Place : Mumbai

Date : 27 May 2022

#### **MAHUA MUKHERJEE**

Executive Director

DIN - 08107320

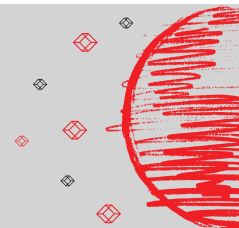
Place : Mumbai

#### **DEEPAK KUMAR BANSAL**

Chief Financial Officer and Executive Director

DIN - 07495199

Place : Dallas, Texas, USA



# SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

## 1 CORPORATE INFORMATION

Black Box Limited (formerly known as AGC Networks Limited) ('the Company') or 'BBL' is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company's registered office is located at 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708. The Company, along with its foreign and Indian subsidiaries, is a global information, communications technology (ICT) solutions provider and integrator seamlessly delivering technology based solutions across global markets and verticals layered with a spectrum of applications and services. The Company is the leader in Enterprise Communications in India with global footprint in locations spanning India, Middle East and Africa, North America, Australia, New Zealand, Singapore and Europe.

## 2 BASIS OF PREPARATION AND PRESENTATION

### A. General information and statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules thereafter, including the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India to the extent applicable.

The revision to standalone financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

All amounts included in the standalone financial statements are reported in Indian Rupees ('INR') in Crores unless otherwise stated and rounded up to two decimals. Further, "0" denotes amounts less than fifty thousands rupees.

These standalone financial statements are separate financial statements of the Company under Ind AS 27 "Separate Financial Statements" ('Ind AS 27').

### B. Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Share based payment transactions; and
- iii. Defined benefit and other long-term employee benefits.

### C. Use of estimate and judgment

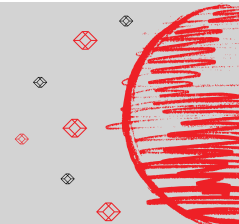
The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

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

- (i) **Income tax:** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- (ii) **Deferred tax:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.
- (iii) **Defined benefit plan and compensated absences:** The cost of the defined benefit plan, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (iv) **Share-based payments:** The grant date fair value of options granted to employees is recognised as employee benefits expense, with corresponding increase in equity, over the period that the employees become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under “stock options outstanding account”. The amount recognised as an expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vest, in the standalone statement of profit and loss with a corresponding adjustment to equity.
- (v) **Property, plant and equipment:** Property, plant and equipment (‘PPE’) represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of the PPE’s expected useful life and the expected residual value at the end of its useful life. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management either based on technical evaluation or those prescribed under schedule II of the Act.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (vi) **Expected credit losses on financial assets:** On application of Ind AS 109 “Financial Instruments”, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s past history of collections, customer’s credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
- (vii) **Provisions:** Provisions are recognised when the Company has a present obligation as a result of past event 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. Provisions (excluding defined benefit plan and compensated absences) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (viii) **Leases:** Ind AS 116 “Leases” requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company’s operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.
- (ix) **Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The carrying amount of other non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the standalone statement of profit and loss in the year in which an assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.
- (x) **Contingent liabilities:** At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Company assess the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (xi) **Fair value measurement:** Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### D. Summary of significant accounting policies

#### (i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The standalone financial statements are presented in INR, which is the functional and presentation currency of the Company.

#### (ii) Foreign currency transactions and translations

Foreign currency transactions of the Company are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the transaction. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the standalone statement of profit and loss.

#### (iii) Financial instruments

##### a. Initial recognition and measurement

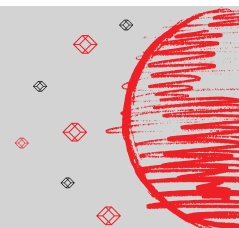
The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised on the trade date.

##### b. Subsequent measurement

###### Non derivative financial instruments

##### a. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

**b. Financial assets at fair value through other comprehensive income ('FVOCI')**

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c. Financial assets at fair value through profit or loss ('FVTPL')**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**d. Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**c. De-recognition of financial instruments**

The Company derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

**d. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**(iv) Current versus non-current classification**

(i) An asset is considered as current when it is:

- a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
- b. Held primarily for the purpose of trading, or
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) All other assets are classified as non-current.

(iii) Liability is considered as current when it is:

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- a. Expected to be settled in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Due to be settled within twelve months after the reporting period, or
  - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- (iv) All other liabilities are classified as non-current.
- (v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- (vi) All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### (v) Property, plant and equipment ('PPE')

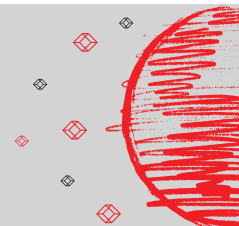
PPE are stated at historical cost, less accumulated depreciation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management. Any trade discount and rebates are deducted in arriving at the purchase price.

An item of PPE initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the standalone statement of profit and loss, in the period of disposal.

Items such as spare parts are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

The Company depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE are as follows:

Assets	Number of years
Plant and equipment	3 to 15 years
Furniture and fixtures	5 years
Office equipment	3 to 5 years
Buildings	30 to 60 years
Vehicles	4 years
Computers and servers	3 to 4 years
Electrical installations	5 years



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

In case of certain PPE, the Company uses different useful life than those specified in Schedule II of the Act which is duly supported by technical evaluation. The management believe that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

### **(vi) Intangible assets**

Intangible assets acquired separately are measured at cost of acquisition. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Computer software is amortised on a straight line basis over the estimated useful economic life which is expected as four years. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the standalone statement of profit and loss when the asset is derecognised.

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

### **(vii) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **(i) Company as a lessee**

The Company's lease asset class consists of leases for buildings, furniture and laptops. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

At the date of commencement of the lease, the Company recognises a right of use asset ('ROU') and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ('CGU') to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment on whether it will exercise an extension or a termination option.

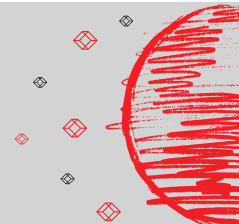
Lease liabilities and ROU assets have been separately presented in the standalone balance sheet and lease payments have been classified as financing cash flows.

### (ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (viii) Impairment of assets

#### a. Non-financial assets

Intangible assets, right of use assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the standalone statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the standalone statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

#### b. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 “Financial Instruments” requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing component. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### (ix) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Current investments are carried in the standalone financial statements at lower of cost and fair value determined on an individual investment basis.

Non-current investments including investment in subsidiary are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of these investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the standalone statement of profit and loss.

### (x) Employee benefits

#### a. Long-term employee benefits

##### (i) Defined contribution plan

The Company has defined contribution plan for post employment benefits in the form of provident fund, employees' state insurance and labour welfare fund. Under the defined contribution plan, the Company has no further obligation beyond making the contributions. Such contributions are charged to the standalone statement of profit and loss as incurred.

##### (ii) Defined benefit plan

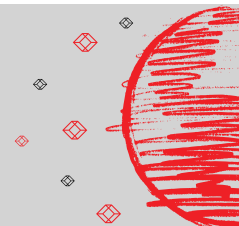
The Company has defined benefit plan for post employment benefits in the form of gratuity for its employees in India. Liability for defined benefit plan is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or losses are recognised in Other Comprehensive Income ('OCI'). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in standalone statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurement of net defined benefit liability or asset through OCI.

Remeasurement comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) are not reclassified to standalone statement of profit and loss in subsequent periods.

##### (iii) Other long-term employee benefits

The employees of the Company are also entitled to other long-term employee benefits in the form of compensated absences as per the policy of the Company. Accumulated leave, which is



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

expected to be utilised 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. Actuarial gains and loss are recognised in the standalone statement of profit and loss during the period in which they arise.

### **b. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include performance incentives.

### **(xi) Share based payments**

The Company determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 “Share-based Payment”. The Company grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense is determined based on the Company’s estimate of equity instrument that will eventually vest.

### **(xii) Unamortised cost for maintenance contracts**

Contractual obligation relating to maintenance contracts, benefits of which will be consumed in subsequent years, have been recognised as unamortised cost for maintenance contracts and disclosed under “other assets”.

### **(xiii) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which 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 the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the standalone financial statements. However, it is recognised only when an inflow of economic benefits is probable.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### **(xiv) Warranty provisions**

Provisions for warranty-related costs are recognised when the product is sold or service is provided. Provision is based on historical experience. The estimate of such warranty-related costs is reviewed annually.

### **(xv) Borrowing costs**

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

### **(xvi) Inventories**

Inventories of work-in-progress and stock-in-trade are valued at cost or net realisable value, whichever is lower. The cost is determined on weighted average basis, and includes all costs incurred in bringing the inventories to their present location and condition. In the case of work-in-progress, cost also includes costs of conversion.

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

Further, inventory contains service spares which are used as replacement stocks by the Company for servicing the customers repairs and maintenance requirements during the service period. Adequate allowances are recognised as a measure of consumption over their expected life based on their usage.

Cost of stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

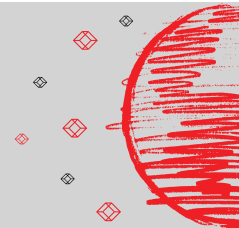
### **(xvii) Income recognition**

#### **(a) Revenue recognition**

Revenue is recognised to depict the transfer of promised products or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products or services. The following specific recognition criteria must also be met before revenue is recognised:

#### **Sale of products**

Revenue from sale of product is recognised when control of the product is transferred to the buyer which generally coincides with acknowledgement of delivery pending which the sale is disclosed as “Contract liabilities”.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

The Company collects goods and services tax ('GST') and other indirect taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company and are accordingly excluded from the revenue.

### **Sale of services**

1. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met.
2. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.
3. Service income of a periodic nature which is billed but has not accrued during the year is disclosed as "Contract liabilities".
4. The Company collects GST and other indirect taxes on behalf of the government and therefore, these are not economic benefits flowing to the Company and are accordingly excluded from the revenue.

### **(b) Other operating revenue**

It includes revenue arising from the reversal of operating liabilities / provisions no longer required or revenue arising from Company's ancillary revenue-generating activities. Revenue from these activities are recorded only when Company is reasonably certain of such income.

### **(c) Other income**

Other income comprises

- a. Interest income on deposits: Interest income is recognised using the effective interest method and on time proportion basis.
- b. Commission income: It is accounted on accrual basis, except where receipt of income is uncertain.

### **(d) Trade receivables, contract assets and contract liabilities**

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Company has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in "Other financial assets" to the standalone financial statements and primarily relate to unbilled amounts on

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

fixed-price contracts utilising the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised. The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performances obligation and customer payment.

### **(xviii) Income tax**

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in standalone financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset is recognised to the extent 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 utilised. Deferred tax liabilities are recognised for all taxable temporary differences.

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

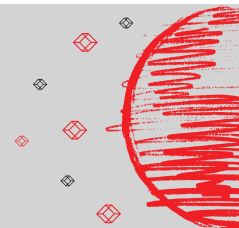
### **(xix) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

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

### **(xx) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, balance with banks in current account and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months)



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(xxi) Equity shares**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **(xxii) Exceptional items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

### **(xxiii) Guarantee commission**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 “Financial Instruments” and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 “Revenue from Contracts with Customers”.

### **(xxiv) Service charges**

Service charges comprise of cost for back to back implementation services / installation and commissioning related to products supplied at customer location. Cost is recognised when services are received / commissioned or on completion of performance obligation.

Further, cost towards maintenance contracts is recognised based on receipt / delivery of services under the contract. It includes charges paid / payable to vendors towards annual maintenance contracts / warranty contracts / software support charges / engineers posted at customer sites.

### **(xxv) Events after the reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (xxvi) **Recent accounting pronouncements**

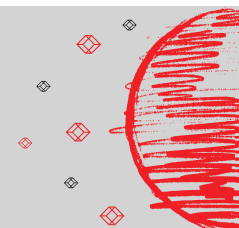
The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. These amendments are applicable for reporting period on or after 01 April 2022. As the amendments are not yet effective as at reporting date, the Company is evaluating the requirement of the said amendments and its impact on these standalone financial statements.

**"Ind AS 16 "Property, Plant and Equipment"** – The amendment specifies that an entity shall deduct from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

**"Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"**– The amendment specifies that the cost of fulfilling a contract comprises the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

**"Ind AS 103 "Business Combinations"** – The amendment has added a new exception for liabilities and contingent liabilities.

**"Ind AS 109 "Financial Instruments"** – The amendment clarifies that the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

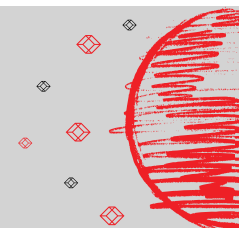
### E. Details of significant investments in subsidiary companies in accordance with Ind AS 27

Name of subsidiary	Principal place of business and country of incorporation	% ownership interest held by the Company as at 31 March 2022
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Singapore	100.00%
AGC Networks LLC, USA (formerly known as AGC Networks Inc.)	United States of America ('USA')	100.00%
AGC Networks Philippines, Inc.	Philippines	100.00%
AGC Networks & Cyber Solutions Limited	Kenya	100.00%
AGC Networks LLC, Dubai*	Dubai	49.00%
AGC Networks LLC, Abu Dhabi*	Abu Dhabi	0.00%
BBX Main Inc.	USA	100.00%
BBX Inc.	USA	100.00%
Black Box Corporation	USA	100.00%
ACS Dataline, LP	USA	100.00%
ACS Investors, LLC	USA	100.00%
BB Technologies, Inc.	USA	100.00%
BBOX Holdings Mexico LLC	Mexico	100.00%
BBOX Holdings Puebla LLC	USA	100.00%
Black Box Corporation of Pennsylvania	USA	100.00%
Black Box Network Services, Inc. – Government Solutions	USA	100.00%
Black Box Services Company	USA	100.00%
Delaney Telecom, Inc.	USA	100.00%
Norstan Communications, Inc.	USA	100.00%
Nu-Vision Technologies, LLC	USA	100.00%
Black Box Network Services Australia Pty Ltd	Australia	100.00%
Black Box GmbH	Austria	100.00%
Black Box Network Services NV	Belgium	100.00%
Black Box do Brasil Industria e Comercio Ltda.	Brazil	100.00%
Black Box Canada Corporation	Canada	100.00%
Norstan Canada, Ltd./Norstan Canada, Ltée	Canada	100.00%
Black Box Holdings Ltd.	Cayman Islands	100.00%

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Name of subsidiary	Principal place of business and country of incorporation	% ownership interest held by the Company as at 31 March 2022
Black Box Chile S.A.	Chile	100.00%
Black Box E-Commerce (Shanghai) Co., Ltd.	China	100.00%
Black Box A/S	Denmark	100.00%
Black Box Network Services (UK) Limited	United Kingdom	100.00%
Black Box Finland OY	Finland	100.00%
Black Box France	France	100.00%
Black Box Deutschland GmbH	Germany	100.00%
Black Box Network Services India Private Limited	India	100.00%
Black Box Network Services (Dublin) Limited	Ireland	100.00%
Black Box Software Development Services Limited	Ireland	100.00%
Black Box Network Services S.r.l.	Italy	100.00%
Black Box Network Services Co., Ltd.	Japan	100.00%
Black Box Network Services Korea Limited	Korea	100.00%
Black Box Network Services SDN. BHD.	Malaysia	100.00%
Black Box de Mexico, S. de R.L. de C.V.	Mexico	100.00%
Black Box International B.V.	Netherlands	100.00%
Black Box International Holdings B.V.	Netherlands	100.00%
Black Box Network Services New Zealand Limited	New Zealand	100.00%
Black Box Norge AS	Norway	100.00%
Black Box P.R. Corp.	Puerto Rico	100.00%
Black Box Network Services Singapore Pte Ltd	Singapore	100.00%
Black Box Comunicaciones, S.A.	Spain	100.00%
Black Box Network Services AB	Sweden	100.00%
Black Box Network Services AG	Switzerland	100.00%
Black Box Network Services Corporation	Taiwan	100.00%
Servicios Black Box S.A. de C.V.	Mexico	100.00%
Black Box Network Services Hong Kong Limited	Hong Kong	100.00%
Black Box Network Services Philippines Inc.	Philippines	100.00%
Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	Australia	100.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Name of subsidiary	Principal place of business and country of incorporation	% ownership interest held by the Company as at 31 March 2022
AGCN Solutions Pte. Limited	Singapore	100.00%
COPC Holdings Inc.	USA	100.00%
COPC Inc.	USA	100.00%
COPC International Inc.	USA	100.00%
COPC Asia Pacific Inc.	USA	100.00%
COPC International Holdings LLC	USA	100.00%
COPC India Private Limited	India	100.00%
COPC Consultants (Beijing) Co. Limited	China	100.00%
Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited)	New Zealand	100.00%
Pyrios Pty Limited	Australia	100.00%
Fujisoft Security Solutions LLC*	Dubai	49.00%
Black Box Technologies LLC (formerly known as Fujisoft Technology LLC)*	Dubai	49.00%
Fujisoft Technology LLC, Abu Dhabi*	Abu Dhabi	49.00%
Service Journey Strategies Inc.	USA	100.00%
Black Box Costa Rica S.R.L	Costa Rica	100.00%
Black Box Network Services Colombia S.A.S.	Colombia	100.00%
Black Box Bangladesh Technologies Private Limited	Bangladesh	100.00%
Black Box Technologies Group B.V.	Netherlands	100.00%
Dragonfly Technologies Pty Ltd	Australia	100.00%
Cybalt Inc.	USA	100.00%
Black Box Products FZE	Dubai	100.00%

\* Represents legal ownership as per the local laws of respective country. However, Company through its subsidiaries, is holding 100% of the beneficial interest in these entities

The following subsidiary company is excluded from consolidation as it is not significant / material to the group:

Name of subsidiary	Principal place of business and country of incorporation	Relationship
Black Box DMCC (formerly known as Zservices HQ DMCC)	Dubai	Subsidiary company

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

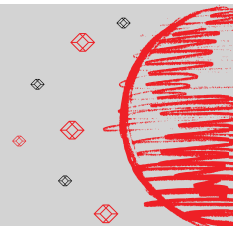
### 3 PROPERTY, PLANT AND EQUIPMENT

	₹ in Crores							
	Building	Plant and equipment	Computers and servers	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Gross carrying amount</b>								
<b>As at 1 April 2020</b>	0.09	19.36	11.24	1.13	2.32	10.01	0.07	44.22
Additions	-	0.17	0.05	-	-	-	-	0.22
Disposals	-	4.15	3.52	0.89	1.98	8.19	0.07	18.80
<b>As at 31 March 2021</b>	<b>0.09</b>	<b>15.38</b>	<b>7.77</b>	<b>0.24</b>	<b>0.34</b>	<b>1.82</b>	-	<b>25.64</b>
Additions	-	0.17	0.46	-	1.15	2.32	-	4.10
Disposals	-	4.49	0.49	-	0.00	0.68	-	5.66
<b>As at 31 March 2022</b>	<b>0.09</b>	<b>11.06</b>	<b>7.74</b>	<b>0.24</b>	<b>1.49</b>	<b>3.46</b>	-	<b>24.08</b>
<b>Accumulated depreciation</b>								
<b>As at 1 April 2020</b>	0.08	14.91	10.19	0.99	1.98	9.49	0.07	37.71
Charge for the year	0.00	0.55	0.25	0.05	0.08	0.12	-	1.05
Disposals	-	4.15	3.52	0.89	1.98	8.19	0.07	18.80
<b>As at 31 March 2021</b>	<b>0.08</b>	<b>11.31</b>	<b>6.92</b>	<b>0.15</b>	<b>0.08</b>	<b>1.42</b>	-	<b>19.96</b>
Charge for the year	0.00	0.72	0.10	0.04	0.17	0.33	-	1.36
Disposals	-	4.49	0.49	-	0.00	0.68	-	5.66
<b>As at 31 March 2022</b>	<b>0.08</b>	<b>7.54</b>	<b>6.53</b>	<b>0.19</b>	<b>0.25</b>	<b>1.07</b>	-	<b>15.66</b>
<b>Net carrying amount</b>								
<b>As at 31 March 2021</b>	<b>0.01</b>	<b>4.07</b>	<b>0.85</b>	<b>0.09</b>	<b>0.26</b>	<b>0.40</b>	-	<b>5.68</b>
<b>As at 31 March 2022</b>	<b>0.01</b>	<b>3.52</b>	<b>1.21</b>	<b>0.05</b>	<b>1.24</b>	<b>2.39</b>	-	<b>8.42</b>

#### Footnotes:

- 1 Building includes those constructed on leasehold land.
- 2 For capital commitments, refer note 34(B).
- 3 Refer note 18(a) for information on property, plant and equipment maintained as security by the Company.
- 4 The title deed of building is held in the name of the Company.
- 5 Information on PPE maintained as security by the Company:

Class of asset	Net carrying amount		Loans / financing facilities against which assets are pledged
	31 March 2022	31 March 2021	
Plant and equipment	3.52	4.07	Cash credit facilities
Computers and servers	1.21	0.85	
Electrical installations	0.05	0.09	
Furniture and fixtures	1.24	0.26	
Office equipment	2.39	0.40	
Vehicles	-	-	



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### 4 RIGHT OF USE ASSETS

	₹ in Crores			
	Buildings	Furniture	Computers and servers	Total
<b>Gross carrying amount</b>				
<b>As at 1 April 2020</b>	22.90	-	-	22.90
Additions	1.33	-	-	1.33
Disposals	15.53	-	-	15.53
<b>As at 31 March 2021</b>	<b>8.70</b>	-	-	<b>8.70</b>
Additions	23.52	4.19	2.11	29.82
Disposals	10.66	-	-	10.66
<b>As at 31 March 2022</b>	<b>21.56</b>	<b>4.19</b>	<b>2.11</b>	<b>27.86</b>
<b>Accumulated depreciation</b>				
<b>As at 1 April 2020</b>	5.86	-	-	5.86
Charge for the year	4.28	-	-	4.28
Disposals	6.32	-	-	6.32
<b>As at 31 March 2021</b>	<b>3.82</b>	-	-	<b>3.82</b>
Charge for the year	2.75	0.26	0.03	3.04
Disposals	2.47	-	-	2.47
<b>As at 31 March 2022</b>	<b>4.10</b>	<b>0.26</b>	<b>0.03</b>	<b>4.39</b>
<b>Net carrying amount</b>				
<b>As at 31 March 2021</b>	<b>4.88</b>	-	-	<b>4.88</b>
<b>As at 31 March 2022</b>	<b>17.46</b>	<b>3.93</b>	<b>2.08</b>	<b>23.47</b>

**Notes:**

- Disposals includes lease reassessments in the nature of pre-termination of lease arrangements for the reported years.
- Refer note 38 for disclosure on leased assets.

### 5 OTHER INTANGIBLE ASSETS

	₹ in Crores	
	Computer software	
<b>Gross carrying amount</b>		
<b>As at 1 April 2020</b>	12.88	
Additions	0.16	
Disposals	1.56	
<b>As at 31 March 2021</b>	<b>11.48</b>	
Additions	0.63	
Disposals	-	
<b>As at 31 March 2022</b>	<b>12.11</b>	

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

	₹ in Crores
<b>Computer software</b>	
<b>Accumulated amortisation</b>	
<b>As at 1 April 2020</b>	12.28
Charge for the year	0.06
Disposals	1.56
<b>As at 31 March 2021</b>	<b>10.78</b>
Charge for the year	0.09
Disposals	-
<b>As at 31 March 2022</b>	<b>10.87</b>
<b>Net carrying amount</b>	
<b>As at 31 March 2021</b>	<b>0.70</b>
<b>As at 31 March 2022</b>	<b>1.24</b>

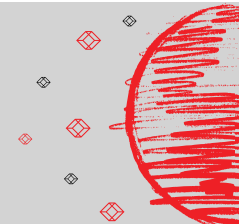
### Footnote:

For capital commitments, refer note 34(B).

## 6 NON-CURRENT INVESTMENTS

	31 March 2022				31 March 2021			
	No. of shares	Currency	Face value	₹ in Crores	No. of shares	Currency	Face value	₹ in Crores
<b>Investment in equity instruments (at cost)</b>								
<b>Unquoted (fully paid-up)</b>								
<b>Investment in subsidiary</b>								
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) (refer note 1 below)	100	SGD	1		100	SGD	1	
	4	SGD	481,111	34.22	4	SGD	481,111	34.22
	10	SGD	607,870		10	SGD	607,870	
	3	SGD	4,385,872	73.00	3	SGD	4,385,872	73.00
	3	SGD	4,020,000	65.52	3	SGD	4,020,000	65.52
	1	SGD	4,035,000	21.74	1	SGD	4,035,000	21.74
			<b>194.48</b>				<b>194.48</b>	
<b>Aggregate amount of unquoted investments (at cost)</b>			<b>194.48</b>				<b>194.48</b>	
<b>Aggregate amount of impairment in value of investment</b>			-				-	





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Notes:

1. The Company had made additional investment amounting to ₹ 160.26 Crores equivalent to USD 22.01 million in Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited), wholly-owned subsidiary of the Company, through Overseas Direct Investment route during February and March 2021 [refer note 33(ii)].
2. During the year ended 31 March 2021, the Company had sold all the shares held in AGC Networks Australia Pty Limited, wholly-owned subsidiary of the Company, to Black Box Corporation of Pennsylvania, step-down subsidiary of the Company, for a total purchase consideration of ₹ 16.35 Crores equivalent to AUD 2.88 million with effect from 1 January 2021. The name of AGC Networks Australia Pty Limited had changed to Black Box Technologies Australia Pty Limited effective from 3 May 2021 [refer note 33(ii)].

## 7 OTHER FINANCIAL ASSETS

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Unsecured, considered good</b>				
Margin money deposits with maturity of more than twelve months *	1.94	0.92	-	-
Margin money deposits having remaining maturity less than twelve months *	-	-	0.84	-
Security deposits	1.77	2.00	2.43	1.46
Receivable from related parties [refer note 33(III)]	-	-	26.37	27.69
Receivable from lessee under finance lease [refer note 38(e)]	7.00	-	0.22	-
Interest accrued on margin money deposits *	0.09	-	0.11	0.19
Other receivables	-	-	0.91	0.08
	<b>10.80</b>	<b>2.92</b>	<b>30.88</b>	<b>29.42</b>

Refer note 36 for information on credit risk and market risk.

Refer note 18 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

There are no repatriation restrictions with regard to margin money deposits, as at the end of the reporting period and prior periods.

\* As lien against bank guarantees issued amounting to ₹ 8.66 Crores (31 March 2021: ₹ 12.02 Crores).

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

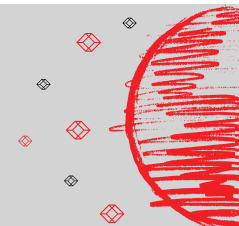
### 8 DEFERRED TAX ASSETS (NET)

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Deferred tax assets arising on account of *</b>		
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.29	0.05
Provision for employee benefits	0.29	0.04
Allowance for expected credit loss	2.67	0.39
Lease liabilities	1.18	0.03
Brought forward tax losses	1.47	0.72
	<b>5.90</b>	<b>1.23</b>
<b>(Deferred tax liability) arising on account of</b>		
Right of use assets	(5.90)	(1.23)
	<b>(5.90)</b>	<b>(1.23)</b>
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>-</b>

\* Deferred tax assets have been recognised to the extent of deferred tax liability as there is no reasonable certainty of future taxable income against which such deferred tax assets can be realised.

#### (a) Movement in deferred tax assets and deferred tax liability from 1 April 2021 to 31 March 2022

	₹ in Crores				
	Opening balance as on 1 April 2021	Recognised in the statement of profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance as on 31 March 2022
<b>Deferred tax assets arising on account of</b>					
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.05	0.24	-	-	0.29
Provision for employee benefits	0.04	0.25	-	-	0.29
Allowance for expected credit loss	0.39	2.28	-	-	2.67
Lease liabilities	0.03	1.15	-	-	1.18
Brought forward tax losses	0.72	0.75	-	-	1.47
	<b>1.23</b>	<b>4.67</b>	<b>-</b>	<b>-</b>	<b>5.90</b>
<b>(Deferred tax liability) arising on account of</b>					
Right of use assets	(1.23)	(4.67)	-	-	(5.90)
	<b>(1.23)</b>	<b>(4.67)</b>	<b>-</b>	<b>-</b>	<b>(5.90)</b>
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

(b) Movement in deferred tax assets and deferred tax liability from 1 April 2020 to 31 March 2021

₹ in Crores

	Opening balance as on 1 April 2020	Recognised in the statement of profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance as on 31 March 2021
<b>Deferred tax assets arising on account of</b>					
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.18	(0.13)	-	-	0.05
Provision for employee benefits	0.12	(0.08)	-	-	0.04
Allowance for expected credit loss	0.99	(0.60)	-	-	0.39
Lease liabilities	0.34	(0.31)	-	-	0.03
Brought forward tax losses	2.66	(1.94)	-	-	0.72
	<b>4.29</b>	<b>(3.06)</b>	-	-	<b>1.23</b>
<b>(Deferred tax liability) arising on account of</b>					
Right of use assets	(4.29)	3.06	-	-	(1.23)
	<b>(4.29)</b>	<b>3.06</b>	-	-	<b>(1.23)</b>
<b>Deferred tax assets (net)</b>	-	-	-	-	-

The Company offsets tax assets and tax liabilities if and only if it has a legally enforceable right to set off tax assets and tax liabilities and entity's intention is to settle on a net basis or to realise the asset and settle and liabilities simultaneously, and deferred tax assets and deferred tax liabilities related to the income taxes levied by the same tax authorities.

**Brought forward tax losses and other temporary differences on which no deferred tax asset is recognised in standalone balance sheet :**

₹ in Crores

	31 March 2022	31 March 2021
Brought forward tax losses	32.17	109.69
Temporary differences (net)	97.11	83.14
	<b>129.28</b>	<b>192.83</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 9 OTHER ASSETS

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Advances other than capital advances</b>				
Advance to vendors				
- Related parties [refer note 33(III)]	-	-	1.44	1.44
- Others	-	-	2.46	3.83
Prepaid expenses	0.08	0.01	0.44	0.56
Balances with statutory / government authorities	5.01	4.88	13.60	15.33
Unamortised cost for maintenance contracts	-	-	28.20	31.41
	<b>5.09</b>	<b>4.89</b>	<b>46.14</b>	<b>52.57</b>

Refer note 18 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

### 10 INVENTORIES

₹ in Crores

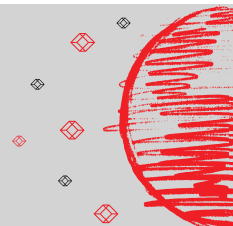
	31 March 2022	31 March 2021
Work-in-progress (refer footnote of note 22)	0.03	-
Stock-in-trade (includes in transit ₹ Nil) (31 March 2021: ₹ Nil) (refer footnote of note 22)	5.45	10.53
Stores and spares	1.39	1.33
	<b>6.87</b>	<b>11.86</b>

Refer note 18 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

### 11 TRADE RECEIVABLES

₹ in Crores

	31 March 2022	31 March 2021
<b>Unsecured</b>		
Considered good	146.37	125.17
Less: Allowance for expected credit loss	(63.89)	(58.29)
Credit impaired	5.28	5.44
Less: Allowance for expected credit loss	(5.28)	(5.44)
	<b>82.48</b>	<b>66.88</b>
Dues from company in which director is a director	8.27	4.06
Includes due from related parties [refer note 33(III)]	21.41	11.76



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**Notes:**

- Trade receivables are non-interest bearing and are generally on credit terms in line with applicable industry norms.
- Refer note 36 for information on credit risk and market risk.
- Refer note 18 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.

**Ageing for gross trade receivables outstanding as at 31 March 2022 is as follows :**

	₹ in Crores					Total
	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good	60.31	13.75	8.58	1.86	61.87	146.37
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	5.28	5.28
	60.31	13.75	8.58	1.86	67.15	151.65
<b>Less: Allowance for expected credit loss</b>						(69.17)
<b>Trade receivables (net)</b>						<b>82.48</b>

**Ageing for gross trade receivables outstanding as at 31 March 2021 is as follows :**

	₹ in Crores					Total
	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good	49.82	9.14	5.90	0.19	60.12	125.17
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

	Outstanding for following periods from date of transaction					₹ in Crores
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
	Undisputed trade receivables – credit impaired	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	0.04	-	-	2.33	3.07	5.44
	49.86	9.14	5.90	2.52	63.19	130.61
<b>Less: Allowance for expected credit loss</b>						(63.73)
<b>Trade receivables (net)</b>						<b>66.88</b>

### 12 CASH AND CASH EQUIVALENTS AND BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

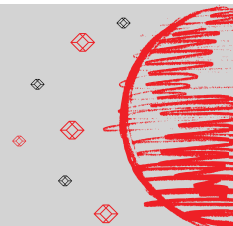
	₹ in Crores	
	31 March 2022	31 March 2021
<b>Cash and cash equivalents</b>		
Balances with banks:		
– In current accounts	0.28	0.35
– In deposit accounts *	-	3.33
Cash on hand	0.02	0.01
	<b>0.30</b>	<b>3.69</b>
<b>Bank balances other than cash and cash equivalents</b>		
Margin money deposits with original maturity of more than three months and less than twelve months*	1.93	2.61
	<b>1.93</b>	<b>2.61</b>

\* As lien against bank guarantees issued amounting to ₹ 8.66 Crores (31 March 2021: ₹ 12.02 Crores).

There are no repatriation restrictions with regard to cash and cash equivalents and bank balances other than cash and cash equivalents, as at the end of the reporting period and prior periods.

Refer note 36 for information on credit risk and market risk.

Refer note 18 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Company.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### 13 EQUITY SHARE CAPITAL

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Authorised share capital</b>		
45,000,000 (31 March 2021: 45,000,000) equity shares of ₹10 each*	45.00	45.00
5,000,000 (31 March 2021: 5,000,000) Cumulative redeemable preference shares of ₹ 100 each	50.00	50.00
5,000,000 (31 March 2021: 5,000,000) Convertible preference shares of ₹ 100 each	50.00	50.00
<b>Issued, subscribed and fully paid-up share capital</b>		
32,812,854 (31 March 2021: 32,528,830) equity shares of ₹ 10 each*	32.81	32.53
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>32.81</b>	<b>32.53</b>

\* Refer note 47 for sub-division of equity shares post reporting period

#### Notes:

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

##### Equity shares

	31 March 2022		31 March 2021	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	32,528,830	32.53	29,744,649	29.75
Shares issued on exercise of employee stock option plan (refer note 31)	284,024	0.28	185,530	0.18
Shares issued on conversion of share warrants issued on preferential basis (refer footnote below)	-	-	2,598,651	2.60
Outstanding at the end of the year	<b>32,812,854</b>	<b>32.81</b>	<b>32,528,830</b>	<b>32.53</b>

#### Footnote:

Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Company had allotted on preferential basis, 3,333,334 convertible warrants of ₹ 10 each at a premium of ₹ 665 per warrant to Essar Telecom Limited and Onir Metallica Limited on 8 January 2021. During the year ended 31 March 2021, the Company had received money aggregating to ₹ 187.81 Crores against convertible warrants. Each warrant is convertible into 1 equity share of ₹ 10 each of the Company within 18 months from the date of allotment subject to payment of balance subscription amount. Out of total 3,333,334 convertible warrants, 2,598,651 warrants have been converted into equity shares until 31 March 2021. In the current year, Onir Metallica Limited has merged with Essar Steel Metal Trading Limited.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (b) Rights, preference and restriction on equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per equity share. The Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Essar Telecom Limited ('ETL') was the holding company with effect from 20 March 2021 and up to 20 September 2021. As at 31 March 2022, ETL is holding 16,346,336 (31 March 2021: 16,346,336) equity shares of ₹ 10 each fully paid-up amounting to ₹ 16.35 Crores (31 March 2021: ₹ 16.35 Crores).

### (d) Aggregate number of bonus shares issued or buy back of shares during the period of five years immediately preceding the reporting date

The Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2022.

### (e) Shares issued for consideration other than cash

The Company had allotted 1,271,185 fully paid-up equity shares of ₹ 10 each on conversion of compulsorily convertible preference shares during the year ended 31 March 2019.

### (f) Details of shareholders holding more than 5% equity share in the Company

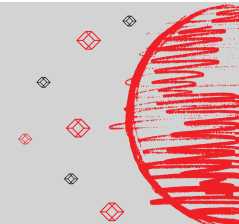
Name of the shareholder	31 March 2022		31 March 2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid-up</b>				
- Essar Telecom Limited	16,346,336	49.82%	16,346,336	50.25%
- Essar Steel Metal Trading Limited <sup>#</sup>	6,807,267	20.75%	6,807,267	20.93%

<sup>#</sup> Onir Metallics Limited which was holding these shares as at 31 March 2021 has merged with Essar Steel Metal Trading Limited with effect from 07 July 2021

### (g) Shareholding of promoters

**Details of equity shares held by promoters as at 31 March 2022 are as follows:**

Promoter name	No. of shares	% holding in the class	% change during the year
- Essar Telecom Limited	16,346,336	49.82%	0.00%
- Essar Steel Metal Trading Limited	6,807,267	20.75%	0.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Details of equity shares held by promoters as at 31 March 2021 are as follows\*

Promoter name	No. of shares	% holding in the class	% change during the year
- Essar Telecom Limited	16,346,336	50.25%	16.08%
- Essar Steel Metal Trading Limited #	6,807,267	20.93%	5.17%

# Onir Metallica Limited which was holding these shares as at 31 March 2021 has merged with Essar Steel Metal Trading Limited with effect from 07 July 2021

\* Represents shares held by Company's holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### (h) Shares reserved for issue under options

The Company has reserved 734,683 shares (31 March 2021: 734,683) for issue on conversion of warrants, refer footnote to note (a) above.

For details of shares reserved for issue under the employee stock option plan of the Company, refer note 31.

### Date of conversion of convertible securities

Particulars	Date of conversion
Convertible warrants	07 July 2022 *
Series 3 ESOPs**	14 June 2025
	14 June 2024
	14 June 2023
Series 4 ESOPs**	18 October 2027
	18 October 2026
	18 October 2025

\* These convertible warrants are converted into equity shares on 19 May 2022 subsequently.

\*\* Includes both vested as well as unvested options and date of conversion represents last date of exercise under ESOP scheme 2015. However, vested options can be exercised on or before the last exercise date for each tranche.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 14 LEASE LIABILITIES

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Lease liabilities	27.92	3.08	2.57	2.05
	<b>27.92</b>	<b>3.08</b>	<b>2.57</b>	<b>2.05</b>

#### Notes:

- (a) Refer note 24 for interest on lease liabilities.
- (b) Refer note 38 for disclosure on leased assets.
- (c) Refer note 36 for information on credit risk, market risk and liquidity risk.

### 15 OTHER FINANCIAL LIABILITIES

₹ in Crores

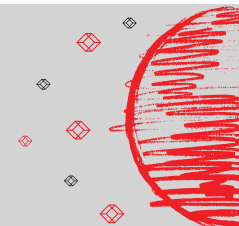
	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Employee related payables	-	-	1.30	0.96
Payables for expenses	-	-	17.34	14.28
Interest accrued on borrowings	-	-	0.18	0.18
Guarantee liability (refer note 40)	-	-	-	0.14
Payables for letter of credit	-	-	-	16.33
Other payables	0.23	-	-	-
	<b>0.23</b>	<b>-</b>	<b>18.82</b>	<b>31.89</b>

Refer note 36 for information on credit risk, market risk and liquidity risk.

### 16 PROVISIONS

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Provision for employee benefits</b>				
Provision for gratuity [refer note 30(b)]	6.74	6.63	0.31	0.34
Provision for compensated absences [refer note 30(c)]	0.52	0.55	0.04	0.04
	<b>7.26</b>	<b>7.18</b>	<b>0.35</b>	<b>0.38</b>
<b>Other provision</b>				
Provision for warranties [refer note (a) below]	-	-	0.35	0.28
	<b>-</b>	<b>-</b>	<b>0.35</b>	<b>0.28</b>
	<b>7.26</b>	<b>7.18</b>	<b>0.70</b>	<b>0.66</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### (a) Provision for warranties

A provision is recognised for expected warranty claims on products sold during the last one year, based on the past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within a year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provision.

	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	0.28	0.37
Recognised during the year	0.35	0.28
Unused amounts reversed	(0.28)	(0.37)
<b>At the end of the year</b>	<b>0.35</b>	<b>0.28</b>

## 17 OTHER LIABILITIES

	₹ in Crores			
	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Contract liabilities [refer note 39(b)]	0.25	2.66	14.18	24.32
Advances from customers *	-	-	3.87	0.87
Statutory dues payable	-	-	1.99	2.17
Other payables	0.18	-	0.06	0.04
	<b>0.43</b>	<b>2.66</b>	<b>20.10</b>	<b>27.40</b>

\* It includes trade advances from related parties amounting to ₹ 0.26 Crores (31 March 2021: ₹ 0.25 Crores) [refer note 33(III)]

## 18 CURRENT BORROWINGS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Cash credit facilities from banks	22.49	16.43
	<b>22.49</b>	<b>16.43</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Cash flow changes in liabilities arising from financial activities:			₹ in Crores
Particulars	Payables for letter of credit	Lease liabilities	Borrowings
<b>As at 1 April 2020</b>	<b>5.82</b>	<b>19.36</b>	<b>93.82</b>
Non cash movement: additions to / reassessment of lease liabilities	-	(7.23)	-
Cash flows (net)	10.51	(7.00)	(77.39)
<b>As at 31 March 2021</b>	<b>16.33</b>	<b>5.13</b>	<b>16.43</b>
Non cash movement: additions to / reassessment of lease liabilities	-	29.96	-
Cash flows (net)	(16.33)	(4.60)	6.06
<b>As at 31 March 2022</b>	<b>-</b>	<b>30.49</b>	<b>22.49</b>

### Notes:

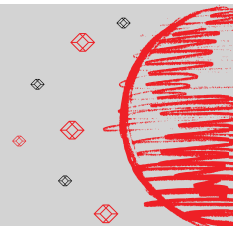
- Cash credit facilities from banks are secured by first pari-passu charge on entire current assets of the Company (present and future) including inventory of material and components, work-in-progress, stock-in-trade, trade receivables, insurances etc. and by second pari-passu charge on all moveable PPE of the Company.  
Cash credit carry an effective interest rate of 12.20% to 13.65% p.a. (31 March 2021: 11.75% to 14.50% p.a.).
- The Company has used the borrowings from banks for the specific purpose for which it was availed during current and previous year.
- There is no default in repayment of borrowings and interest during the year ended 31 March 2022 and 31 March 2021.
- Refer note 36 for information on credit risk, market risk and liquidity risk.

## 19 TRADE PAYABLES

	₹ in Crores	
	31 March 2022	31 March 2021
Dues to micro enterprises and small enterprises (refer note 35)	18.13	11.15
Dues to creditors other than micro enterprises and small enterprises	52.54	50.38
	<b>70.67</b>	<b>61.53</b>
Includes due to related parties [refer note 33(III)]	1.77	1.21

### Notes:

- Trade payables are generally non-interest bearing and are normally settled in line with applicable industry norms.
- Refer note 36 for information on credit risk, market risk and liquidity risk.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Ageing for trade payables outstanding as at 31 March 2022 is as follows\*

₹ in Crores

	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Micro enterprises and small enterprises ('MSME')	15.41	2.25	0.47	0.00	18.13
Other than MSME	47.67	1.04	0.11	3.72	52.54
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Other than MSME	-	-	-	-	-
	<b>63.08</b>	<b>3.29</b>	<b>0.58</b>	<b>3.72</b>	<b>70.67</b>

\* includes unbilled dues amounting to ₹ 5.98 Crores

### Ageing for trade payables outstanding as at 31 March 2021 is as follows \*\*

₹ in Crores

	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	10.64	0.49	0.02	0.00	11.15
Other than MSME	41.86	2.99	0.31	2.90	48.06
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Other than MSME	-	-	-	2.32	2.32
	<b>52.50</b>	<b>3.48</b>	<b>0.33</b>	<b>5.22</b>	<b>61.53</b>

\*\* includes unbilled dues amounting to ₹ 4.76 Crores

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 20 REVENUE FROM OPERATIONS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Revenue from contracts with customer</b>		
Sale of products (refer footnote of note 22)	134.12	89.08
Sale of services [refer note (a) below]	158.22	156.82
	<b>292.34</b>	<b>245.90</b>
<b>Other operating revenue</b>		
Liabilities / provisions for earlier years no longer required written back / reversed [refer note (b) below]	1.25	3.64
	<b>293.59</b>	<b>249.54</b>

#### Notes:

#### (a) Details of sale of services

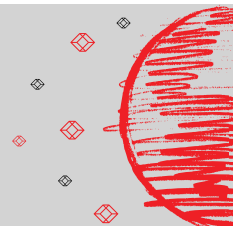
	₹ in Crores	
	31 March 2022	31 March 2021
- Maintenance services	69.86	66.45
- Implementation services	88.36	90.37
	<b>158.22</b>	<b>156.82</b>

#### (b) Details of liabilities / provisions for earlier years no longer required written back / reversed

	₹ in Crores	
	31 March 2022	31 March 2021
- pertaining to provision for expenses	0.33	2.14
- pertaining to employee related payables	-	0.03
- pertaining to trade payables	0.42	-
- pertaining to goods receipt / invoice receipt balances	0.41	1.13
- pertaining to advance from customers	0.09	0.34
	<b>1.25</b>	<b>3.64</b>

There is no reconciliation between the contract price and revenue from operations.





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 21 OTHER INCOME

₹ in Crores

	31 March 2022	31 March 2021
Interest income on		
Bank deposits	0.30	0.23
Income tax refund	2.42	3.18
Inter corporate deposit	-	1.67
Corporate guarantee commission [refer note 33(II)]	0.33	0.78
Gain on sale of investment in subsidiary	-	1.85
Gain on remeasurement of lease	0.39	0.59
Gain on sublease arrangement	0.45	-
Other non-operating income	2.21	0.17
	<b>6.10</b>	<b>8.47</b>

### 22 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Crores

	31 March 2022	31 March 2021
Inventories at the end of the year		
Stock-in-trade	5.45	10.53
Work-in-progress	0.03	-
	<b>5.48</b>	<b>10.53</b>
Inventories at the beginning of the year		
Stock-in-trade	10.53	8.54
Work-in-progress	-	0.02
	<b>10.53</b>	<b>8.56</b>
	<b>5.05</b>	<b>(1.97)</b>

**Footnote:** The Company is a global ICT solution provider and integrator operating in various quadrants and the solutions sold to customers are configured as per specific customer requirements. The heterogeneous mix of components in solutions offered to customers makes it difficult to establish a meaningful / homogenous relationship for providing breakup of products purchased / sold during the year and the stock position. Consequently, it is neither feasible nor meaningful to give the category-wise details of products purchased and sold during the year and stock position for all its product solutions.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 23 EMPLOYEE BENEFITS EXPENSE (NET)

	₹ in Crores	
	31 March 2022	31 March 2021
Salaries and wages *	34.22	28.34
Contribution to provident fund and other funds [refer note 30(a)] *	2.19	2.06
Share based payment to employees	0.51	0.31
Staff welfare expenses	1.19	1.50
	<b>38.11</b>	<b>32.21</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 1.17 Crores (31 March 2021: ₹ 1.03 Crores) [refer note 33(IV)].

### 24 FINANCE COSTS

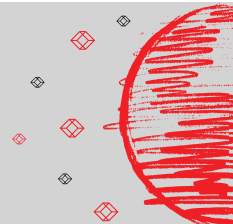
	₹ in Crores	
	31 March 2022	31 March 2021
Interest on borrowings	1.59	12.21
Guarantee commission	0.15	0.14
Interest on lease liabilities	2.54	1.72
Other borrowing costs	1.42	2.94
	<b>5.70</b>	<b>17.01</b>

### 25 DEPRECIATION AND AMORTISATION EXPENSE

	₹ in Crores	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment (refer note 3)	1.36	1.05
Depreciation of right of use assets (refer note 4)	3.04	4.28
Amortisation of other intangible assets (refer note 5)	0.09	0.06
	<b>4.49</b>	<b>5.39</b>

### 26 OTHER EXPENSES

	₹ in Crores	
	31 March 2022	31 March 2021
Consumption of stores and spares	0.90	0.89
Power and water charges	0.50	0.65
Rent (net) (refer note 38) *	-	0.51
Rates and taxes	0.25	0.37
Insurance	0.10	0.13



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

₹ in Crores

	31 March 2022	31 March 2021
Repairs and maintenance - others	3.16	2.92
Travelling and conveyance	6.56	5.22
Communication expenses	0.73	0.70
Legal and professional fees	3.36	3.52
Advertisement and sales promotion	0.69	0.25
Outward freight, clearing and forwarding charges	0.63	0.24
Commission on sales	0.02	0.26
Directors' sitting fees [refer note 33(IV)]	0.37	0.27
Contribution towards corporate social responsibility (refer note 43)	0.02	0.20
Auditor's remuneration [refer note (a) below]	1.48	1.09
Allowance for expected credit loss	5.44	9.16
Sundry balances written off **	-	2.08
Miscellaneous expenses	1.52	1.76
	<b>25.73</b>	<b>30.22</b>

\* Pertains to rental for short term leases. Refer note 38

\*\* Represents loss on derecognition of financial assets measured at amortised cost

**Note:**

**(a) Auditor's remuneration (excluding goods and services tax)**

₹ in Crores

	31 March 2022	31 March 2021
<b>As auditors:</b>		
Audit fee and limited review fees (including consolidation)	1.09	0.99
<b>In other capacity:</b>		
Other services (certification fees)	0.34	0.07
Reimbursement of expenses	0.05	0.03
	<b>1.48</b>	<b>1.09</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 27 EXCEPTIONAL ITEM - EXPENSE

	₹ in Crores	
	31 March 2022	31 March 2021
Litigation settlement [refer note (a) below]	1.73	-
	<b>1.73</b>	<b>-</b>

**Note:**

(a) Represents settlement of litigation claim related to customs duty liability.

### 28 TAX EXPENSES

#### a) Income tax expense on profit or loss consists of

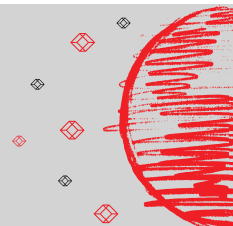
	₹ in Crores	
	31 March 2022	31 March 2021
<b>Current tax:</b>		
Current tax on profits for the year	-	-
	-	-
<b>Deferred tax:</b>		
In respect of current year origination and reversal of temporary differences	-	-
	-	-

#### (b) Income tax on OCI

	₹ in Crores	
	31 March 2022	31 March 2021
Deferred tax credit	-	-
	-	-

#### (c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	₹ in Crores	
	31 March 2022	31 March 2021
Accounting profit / (loss) before income tax	5.81	(1.86)
Applicable Indian statutory income tax rate (in %)	25.17%	25.17%
Computed expected tax expense / (credit)	1.46	(0.47)
Tax effect of amount which are not (taxable) / deductible in calculating taxable income	(1.46)	0.47
Deferred tax charge / (credit)	-	-
<b>Tax expense reported in the standalone statement of profit and loss</b>	<b>-</b>	<b>-</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 29 EARNINGS / (LOSS) PER EQUITY SHARE (“EPS”)

	₹ in Crores	
	31 March 2022	31 March 2021
<b>The components of basic and diluted EPS are as follows:</b>		
<b>(a) Net profit / (loss) attributable to equity shareholders</b>		
Net profit / (loss) for the year (₹ in Crores)	5.81	(1.86)
<b>(b) Weighted average number of outstanding equity shares (post share split - refer note 47)</b>		
Considered for basic EPS	163,390,182	149,891,383
Add : Effect of dilutive potential equity shares arising from outstanding stock options (refer note 1 below)	1,172,860	2,184,575
Add : Effect of dilutive potential equity shares arising from convertible share warrants (refer note 2 below)	1,347,490	-
Considered for diluted EPS	165,910,532	152,075,958
<b>(c) Earnings / (loss) per equity share (Face value of ₹ 2 each - refer note 47)</b>		
Basic (in ₹)	0.36	(0.12)
Diluted (in ₹)	0.35	(0.12)

#### Notes:

- The effect of 2,123,525 potential equity shares (post share split) outstanding as at 31 March 2021 is anti-dilutive and thus these shares are not considered in determining diluted loss per share.
- The effect of 734,683 convertible share warrants outstanding as at 31 March 2021, considered as potential equity shares, is anti-dilutive and thus these shares are not considered in determining diluted loss per share.

### 30 EMPLOYEE BENEFITS PLAN

- (a) Defined contribution plan** - The following amount is recognised in the standalone statement of profit and loss for the year ended:

	₹ in Crores	
	31 March 2022	31 March 2021
Contribution to provident fund	0.87	0.79
Contribution to employees' state insurance	0.00	0.01
Contribution to labour welfare fund	0.00	0.00

Above amounts have been included in the line item “Contribution to provident fund and other funds” in note 23. Also, the contribution of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (b) **Defined benefit plan** - The Company has an unfunded defined benefit plan i.e. Gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. This defined benefit plan is governed by The Payment of Gratuity Act, 1972.

The following tables summarise the components of employee benefits expense recognised in the standalone statement of profit and loss and the amounts recognised in the standalone balance sheet for the gratuity plan.

**Amount recognised in the standalone statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:**

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current service cost	0.66	0.64
Interest expense	0.46	0.43
<b>Employee benefit expense recognised in profit or loss</b>	<b>1.12</b>	<b>1.07</b>
<b>Actuarial gain transferred to OCI</b>		
Actuarial gain due to experience adjustment	(0.30)	(0.32)
Actuarial gain due to change in financial assumptions	(0.20)	-
<b>Net actuarial gain recognised in OCI</b>	<b>(0.50)</b>	<b>(0.32)</b>

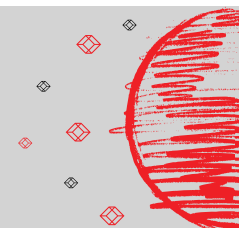
**Amount recognised in the standalone balance sheet in respect of gratuity liability (defined benefit plan) is as follows:**

**Benefit liability**

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Present value of defined benefit obligation	7.05	6.97
<b>Liability recognised in standalone balance sheet</b>	<b>7.05</b>	<b>6.97</b>

**Changes in the present value of the defined benefit obligation are as follows:**

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Opening defined benefit obligation	6.97	6.45
Current service cost	0.66	0.64
Interest cost	0.46	0.43
Benefits paid	(0.54)	(0.23)
Remeasurement gain	(0.50)	(0.32)
<b>Closing defined benefit obligation</b>	<b>7.05</b>	<b>6.97</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Bifurcation of defined benefit obligation:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	0.31	0.34
Non-current	6.74	6.63
	<b>7.05</b>	<b>6.97</b>

### Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

Particulars	₹ in Crores			
	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount rate ( - /+ 1%)	0.60	(0.51)	0.63	(0.54)
Salary growth rate ( - / + 1%)	(0.44)	0.52	(0.47)	0.53
Attrition rate	(0.01)	0.04	(0.01)	0.02
( - /+ 50% of attrition rates provided in principal assumption table)				
Mortality rate ( - /+ 10%)	0.01	0.02	0.00	0.01

The sensitivity analysis presented above may not be a representation of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be related to each other.

### Following are the principal assumptions used as at the standalone balance sheet date:

Particulars	31 March 2022	31 March 2021
Discount rate (% per annum)	7.00%	6.65%
Salary growth rate (% per annum)	6.00%	6.00%
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age (in years)	58 years	58 years
Average future service (in years)	19.22 years	19.22 years
Attrition rate, based on age:		
Up to 26 years	5.00%	5.00%
27 - 34 years	12.00%	12.00%
35 - 44 years	5.00%	5.00%
Above 44 years	1.00%	1.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimates of future salary growth rate considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

### Risk

Factor	Impact
Salary increase	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

### Maturity profile of defined benefit obligation on an undiscounted basis:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
One year	0.31	0.34
Two to five years	3.25	2.67
Six years and above	9.92	10.37

The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31 March 2021: 8 years)

The Company expects to make a contribution of ₹ 7.77 Crores (31 March 2021: ₹ 7.66 Crores) to the defined benefit plan during the next financial year.

- (c) **Compensated absences:** With effect from 1 January 2017, the Company has decided to restrict the balance of un-availed privilege leave ('PL') to a maximum of 42 days from erstwhile limit of 90 days. Further, PL cannot be en-cashed or accumulated and shall lapse every year in the month of December. The balance as at 31 December 2016 is entitled to be en-cashed only during separation from the Company based on the basic salary as at 31 December 2016.

### Following are the principal assumptions used as at the standalone balance sheet date:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Discount rate (% per annum)	7.00%	6.65%
Salary growth rate (% per annum)	0.00%	0.00%

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Movement during the year

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	0.59	0.60
Recognised during the year	0.08	0.17
Paid during the year	(0.11)	(0.18)
<b>At the end of the year</b>	<b>0.56</b>	<b>0.59</b>

### Bifurcation of provision for compensated absences:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	0.04	0.04
Non-current	0.52	0.55
	<b>0.56</b>	<b>0.59</b>

### 31 EMPLOYEES STOCK OPTION PLAN

The Company provides share based payment schemes to its employees. Since the year ended 31 March 2016, an employee stock option plan ('ESOP') was in existence i.e. ESOP scheme 2015. The relevant details of the scheme and the grant are as below.

The shareholders of the Company through postal ballot on 21 April 2015 approved the equity settled ESOP scheme 2015 for issue of stock options to key employees and directors of the Company setting aside 1,423,323 options under this scheme. The Company had previously granted 1,004,866, 320,248, 170,799 and 63,000 stock options on 14 May 2015, 19 May 2016, 15 June 2018 and 19 October 2020, respectively. According to the scheme, the employees selected by the Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grants are as below:

Grant date	19 October 2020	15 June 2018	19 May 2016	14 May 2015
Number of options granted	63,000	170,799	320,248	1,004,866
Vesting period (in years)	3 to 5 years	3 to 5 years	3 to 5 years	3 to 5 years
Exercise period (in years)	2 years from the end of vesting period	2 years from the end of vesting period	2 years from the end of vesting period	2 years from the end of vesting period
Exercise price (₹)	425.00	107.00	55.00	80.00
Fair value at grant date (₹)	215.65	71.65	42.84	32.85

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India ('SEBI') guidelines in force, at the time of such grants. Further, the Company does not have a past practice of cash settlement for these ESOPs. The Company accounts for the ESOPs as an equity-settled plan.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

The details of activity under the ESOP scheme 2015 are summarised below:

Particulars	31 March 2022		31 March 2021	
	No. of options	* WAEP (₹)	No. of options	* WAEP (₹)
Outstanding at the beginning of the year	424,705	124.97	619,262	74.51
Granted during the year	-	-	63,000	425.00
Forfeited during the year	-	-	69,633	107.00
Exercised during the year	284,024	63.35	185,530	65.76
Expired during the year	-	-	2,394	80.00
Outstanding at the end of the year	140,681	241.41	424,705	124.97
Exercisable at the end of the year	9,900	107.00	151,655	62.58

\* WAEP denotes weighted average exercise price of the option

Weighted average share price for options exercised during the year ended 31 March 2022 is ₹ 1,269.20 (31 March 2021: ₹ 625.85)

The following tables summarises the information about the outstanding options as at 31 March 2022 and 31 March 2021, respectively.

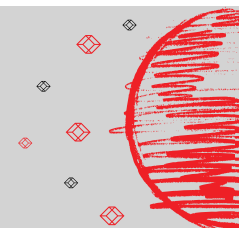
Grant	31 March 2022		
	Grant date	No. of options outstanding	Weighted Average life*
Series 3	15 June 2018	77,681	2.52
Series 4	19 October 2020	63,000	4.56

Grant	31 March 2021		
	Grant date	No. of options outstanding	Weighted Average life*
Series 1	14 May 2015	45,973	1.12
Series 2	19 May 2016	214,566	1.64
Series 3	15 June 2018	101,166	3.22
Series 4	19 October 2020	63,000	5.57

\* Weighted average of remaining contractual life of options outstanding at the end of respective year

For the options outstanding as at 31 March 2022, the exercise price range is ₹ 107 to ₹ 425 (31 March 2021: ₹ 80 to ₹ 425).

The weighted average fair value of the stock options outstanding as at 31 March 2022 is ₹ 136.13 (31 March 2021: ₹ 74.26). Options were priced using Black-Scholes-Merton formula.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Inputs into the model:

Particulars	Grant date			
	19 October 2020	15 June 2018	19 May 2016	14 May 2015
Dividend yield (%)	0.00%	0.00%	0.00%	9.60%
Expected volatility (%)	59.69 - 61.22%	60.04 - 61.19%	55.71 - 60.74%	54.42 - 57.57%
Risk-free interest rate (%)	5.05 - 5.62%	7.87 - 8.04%	7.30 - 7.46%	7.77 - 7.82%
Weighted average share price (₹)	394.30	116.25	68.20	104.15
Exercise price (₹)	425.00	107.00	55.00	80.00
Expected life of options granted (in years)	4.00 - 6.00	4.00 - 6.01	4.00 - 6.00	4.00 - 6.01

**Volatility :** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility used in Black-Scholes-Merton formula is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. Company considered the daily historical volatility of Company's stock price on NSE over a period prior to the date of grant, corresponding with the expected life of the options.

**Risk free rate :** The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

**Expected life of the options :** Expected life of the options is the period for which the Company expects the options to be live. The minimum life of stock options is the minimum period before which the options cannot be exercised and the maximum life of the option is the maximum period after which the options cannot be exercised. The Company has calculated expected life as the average of the minimum and the maximum life of the options.

**Dividend yield:** Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.

### 32 SEGMENT INFORMATION

The Company has presented data related to its segments in its consolidated financial statements. No disclosures regarding segments are therefore presented in these standalone financial statements.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 33 RELATED PARTY DISCLOSURE

In accordance with the requirement of Ind AS 24 “Related Party Disclosures”, name of the related parties, their relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

#### (I) List of related parties and relationship

##### (i) Ultimate Holding Company:

Essar Global Fund Limited (w.e.f. 20 March 2021 and up to 20 September 2021)

##### (ii) Holding Company:

Essar Telecom Limited (w.e.f. 20 March 2021 and up to 20 September 2021)

##### (iii) Subsidiary companies (including step-down subsidiaries):

Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)

AGC Networks LLC, USA (formerly known as AGC Networks Inc.)

AGC Networks Philippines, Inc.

AGC Networks & Cyber Solutions Limited

AGC Networks LLC, Dubai

AGC Networks LLC, Abu Dhabi

BBX Main Inc.

BBX Inc.

Black Box Corporation

ACS Dataline, LP

ACS Investors, LLC

BB Technologies, Inc.

BBOX Holdings Mexico LLC

BBOX Holdings Puebla LLC

Black Box Corporation of Pennsylvania

Black Box Network Services, Inc. – Government Solutions

Black Box Services Company

Delaney Telecom, Inc.

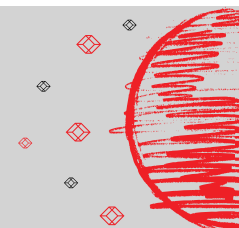
Norstan Communications, Inc.

Nu-Vision Technologies, LLC

Black Box Network Services Australia Pty Ltd

Black Box GmbH

Black Box Network Services NV



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Black Box do Brasil Industria e Comercio Ltda.  
Black Box Canada Corporation  
Norstan Canada, Ltd./Norstan Canada, Ltée  
Black Box Holdings Ltd.  
Black Box Chile S.A.  
Black Box E-Commerce (Shanghai) Co., Ltd.  
Black Box A/S  
Black Box Network Services (UK) Limited  
Black Box Finland OY  
Black Box France  
Black Box Deutschland GmbH  
Black Box Network Services India Private Limited  
Black Box Network Services (Dublin) Limited  
Black Box Software Development Services Limited  
Black Box Network Services S.r.l.  
Black Box Network Services Co., Ltd.  
Black Box Network Services Korea Limited  
Black Box Network Services SDN. BHD.  
Black Box de Mexico, S. de R.L. de C.V.  
Black Box International B.V.  
Black Box International Holdings B.V.  
Black Box Network Services New Zealand Limited  
Black Box Norge AS  
Black Box P.R. Corp.  
Black Box Network Services Singapore Pte Ltd  
Black Box Comunicaciones, S.A.  
Black Box Network Services AB  
Black Box Network Services AG  
Black Box Network Services Corporation  
Servicios Black Box S.A. de C.V.  
Black Box Network Services Hong Kong Limited  
Black Box Network Services Philippines Inc. (w.e.f. 01 January 2021)  
Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)  
AGCN Solutions Pte. Limited  
COPC Holdings Inc.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

COPC Inc.  
COPC International Inc.  
COPC Asia Pacific Inc.  
COPC International Holdings LLC  
COPC India Private Limited  
COPC Consultants (Beijing) Co. Limited  
Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited) (w.e.f. 01 July 2020)  
Pyrios Pty Limited (w.e.f. 01 July 2020)  
Fujisoft Security Solutions LLC (w.e.f. 01 July 2020)  
Black Box Technologies LLC (formerly known as Fujisoft Technology LLC) (w.e.f. 01 July 2020)  
Fujisoft Technology LLC, Abu Dhabi (w.e.f. 01 July 2020)  
Service Journey Strategies Inc. (w.e.f. 20 January 2021)  
Black Box DMCC (formerly known as Zservices HQ DMCC) (w.e.f. 01 July 2021)\*  
Black Box Costa Rica S.R.L (w.e.f. 08 October 2021)  
Black Box Network Services Colombia S.A.S. (w.e.f. 25 October 2021)  
Black Box Bangladesh Technologies Private Limited (w.e.f. 21 November 2021)  
Black Box Technologies Group B.V. (w.e.f. 16 December 2021)  
Dragonfly Technologies Pty Ltd (w.e.f. 11 February 2022)  
Cybalt Inc.(w.e.f. 16 February 2022)  
Black Box Products FZE (w.e.f. 24 March 2022)

\* Not consolidated

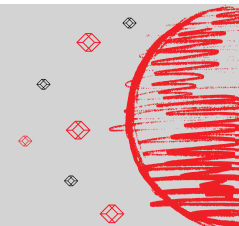
### **Subsidiary companies dissolved during the year ended 31 March 2021**

AGC Networks New Zealand Limited  
RevealCX LLC  
ACS Communications, Inc.  
CBS Technologies Corp.

### **Related parties with whom transactions have taken place**

#### **(iv) Entities under common control:**

Essar Bulk Terminal (Salaya) Limited  
Essar Bulk Terminal Limited  
Essar Bulk Terminal Paradip Limited  
Essar Oil UK Limited  
Essar Shipping Limited  
Essar Projects Limited  
Essar Power Gujarat Limited



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Essar Power Orissa Limited  
Essar Power M P Limited  
Essar Power Hazira Limited  
Essar Electric Power Development Corporation Limited  
Essar Oil and Gas Exploration and Production Limited  
Arkay Logistics Limited  
Mesabi Metalics Company LLC  
EPC Constructions India Limited  
Essar Constructions India Limited  
Essar Power Transmission Company Limited  
Essar Projects PNG Limited  
Essar Steel Metal Trading Limited (Onir Metalics Limited merged with Essar Steel Metal Trading Limited w.e.f. 07 July 2021)  
Essar Capital Advisory India Private Limited  
Essar Capital Mauritius Limited  
Essar Vizag Terminals Limited

**(v) Key Managerial Personnel:**

Mr. Sanjeev Verma, Whole-time Director  
Mr. Sujay R Sheth, Independent Director  
Mr. Dilip Thakkar, Independent Director  
Ms. Neha Nagpal, Independent Director (w.e.f. 10 September 2020)  
Mrs. Mahua Mukherjee, Executive Director  
Mr. Naresh Kothari, Non-executive Director  
Mr. Anshuman Ruia, Non-executive Director (w.e.f. 10 September 2020)  
Mr. Deepak Kumar Bansal, Chief Financial Officer and Executive Director  
Mr. Aditya Goswami, Company Secretary

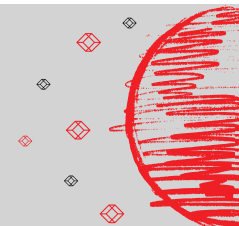


## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (II) Transactions during the year with related parties:

₹ in Crores

Nature of transaction	Holding company and subsidiary companies (including step-down subsidiaries)		Entities under common control	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Sale of products *</b>				
AGC Networks LLC, USA	0.61	0.75	-	-
AGC Networks LLC, Dubai	0.43	0.62	-	-
AGC Networks & Cyber Solutions Limited	-	0.07	-	-
Black Box Network Services India Private Limited	1.88	1.06	-	-
Black Box Services Company	6.20	1.94	-	-
Black Box Network Services (UK) Limited	0.04	1.05	-	-
Black Box Network Services Singapore Pte Ltd	0.10	-	-	-
Black Box Network Services Philippines Inc.	0.02	-	-	-
Essar Oil UK Limited	-	-	-	0.32
Essar Power Hazira Limited	-	-	0.12	0.54
Essar Power Gujarat Limited	-	-	0.20	0.35
Essar Power Orissa Limited	-	-	-	0.01
Essar Bulk Terminal (Salaya) Limited	-	-	0.00	0.01
Essar Bulk Terminal Limited	-	-	0.60	0.81
Essar Bulk Terminal Paradip Limited	-	-	0.01	0.02
Essar Power Transmission Company Limited	-	-	0.07	0.08
Essar Capital Advisory India Private Limited	-	-	0.12	-
Mesabi Metallica Company LLC	-	-	-	2.59
Essar Constructions India Limited	-	-	0.16	-
EPC Constructions India Limited	-	-	12.20	1.18
Arkay Logistics Limited	-	-	-	0.09
Essar Vizag Terminals Limited	-	-	0.02	-
	<b>9.28</b>	<b>5.49</b>	<b>13.50</b>	<b>6.00</b>
<b>Sale of services *</b>				
Black Box Technologies Australia Pty Limited	0.98	1.01	-	-
AGC Networks LLC, Dubai	0.16	0.04	-	-
AGC Networks Philippines, Inc.	-	0.22	-	-
AGC Networks LLC, USA	0.18	0.77	-	-
AGC Networks & Cyber Solutions Limited	-	0.13	-	-
Black Box Network Services India Private Limited	0.29	0.06	-	-
Black Box Services Company	12.03	6.56	-	-
Black Box Network Services Singapore Pte Ltd	0.24	-	-	-
Black Box Corporation	2.51	-	-	-



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

₹ in Crores

Nature of transaction	Holding company and subsidiary companies (including step-down subsidiaries)		Entities under common control	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Essar Oil UK Limited	-	-	5.71	3.66
Essar Bulk Terminal Limited	-	-	4.13	0.00
Essar Shipping Limited	-	-	-	1.06
Essar Power M P Limited	-	-	0.00	0.01
Essar Power Hazira Limited	-	-	0.03	-
Essar Projects Limited	-	-	0.70	0.97
Essar Power Orissa Limited	-	-	-	0.35
Essar Power Transmission Company Limited	-	-	0.63	0.71
Essar Projects PNG Limited	-	-	0.22	0.20
Essar Electric Power Development Corporation Limited	-	-	-	0.12
Essar Oil and Gas Exploration and Production Limited	-	-	1.49	1.30
Essar Constructions India Limited	-	-	1.30	0.99
Essar Capital Advisory India Private Limited	-	-	0.01	-
Essar Capital Mauritius Limited	-	-	1.51	-
	<b>16.39</b>	<b>8.79</b>	<b>15.73</b>	<b>9.37</b>
<b>Purchase of stock-in-trade</b>				
AGC Networks LLC, USA	-	0.05	-	-
AGC Networks Philippines, Inc.	-	0.03	-	-
Black Box Technologies Pte. Limited	-	0.18	-	-
Black Box Network Services India Private Limited	0.23	0.00	-	-
Black Box Technologies Australia Pty Limited	0.39	-	-	-
	<b>0.62</b>	<b>0.26</b>	-	-
<b>Lease rental income</b>				
Black Box Network Services India Private Limited	1.28	0.02	-	-
COPC India Private Limited	0.01	0.01	-	-
	<b>1.29</b>	<b>0.03</b>	-	-
<b>Lease deposit received</b>				
Black Box Network Services India Private Limited	0.44	-	-	-
	<b>0.44</b>	-	-	-
<b>Expenses reimbursement recoveries</b>				
Black Box Technologies Australia Pty Limited	0.56	0.47	-	-
Black Box Technologies Pte. Limited	16.84	19.79	-	-
AGC Networks Philippines, Inc.	0.12	0.18	-	-

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

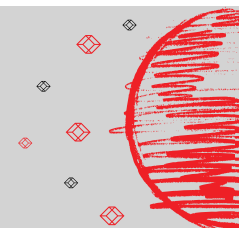
₹ in Crores

Nature of transaction	Holding company and subsidiary companies (including step-down subsidiaries)		Entities under common control	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
AGC Networks LLC, USA	-	0.08	-	-
AGC Networks LLC, Dubai	0.73	0.76	-	-
AGC Networks & Cyber Solutions Limited	0.02	0.17	-	-
Black Box Network Services Philippines Inc.	0.03	0.02	-	-
	<b>18.30</b>	<b>21.47</b>	-	-
<b>Reimbursement of expenses incurred by</b>				
AGC Networks LLC, USA	-	0.37	-	-
AGC Networks LLC, Dubai	0.01	-	-	-
	<b>0.01</b>	<b>0.37</b>	-	-
<b>Commission received on corporate guarantee</b>				
Black Box Technologies Pte. Limited	0.33	0.78	-	-
	<b>0.33</b>	<b>0.78</b>	-	-
<b>Issue of equity shares (including securities premium)</b>				
Essar Telecom Limited	-	152.84	-	-
Essar Steel Metal Trading Limited	-	-	-	22.57
	-	<b>152.84</b>	-	<b>22.57</b>
<b>Money received against share warrants</b>				
Essar Telecom Limited	-	3.98	-	-
Essar Steel Metal Trading Limited	-	-	-	8.42
	-	<b>3.98</b>	-	<b>8.42</b>
<b>Investment in equity shares</b>				
Black Box Technologies Pte. Limited	-	160.26	-	-
	-	<b>160.26</b>	-	-
<b>Sale of equity shares</b>				
Black Box Corporation of Pennsylvania	-	16.35	-	-
	-	<b>16.35</b>	-	-

\* \*Sale of products and services represent invoices raised during the year and it also includes invoices where revenue recognition has been deferred.

### Notes:

1. Transactions up to the date of cessation / from the date of establishment of related party relationship have been considered for disclosure.
2. Foreign currency transactions are reported in INR using exchange rate at the transaction date.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### (III) Amount due to / from related parties (as at year-end)

₹ in Crores

Nature of balances	Subsidiary companies (including step-down subsidiaries)		Entities under common control	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Amount payable by Company **</b>				
Black Box Technologies Pte. Limited	1.22	1.18	-	-
AGC Networks Philippines, Inc.	-	0.03	-	-
Black Box Network Services (UK) Limited	-	0.25	-	-
Black Box Network Services India Private Limited	0.23	-	-	-
Black Box Services Company	0.07	-	-	-
Black Box Technologies Australia Pty Limited	0.06	-	-	-
Essar Constructions India Limited	-	-	0.19	-
Essar Oil and Gas Exploration and Production Limited	-	-	0.00	-
Essar Bulk Terminal (Salaya) Limited	-	-	0.00	-
	<b>1.58</b>	<b>1.46</b>	<b>0.19</b>	-
<b>Lease deposit payable</b>				
Black Box Network Services India Private Limited	0.44	-	-	-
	<b>0.44</b>	-	-	-
<b>Trade receivables</b>				
Black Box Technologies Australia Pty Limited	0.13	-	-	-
AGC Networks Philippines, Inc.	0.17	0.17	-	-
AGC Networks LLC, USA	0.59	0.53	-	-
AGC Networks LLC, Dubai	0.36	0.31	-	-
AGC Networks & Cyber Solutions Limited	0.14	0.13	-	-
Black Box Network Services India Private Limited	1.16	0.11	-	-
Black Box Services Company	2.95	2.81	-	-
Black Box Network Services (UK) Limited	0.04	-	-	-
Black Box Network Services Philippines Inc.	0.02	-	-	-
Black Box Network Services Singapore Pte Ltd	0.24	-	-	-
Black Box Corporation	2.47	-	-	-
Essar Shipping Limited	-	-	0.29	1.15

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

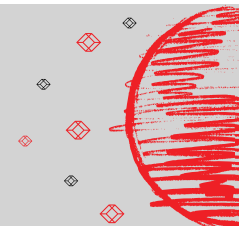
₹ in Crores

Nature of balances	Subsidiary companies (including step-down subsidiaries)		Entities under common control	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Essar Bulk Terminal Limited	-	-	0.00	0.04
Essar Bulk Terminal Paradip Limited	-	-	0.00	-
Essar Oil UK Limited	-	-	0.80	0.58
Essar Power Hazira Limited	-	-	0.01	0.10
Essar Power M P Limited	-	-	0.00	0.00
Essar Projects Limited	-	-	1.25	0.64
Essar Constructions India Limited	-	-	1.64	0.99
Essar Oil and Gas Exploration and Production Limited	-	-	-	0.75
Essar Power Transmission Company Limited	-	-	0.21	0.79
Essar Projects PNG Limited	-	-	0.06	0.07
EPC Constructions India Limited	-	-	5.71	0.00
Mesabi Metalics Company LLC	-	-	2.65	2.59
Essar Capital Advisory India Private Limited	-	-	0.12	-
Essar Capital Mauritius Limited	-	-	0.38	-
Essar Vizag Terminals Limited	-	-	0.02	-
	<b>8.27</b>	<b>4.06</b>	<b>13.14</b>	<b>7.70</b>
<b>Advances and other receivables</b>				
Black Box Technologies Australia Pty Limited	0.15	0.12	-	-
Black Box Technologies Pte. Limited	21.82	22.34	-	-
AGC Networks Philippines, Inc.	0.76	0.62	-	-
AGC Networks LLC, USA	2.20	3.40	-	-
AGC Networks LLC, Dubai	1.81	1.96	-	-
AGC Networks & Cyber Solutions Limited	0.72	0.67	-	-
Black Box Network Services Philippines Inc.	0.05	0.02	-	-
Black Box Network Services India Private Limited	0.30	-	-	-
	<b>27.81</b>	<b>29.13</b>	<b>-</b>	<b>-</b>

Foreign currency balances are restated in INR using year end exchange rate.

Investments in share capital of related parties of the Company is not considered under 'Amount due to / from related parties (as at year-end)' as these are not considered 'outstanding' exposures.

\*\* These amounts include trade payables and advance from customers.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (IV) Key Management Personnel ('KMP') compensation:

The following table provides the total amount of transactions that have been entered into with KMP for the relevant financial year:

During the year, Nil (31 March 2021: 63,000) ESOPs are granted to KMP and Nil (31 March 2021: Nil) ESOPs granted to KMP have lapsed.

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
(i) Short term employee benefits	1.17	1.03
(ii) Post employment benefits	-	-
(iii) Other long term benefits (refer note 1 below)	-	-
(iv) Termination benefits	-	-
(v) Share based payment	0.45	0.30
(vi) Directors' sitting fees	0.37	0.27
Payable as at year end	-	-

#### Notes:

- The remuneration to the KMP 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.
- No remuneration has been paid to Mr. Sanjeev Verma, Whole-time Director.

(V) There are no commitments with any related party during the year or as at year end.

(VI) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions.

### 34 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

#### (A) Contingent liabilities

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
I] In respect of disputed demands for matters under appeal with		
(a) Income tax authorities*	27.14	29.72
(b) Excise, service tax and customs authorities*	18.50	22.20
(c) Sales tax authorities*	10.80	12.06
(d) Corporate guarantee (refer note 40)	17.03	43.59
(e) Claims against the Company not acknowledged as debt	2.37	0.60
II] Form-F pending receipt	0.83	0.83

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Notes:

- The Company is contesting all of the above demands in respect of Income tax, Excise duty, Service tax, Customs duty and Sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the standalone financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Company's financial position and results of operations and hence no provision has been made in this regard.
- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.
- Refer note 44 for penalty unascertained on account of non-compliance with provisions of Foreign Exchange Management Act, 1999.

\* Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities, as amount paid under protest is not charged to the standalone statement of profit and loss by the Company.

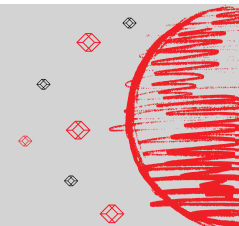
### (B) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 0.09 Crores (31 March 2021: ₹ 0.08 Crores).

### 35 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Trade payables include:

Particulars		₹ in Crores	
		31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises		18.13	11.15
<b>Details of amounts due under the MSMED Act, 2006 are as under:</b>		₹ in Crores	
1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	a) Principal	16.38	10.10
	b) Interest	1.75	1.05
	<b>Total</b>	<b>18.13</b>	<b>11.15</b>
2) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	a) Principal	10.31	9.26
	b) Interest	-	-
	<b>Total</b>	<b>10.31</b>	<b>9.26</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Particulars		₹ in Crores	
		31 March 2022	31 March 2021
3)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.39	0.09
4)	The amount of interest accrued and remaining unpaid at the end of the year.		
	a) Total Interest accrued	1.75	1.05
	b) Total Interest unpaid	1.75	1.05
5)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	Includes ₹ 1.05 Crores being interest on dues outstanding to MSMEs as at 31 March 2021 beyond the appointed date. Company has made payment to certain MSMEs during the current year beyond the appointed date. Such payments were made without adding interest specified under MSMED Act, 2006.	

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under the MSMED Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at year end has been made in the standalone financial statements based on the information received and available with the Company and has been relied upon by the statutory auditors.

### 36.1 FINANCIAL INSTRUMENTS

#### a) Categories of financial instruments

Particulars	₹ in Crores	
	Carrying value and fair value	
	As at 31 March 2022	As at 31 March 2021
<b>Financial assets (other than non-current investments)</b>		
<b>Measured at amortised cost</b>		
<b>Non-current</b>		
(a) Other financial assets	10.80	2.92
<b>Current</b>		
(a) Trade receivables	82.48	66.88
(b) Cash and cash equivalents	0.30	3.69
(c) Bank balances other than cash and cash equivalents	1.93	2.61
(d) Other financial assets	30.88	29.42



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

₹ in Crores

Particulars	Carrying value and fair value	
	As at 31 March 2022	As at 31 March 2021
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
<b>Non-current</b>		
(a) Lease liabilities	27.92	3.08
(b) Other financial liabilities	0.23	-
<b>Current</b>		
(a) Borrowings	22.49	16.43
(b) Lease liabilities	2.57	2.05
(c) Trade payables	70.67	61.53
(d) Other financial liabilities	18.82	31.89

### b) Fair value hierarchy and method of valuation

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

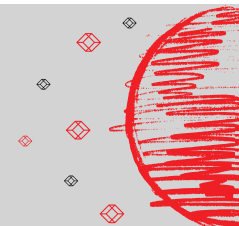
**Level 3:** techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

There have been no transfer amongst the levels of fair value hierarchy during the year.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets / liabilities approximate their carrying amounts



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

largely due to short term maturities of these instruments. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
3. The fair values for deposits and financial guarantee contract were calculated based on cash flows discounted using lending rate on the date of initial recognition. The lease liability is initially measured at amortised cost at the present value of the future lease payments and are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Accordingly, all these are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

### Details of financial assets and liabilities considered under Level 3 classification

	₹ in Crores	
Receivable from lessee under finance lease	31 March 2022	31 March 2021
Balance at the beginning of the year	-	-
Additions during the year (net)	6.67	-
Gain recognised in profit or loss	0.55	-
<b>Balance at the end of the year</b>	<b>7.22</b>	<b>-</b>

	₹ in Crores	
Lease liabilities	31 March 2022	31 March 2021
Balance at the beginning of the year	5.13	19.36
Additions, including reassessment, during the year	27.42	(8.95)
Repayments during the year	(4.60)	(7.00)
Expense recognised in profit or loss	2.54	1.72
<b>Balance at the end of the year</b>	<b>30.49</b>	<b>5.13</b>

The impact of additions, deletions and gain or loss on profit or loss and OCI for security deposits, other payables and guarantee liability is negligible.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 36.2 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, foreign currency payables and borrowings.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

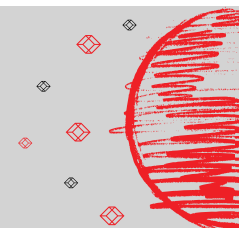
#### Exposure to interest rate risk

Particulars	₹ in Crores	
	As at 31 March 2022	As at 31 March 2021
<b>Variable-rate instruments</b>		
Cash credit facilities	22.49	16.43

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit or loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	₹ in Crores	
	Gain / (loss) on profit or loss before tax 31 March 2022	31 March 2021
Interest rate increase by 50 basis points	(0.11)	(0.08)
Interest rate decrease by 50 basis points	0.11	0.08



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### c) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

#### **Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically and there is no single customer contributing more than 10% of outstanding trade receivables.

Outstanding customer receivables are regularly monitored.

#### **Other financial assets**

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

The credit risk for cash and cash equivalents and bank balances other than cash and cash equivalents is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Expected credit loss for trade receivables

₹ in Crores

As at 31 March 2022	0-30 days	31-60 days	61-90 days	More than 90 days	Credit impaired	Total
<b>Gross trade receivables</b>	41.32	6.18	3.35	95.52	5.28	151.65
Less: Trade receivables from group companies	8.26	0.86	0.41	11.88	-	21.41
<b>Net trade receivables</b>	<b>33.06</b>	<b>5.32</b>	<b>2.94</b>	<b>83.64</b>	<b>5.28</b>	<b>130.24</b>
Expected loss rates	0.79%	1.50%	3.38%	75.86%	100.00%	
<b>Expected credit loss</b>	<b>0.26</b>	<b>0.08</b>	<b>0.10</b>	<b>63.45</b>	<b>5.28</b>	<b>69.17</b>

₹ in Crores

As at 31 March 2021	0-30 days	31-60 days	61-90 days	More than 90 days	Credit impaired	Total
<b>Gross trade receivables</b>	42.89	5.29	1.25	75.74	5.44	130.61
Less: Trade receivables from group companies	8.29	0.99	0.48	2.00	-	11.76
<b>Net trade receivables</b>	<b>34.60</b>	<b>4.30</b>	<b>0.77</b>	<b>73.74</b>	<b>5.44</b>	<b>118.85</b>
Expected loss rates	0.71%	1.31%	2.88%	78.60%	100.00%	
<b>Expected credit loss</b>	<b>0.25</b>	<b>0.06</b>	<b>0.02</b>	<b>57.96</b>	<b>5.44</b>	<b>63.73</b>

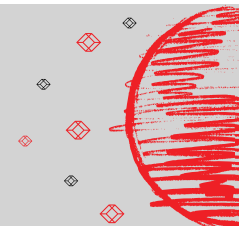
The following table summarises the change in the loss allowance measured using expected credit loss model:

₹ in Crores

Particulars	31 March 2022	31 March 2021
<b>At the beginning of the year</b>	<b>(63.73)</b>	<b>(54.57)</b>
Provision made during the year	(5.44)	(9.16)
<b>At the end of the year</b>	<b>(69.17)</b>	<b>(63.73)</b>

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

Particulars	31 March 2022	31 March 2021
Revenue from top customer	7%	5%
Revenue from top five customers	26%	20%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities as well as forecast cash inflow and outflows due in day to day business. In addition, processes and policies related to such risks are overseen by senior management.

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

#### Maturity profile of financial liabilities

₹ in Crores					
As at 31 March 2022	On Demand	Less than one year	One to five years	More than five years	Total
Borrowings	22.49	-	-	-	22.49
Lease liabilities	-	2.57	25.66	21.50	49.73
Trade payables	-	70.67	-	-	70.67
Other financial liabilities	0.18	18.64	0.23	-	19.05
<b>Total</b>	<b>22.67</b>	<b>91.88</b>	<b>25.89</b>	<b>21.50</b>	<b>161.94</b>

₹ in Crores					
As at 31 March 2021	On Demand	Less than one year	One to five years	More than five years	Total
Borrowings	16.43	-	-	-	16.43
Lease liabilities	-	2.05	4.10	-	6.15
Trade payables	-	61.53	-	-	61.53
Other financial liabilities	0.18	31.71	-	-	31.89
<b>Total</b>	<b>16.61</b>	<b>95.29</b>	<b>4.10</b>	<b>-</b>	<b>116.00</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 36.3 Foreign currency risk

Foreign currency risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company procures goods and services in their respective local currency and in case of imports, it primarily deals in United States Dollars ('USD'). The Company has mainly foreign currency trade payables and other receivables which are unhedged and exposed to foreign currency risk.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.

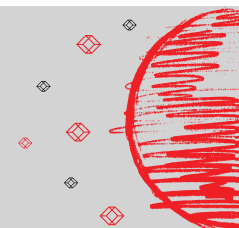
The Company's exposure to foreign currency risk at the end of the reporting period are as under:

Particulars	₹ in Crores			
	31 March 2022		31 March 2021	
	USD	GBP	USD	GBP
<b>Financial assets</b>				
Trade receivables	11.64	0.80	7.84	0.61
Cash and cash equivalents	0.19	-	0.18	-
Receivable from related parties	26.07	-	27.54	-
<b>Exposure to foreign currency risk on financial assets</b>	<b>37.90</b>	<b>0.80</b>	<b>35.56</b>	<b>0.61</b>
<b>Financial liabilities</b>				
Trade payables	7.32	-	8.09	-
Other financial liabilities *	0.30	-	0.52	-
<b>Exposure to foreign currency risk on financial liabilities</b>	<b>7.62</b>	<b>-</b>	<b>8.61</b>	<b>-</b>
<b>Net exposure to foreign currency risk</b>	<b>30.28</b>	<b>0.80</b>	<b>26.95</b>	<b>0.61</b>

Company has accumulated net exposure to foreign currency risk amounting to ₹ 31.08 Crores (31 March 2021: ₹ 27.56 Crores).

The Company had issued corporate guarantee on behalf of its wholly owned subsidiary, Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited), amounting to USD 2.25 million (31 March 2021: USD 5.95 million), equivalent to ₹ 17.03 Crores (31 March 2021: ₹ 43.59 Crores). It is contingent in nature and Company does not expect any liability against the same in next five years.

\* Includes provision for expenses, billing of which is pending as at reporting date and will be billed in currency other than reporting currency.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD and Great Britain Pound ('GBP') with all other variables held constant. The below impact on the Company's profit or loss before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at standalone balance sheet date:

Particulars	₹ in Crores	
	Impact on profit or loss for the year ended	
	31 March 2022	31 March 2021
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	1.51	1.35
Decrease by 5%	(1.51)	(1.35)
<b>GBP sensitivity</b>		
INR / GBP		
Increase by 5%	0.04	0.03
Decrease by 5%	(0.04)	(0.03)

### 37 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Gearing ratio:</b>		
Borrowings	22.49	16.43
Other financial liabilities	0.18	16.51
<b>Total debt</b>	<b>22.67</b>	<b>32.94</b>
Less: Cash and cash equivalents and bank balances other than cash and cash equivalents	2.23	6.30
<b>Net debt #</b>	<b>20.44</b>	<b>26.64</b>
Total equity	285.25	276.64
<b>Total capital</b>	<b>285.25</b>	<b>276.64</b>
<b>Gearing ratio (in %)</b>	<b>7%</b>	<b>10%</b>

# Net debt for the above purpose includes borrowings, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 38 LEASES

The disclosures required in accordance with Ind AS 116 “Leases” are as follows:

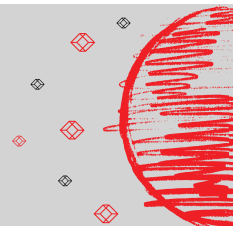
- a) The Company’s leased assets primarily consists of leases for office premises, furniture, computer and servers having different lease terms. There are several lease agreements with extension and termination options, for which management exercise significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term.

b) Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Depreciation of ROU assets	3.04	4.28
Interest expense on lease liabilities	2.54	1.72
Expense relating to short term leases	-	0.51
Income from subleasing ROU assets	0.05	0.03
Total cash outflow for leases (including interest)	4.60	7.00
Additions to ROU assets	29.82	1.33

- c) Amounts recognised in standalone balance sheet:

Particulars	₹ in Crores	
	As at 31 March 2022	As at 31 March 2021
<b>Carrying amount of ROU assets</b>		
- Buildings	17.46	4.88
- Furniture	3.93	-
- Computer and servers	2.08	-
<b>Lease liabilities</b>		
Non-current	27.92	3.08
Current	2.57	2.05

The incremental borrowing rate applied to lease liabilities ranges from 12.14% to 14.00% p.a. (31 March 2021: 13.00% to 14.00% p.a.)



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- d) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis are as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Within one year	2.57	2.05
Later than one year and not later than five years	25.66	4.10
Later than five years	21.50	-

- e) The Company has entered into finance leases on its office premise. These leases have term of ten years. The lease contract includes a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company during the year is ₹ 1.29 Crores (31 March 2021: ₹ 0.03 Crores). Further, lessee is reasonable certain to exercise extension option and not to exercise termination option, hence the Company has opted to include such extended term and ignore termination option in determination of lease term.

### Maturity profile of finance lease payments receivable on an undiscounted basis:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Within one year	0.22	-
Later than one year and not later than five years	5.79	-
Later than five years	6.61	-

### Reconciliation between undiscounted lease payments receivable and net investment in the lease

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Undiscounted lease payments receivable	12.62	-
Less: Interest income	(5.40)	-
Net investment in the lease	7.22	-

### Additional information

- The Company has not earned gain or incurred loss from sale and lease back transaction.
- There are no significant restrictions or covenants imposed on leases.

## 39 REVENUE FROM CONTRACTS WITH CUSTOMERS

The outstanding balance of net trade receivables is presented in below table:

Particulars	₹ in Crores	
	As at 31 March 2022	As at 31 March 2021
Trade receivables (net)	82.48	66.88

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### a) Performance obligations:

The performance obligation of Company is satisfied at a point in time or over the period of time depending on the nature of products and services provided.

- 1) **Revenue from sale of products:** It includes unified and voice communication solutions, IP Phones, data products, video conferencing products and cyber security solutions. Revenue is recognised at a point in time, which is generally on the delivery of product.
- 2) **Revenue from implementation contracts:** It includes implementation services on products (including installation and commissioning). Revenue is recognised in the accounting period in which services are rendered, as the performance obligations are met.
- 3) **Revenue from maintenance contracts:** Revenue from fixed maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

### b) Changes in contract liabilities are as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Balance at the beginning of the year</b>	<b>26.98</b>	<b>34.67</b>
Net revenue recognised that was included in the balance at the beginning of the year	(24.32)	(24.73)
Net invoicing during the year, excluding amounts recognised as revenue during the year	11.77	17.04
<b>Balance at the end of the year</b>	<b>14.43</b>	<b>26.98</b>

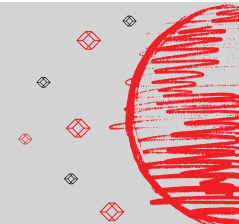
Further, the Company does not have any contract assets as at reporting dates.

### c) Timing of revenue recognition:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Transferred at a point in time	222.48	179.45
Transferred over time	69.86	66.45

### d) Remaining performance obligation

As at 31 March 2022, the aggregate amount of transaction price allocated to remaining performance obligations is ₹ 14.43 Crores (31 March 2021: 26.98 Crores) of which approximate 98% (31 March 2021: 90%) is expected to be recognised as revenue within one year.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 40 DISCLOSURE UNDER SECTION 186(4) OF THE ACT - CORPORATE GUARANTEE AND INVESTMENT

₹ in Crores

Name of subsidiary	31 March 2022	31 March 2021
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)		
Guarantee given	17.03	43.59
Investment made during the year	-	160.26

#### Notes:

- The Company has recognised the financial guarantee contract (corporate guarantee) at its fair value as per Ind AS 109 “Financial Instruments”. The non-current and current portion of financial liability is disclosed under “Other financial liabilities” (refer note 15).
  - The Company had given corporate guarantee of USD 2.25 million (31 March 2021: USD 5.95 million) for the loan availed by Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited), wholly owned subsidiary and a guarantee commission @ 1.75% (31 March 2021: 1.75%) per annum is charged thereon.
- 41** As per Ind AS 12 “Income Taxes”, a deferred tax asset (‘DTA’) shall be recognised for the carry forward of unused tax loss, unused tax credits and taxable timing differences to the extent it is probable that future taxable profit will be available against which the unused tax loss, unused tax credits and taxable timing differences can be utilised. Accordingly, DTA has been recognised only to the extent of deferred tax liability.
- 42** As per the transfer pricing rules, the Company has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

### 43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of the Act, and rules therein, the Company is required to spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. The Company has CSR committee as per the Act. The funds are utilised on the activities which are specified in Schedule VII of the Act. Details of CSR expenditure are as follows:

₹ in Crores

Particulars	31 March 2022	31 March 2021
a) Gross amount required to be spent by the Company pursuant to section 135(5) of the Act	-	0.20
b) Amount of expenditure incurred	0.02	0.20
c) Shortfall at the end of the year	-	-

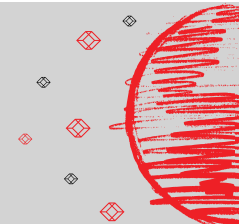
## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
d) Total of previous years shortfall	-	-
e) Reason for shortfall	Not applicable	Not applicable
f) Nature of CSR activities	<b>For financial year ended 31 March 2022</b>	<b>For financial year ended 31 March 2021</b>
	Sponsorship for disabled patients	
	1. School improvement and education for children from low socio-economic background	
	2. Sponsorship for disabled patients	
	3. Mother and child malnutrition project	

The Company's spent towards CSR does not involve any long term projects and accordingly, disclosure requirements relating to ongoing projects is not applicable as at reporting dates.

- 44** The outstanding balance of trade payables, trade receivables and other financial assets as at 31 March 2022 includes amount payable aggregating to ₹ 2.71 Crores and amount receivable aggregating to ₹ 3.68 Crores and ₹ 11.36 Crores, respectively, to / from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed necessary application with AD Category – I bank ('AD Bank') for extension of time limit on payables aggregating to ₹ 1.67 Crores during the current period and on payables aggregating to ₹ 1.04 Crores subsequent to 31 March 2022. Similarly, the Company has filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 14.01 Crores during the current period and on receivables aggregating to ₹ 1.03 Crores subsequent to 31 March 2022. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the standalone financial statements does not include any adjustments that may arise due to such delays.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- 45** COVID-19 pandemic has impacted most economies and businesses globally, including India. The nation-wide lockdown in first half of financial year 2020, including the “second wave” that had significantly increased the number of cases in India, substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. The business and operations have returned back to normalcy to pre-covid level and there is no impact of pandemic on the standalone financial statements for the year ended 31 March 2022. However, the management is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working in minimizing the impact of this unprecedented situation.
- 46** The Company had filed claim before National Company Law Tribunal (‘NCLT’), Mumbai, towards recovery of dues from EPC Constructions India Limited (‘EPCCIL’ or ‘Corporate Debtor’) on account of services rendered by the Company to EPCCIL during its Corporate Insolvency Resolution Process (‘CIRP’) period commencing from April 2018.

NCLT vide its order dated 08 June 2021, uploaded on its website on 26 June 2021, had directed EPCCIL to make payment of all outstanding dues to the Company within a period of 3 months from the date of receipt of the aforesaid order and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Company. Subsequently, on appeal filed by EPCCIL challenging the aforesaid order, National Company Law Appellate Tribunal (‘NCLAT’), New Delhi had passed an order dated 28 September 2021 in favour of the Company and had directed EPCCIL to pay ₹ 4.50 Crores (inclusive of ₹ 1.00 Crore already paid in the month of June 2019) to the Company within a period of 2 months from the date of this order and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Company.

Subsequent to 31 March 2022, the Company and EPCCIL have arrived at an amicable settlement whereby EPCCIL has agreed to make payment of entire outstanding principal amount of ₹ 5.50 Crores (inclusive of taxes) in three monthly instalments subject to fulfilment of conditions attached to the settlement arrangement and shall continue to pay revised monthly charges of ₹ 0.20 Crores per month (earlier ₹ 0.25 Crores per month) to the Company effective May 2022. In lieu of the same, Company has agreed to waive claim of interest amounting to ₹ 1.50 Crores and accordingly charged off the same in the standalone statement of profit and loss.

- 47** Pursuant to approval of the members received on 20 April 2022, the Company has sub-divided its equity shares of ₹ 10 each into equity share of ₹ 2 each. As a result, each equity share of ₹ 10 is sub-divided into 5 (five) equity shares of ₹ 2 each. Consequently, the basic and diluted earnings per share have been computed for all the periods on the basis of the new number of equity shares in accordance with Ind AS 33 - “Earnings per Share”.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

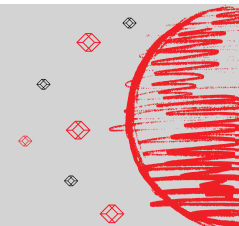
### 48 FINANCIAL RATIOS

The ratios for the years ended 31 March 2022 and 31 March 2021 are as follows:

Particulars	Numerator	Denominator	₹ in Crores		
			31 March 2022	31 March 2021	Variance (in %)
Current ratio (in times)	Current assets	Current liabilities	1.25	1.19	4.38%
Debt-equity ratio (in times)	Debt	Net worth	0.08	0.06	32.75%
Debt service coverage ratio (in times)	EBITDA	Finance costs + principal repayments of non current borrowings within next one year	1.74	0.71	144.70%
Return on equity ratio (in %)	Profit for the year	Net worth	2.07	(1.01)	-303.82%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	12.55	6.33	98.18%
Trade receivables turnover ratio (in times)	Revenue from contracts with customer	Average net trade receivables	3.91	3.42	14.61%
Trade payables turnover ratio (in times)	Net purchases	Average trade payables	3.31	2.78	18.87%
Net capital turnover ratio (in times)	Revenue from contracts with customer	Net assets	7.02	7.51	-6.56%
Net profit ratio (in %)	Profit for the year	Revenue from operations	1.99	(0.75)	-363.49%
Return on capital employed (in %)	EBIT	Capital employed	1.90	2.42	-21.50%
Return on investment (in %)	Profit before tax	Total assets	1.27	(0.43)	-394.78%

#### Notes:

- 1 Debt = Non current borrowings + Current borrowings
- 2 Net worth = Paid up share capital + Reserves created out of profit - Accumulated losses
- 3 EBITDA = Earnings before finance costs, depreciation and amortisation expense, other income and tax
- 4 Cost of goods sold = Purchases of stock-in-trade + Changes in inventories of work-in-progress and stock-in-trade
- 5 Net purchases = Purchases of stock-in-trade + Changes in inventories of work-in-progress and stock-in-trade + service charges
- 6 Net assets = PPE + Current assets - current liabilities
- 7 EBIT = Earnings before finance costs, other income and tax
- 8 Capital employed = Total equity + Non current borrowings



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**Reason for variance of more than 25% as compared to the previous year :**

**Debt-Equity ratio :** Increased due to higher borrowings.

**Debt service coverage ratio :** Improved due to reduction in finance cost as compared to previous year.

**Return on equity ratio :** Improved due to current year profitability.

**Inventory turnover ratio :** Improved due to better inventory management.

**Net profit ratio :** Improved due to current year profitability.

**Return on investment :** Improved due to current year profitability.

### 49 BORROWING SECURED AGAINST CURRENT ASSETS

The Company has sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of current assets are filed by the Company with banks on regular basis and the required reconciliation is presented below:

For the year ended 31 March 2022					₹ in Crores
Quarter ended	Particulars	Amount as per books of account of the Company	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material discrepancies
31 March 2022	Trade receivables *	86.38	90.42	(4.04)	Difference is on account of adjustment and reclassification entries during finalisation / audit.
	Inventory	6.87	6.47	0.40	
31 December 2021	Trade receivables *	102.39	102.39	-	No difference
	Inventory	7.09	7.09	-	
30 September 2021	Trade receivables *	88.51	88.51	-	No material discrepancy
	Inventory	13.38	13.36	0.02	
30 June 2021	Trade receivables *	97.40	97.40	-	No material discrepancy
	Inventory	9.88	9.82	0.06	



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

For the year ended 31 March 2021						₹ in Crores
Quarter ended	Particulars	Amount as per books of account of the Company	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material discrepancies	
31 March 2021	Trade receivables *	77.51	92.95	(15.44)	Difference is on account of adjustment and reclassification entries during finalisation / audit.	
	Inventory	11.86	12.79	(0.93)		
31 December 2020	Trade receivables	125.59	117.02	8.57	Difference is on account of reclassification entries.	
	Inventory	12.61	12.61	-		
30 September 2020	Trade receivables	124.13	119.93	4.20	Difference is on account of reclassification entries.	
	Inventory	9.70	9.70	-		
30 June 2020	Trade receivables	133.87	121.31	12.56	Difference is on account of reclassification entries.	
	Inventory	8.83	8.80	0.03		

\* Includes trade receivables which are outstanding up to 180 days and non-trade receivables from group companies

### 50 ADDITIONAL REGULATORY INFORMATION REQUIRED BY DIVISION II SCHEDULE III OF THE ACT

#### a) Details of benami property

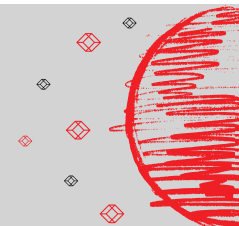
Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the act and rules mentioned above.

#### b) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

#### c) Relationship with struck off companies

The disclosure of relationship and transaction with struck off companies under section 248 of the Act is as follows:



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### As at and for the year ended 31 March 2022

₹ in Crores

Name of struck off company	Nature of transactions with struck off company	Balance outstanding as at year-end	Relationship with struck off company
R.P. Electronics	Receivable	0.00	Buyer-seller relationship
TDW India Limited	Receivable	0.00	Buyer-seller relationship
HIRCO Developments Private Limited	Receivable	0.00	Buyer-seller relationship
Mas Teltech Solutions (P) Limited	Receivable	0.00	Buyer-seller relationship
Trustron Devices Private Limited	Receivable	0.00	Buyer-seller relationship
Aqsacom India Private Limited	Receivable	0.01	Buyer-seller relationship
Fore TechServe Private Limited	Receivable	0.01	Buyer-seller relationship
Gilgal Net Solutions Private Limited	Receivable	0.01	Buyer-seller relationship
East Point Infotech	Receivable	0.01	Buyer-seller relationship
Motorola India Private Limited	Receivable	0.01	Buyer-seller relationship
Sagar Hospitals	Receivable	0.02	Buyer-seller relationship
Wizard Internet Solutions Private Limited	Receivable	0.03	Buyer-seller relationship
TIHOTS	Receivable	0.03	Buyer-seller relationship
Marina Towers	Receivable	0.03	Buyer-seller relationship
Vertex Integrated Services	Receivable	0.07	Buyer-seller relationship
iProf Learning Solutions India Private Limited	Receivable	0.12	Buyer-seller relationship
Msource India Private Limited	Receivable	0.25	Buyer-seller relationship
Unicorp Infotech Private Limited	Receivable	0.32	Buyer-seller relationship

### As at and for the year ended 31 March 2021

₹ in Crores

Name of struck off company	Nature of transactions with struck off company	Balance outstanding as at year-end	Relationship with struck off company
R.P. Electronics	Receivable	0.00	Buyer-seller relationship
TDW India Limited	Receivable	0.00	Buyer-seller relationship
HIRCO Developments Private Limited	Receivable	0.00	Buyer-seller relationship

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

₹ in Crores

Name of struck off company	Nature of transactions with struck off company	Balance outstanding as at year-end	Relationship with struck off company
Mas Teltech Solutions (P) Limited	Receivable	0.00	Buyer-seller relationship
Trustron Devices Private Limited	Receivable	0.00	Buyer-seller relationship
Aqsacom India Private Limited	Receivable	0.01	Buyer-seller relationship
Fore TechServe Private Limited	Receivable	0.01	Buyer-seller relationship
Gilgal Net Solutions Private Limited	Receivable	0.01	Buyer-seller relationship
East Point Infotech	Receivable	0.01	Buyer-seller relationship
Motorola India Private Limited	Receivable	0.01	Buyer-seller relationship
Sagar Hospitals	Receivable	0.02	Buyer-seller relationship
Wizard Internet Solutions Private Limited	Receivable	0.03	Buyer-seller relationship
TIHOTS	Receivable	0.03	Buyer-seller relationship
Marina Towers	Receivable	0.03	Buyer-seller relationship
Vertex Integrated Services	Receivable	0.07	Buyer-seller relationship
iProf Learning Solutions India Private Limited	Receivable	0.12	Buyer-seller relationship
Msource India Private Limited	Receivable	0.25	Buyer-seller relationship
Unicorp Infotech Private Limited	Receivable	0.32	Buyer-seller relationship

**d) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the Act.

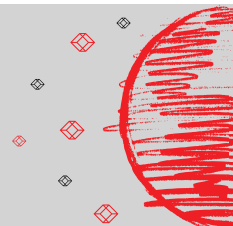
**e) Compliance with approved scheme of arrangements**

The Company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2022 and 31 March 2021.

**f) Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ('Intermediaries') with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person or entity, including foreign entity ('Funding Party') with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

**g) Undisclosed income**

No income has been surrendered or disclosed as income during the current and previous year.

**h) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

**i) Registration of charges or satisfaction with Registrar of Companies ('ROC')**

There are no charges which are yet to be registered with the ROC beyond the statutory period as at 31 March 2022. The details of satisfaction of charges which are yet to be registered with ROC as at 31 March 2022 is as follows:

₹ in Crores		
Chargeholder name	Amount	Reason for delay
Yes Bank Limited	250.00	These are duplicate charges. No objection certificate ('NOC') is awaited from the bank.
Bank of India Limited	11.71	NOC is awaited from the bank.
Bank of India Limited	70.40	NOC is awaited from the bank.
Canara Bank	0.85	These charges are not related to the Company. These are old charges related to Tata phone division which was demerged from Tala Telecom Limited in April 2001. Company has requested the banks to remove these charges.
Canara Bank	1.00	
Canara Bank	0.48	
Canara Bank	7.60	
The Lakshmi Vilas Bank Limited	0.36	
State Bank of Travancore	5.16	

Disclosure in relation to date of satisfaction as per statutory period is not applicable as NOC is awaited from the banks.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- 51** The Company has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended 31 March 2022 and 31 March 2021. Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is not applicable.
- 52 AUTHORISATION OF STANDALONE FINANCIAL STATEMENTS**  
The standalone financial statements as at and for the year ended 31 March 2022 were approved by the Board of Directors on 27 May 2022.
- 53** Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to conform to this year's presentation.

These are the significant accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No. : 001076N/N500013

**BHARAT SHETTY**  
Partner  
Membership No. 106815

Place : Mumbai  
Date : 27 May 2022

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

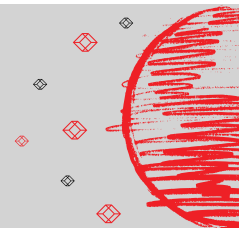
**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place : Dallas, Texas, USA

**ADITYA GOSWAMI**  
Company Secretary

Place : Mumbai  
Date : 27 May 2022

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place : Dallas, Texas, USA



# INDEPENDENT AUDITOR'S REPORT

**To the Members of Black Box Limited (formerly known as AGC Networks Limited)**

**Report on the Audit of the Consolidated Financial Statements**

## **OPINION**

1. We have audited the accompanying consolidated financial statements of **Black Box Limited** (formerly known as 'AGC Networks Limited') ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit (including other comprehensive loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

## **BASIS FOR OPINION**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

## **EMPHASIS OF MATTER- NON-COMPLIANCE WITH LAWS AND REGULATIONS**

4. We draw attention to Note 47 to the accompanying consolidated financial statements, which describes the delay in remittance of import payments and repatriation of proceeds from export of goods and services, aggregating to ₹ 13.00 Crores and ₹ 27.80 Crores, respectively, by the Holding Company and its subsidiary companies incorporated in India, outstanding as at 31 March 2022 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999 as amended from time to time. The respective management of companies, as aforesaid, have filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fines / penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the consolidated financial statements in respect of aforesaid delays. Our opinion is not modified in respect of this matter.

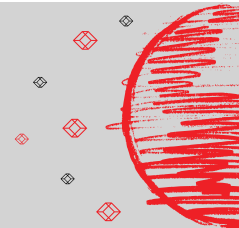
## INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Consolidation process for preparation of the consolidated financial statements of the Group</b></p> <p>Refer Note 2B –‘Basis of consolidation’ in the accompanying consolidated financial statements.</p> <p>As at the year-end, the Group comprises of 78 subsidiaries (including step-subsiidiaries).</p> <p>The Group’s consolidation process is complex on account of its presence in various geographies and multiple businesses through different ownership structures.</p> <p>The consolidation process includes evaluation of the degree of control / significant influence, alignment of group accounting policies and elimination of intercompany transactions and balances which may require a high level of judgement.</p> <p>The entities in the Group have diverse accounting systems and further, the financial statements of each of the overseas subsidiaries are prepared in accordance with the accounting principles generally accepted in their respective countries. For the purpose of preparing consolidated financial statements of the Group, these financial statements of overseas subsidiaries are converted and consolidated using the accounting principles applicable to the Holding Company, by the group management.</p> <p>There was significant risk involved in consolidation of the entities in the Group considering the number of components involved in the preparation of consolidated financial statements of the Group including the acquisitions made during the year, and thereby warranted significant auditor attention during the year ended 31 March 2022.</p> <p>Accordingly, we have determined the above as a key audit matter for the current year audit.</p>	<p>Our audit included, but was not limited to, the following procedures performed on consolidation:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management’s process of preparation of consolidated financial statements comprising of financial statements of the Holding Company and its subsidiaries.</li> <li>• Evaluated the design and tested the operating effectiveness of key controls in respect of Group’s process of consolidation and management’s procedures for alignment of group accounting policies, consolidation adjustments and elimination of inter-company transactions and balances.</li> <li>• Assessed the accounting policy adopted by the management for consolidation and ensured its appropriateness in accordance with the requirements of Ind AS 110, Consolidated Financial Statements.</li> <li>• Reviewed the supporting documents, including agreements and minutes of Board committees relating to significant group entities, where necessary to evaluate management’s evaluation of control over such subsidiary companies.</li> <li>• Identified and determined the significant components of the Group based on materiality and our understanding of the group’s operations, to develop an appropriate audit plan including scoping of such components for our audit.</li> <li>• Ensured compliance by the management with the consolidation principles enunciated under Ind AS 110 and the Guidance Note on Audit of Consolidated Financial Statements (Revised 2016), issued by the Institute of Chartered Accountants of India.</li> </ul>





Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue recognition under Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115')</b></p> <p>Refer note 2E(xviii) – 'Income recognition' and note 21 – 'Revenue from contracts with customers' to the consolidated financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year.</p> <p>Revenue for the Group consists primarily of sale of goods and sale of implementation and maintenance services for networking equipment and communications technology solutions.</p> <p>Owing to the multiplicity of the Group's products and services across multiple geographies, which requires compliance with varied customer specifications, and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk and hence, requiring significant auditor attention.</p> <p>Further, the application of Ind AS 115 involves significant judgements / material estimates relating to identification of distinct performance obligations, determination of transaction price, including impact of variable consideration, of the identified performance obligations and the appropriateness of the basis used to measure revenue recognised over a period of time.</p>	<ul style="list-style-type: none"> <li>• Obtained conversion adjustments schedule prepared by the management of the Holding Company in case of overseas subsidiaries and reviewed such conversion adjustments in accordance with the differences between the respective financial reporting frameworks.</li> <li>• Tested significant consolidation adjustments recorded through manual journal entries and reviewed underlying documents to ensure appropriateness of such adjustments.</li> </ul> <p>Evaluated the appropriateness of the disclosures made in Note 2 with respect to the basis of preparation and presentation of these consolidated financial statements.</p>
<p>Our audit included, but was not limited to, the following procedures performed in respect of revenue recognition:</p>	<ul style="list-style-type: none"> <li>• Evaluated the design and tested the operating effectiveness of internal financial controls relating to the application of revenue accounting standard specifically those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.</li> <li>• Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and presenting revenue in accordance with the revenue accounting standard.</li> <li>• Selected a sample of continuing and new contracts and performed the following procedures:             <ul style="list-style-type: none"> <li>o Read, analysed and identified the distinct performance obligations in these contracts;</li> <li>o Compared such performance obligations with those identified and recorded by the management; and</li> <li>o Reviewed contract terms to determine the transaction price including variable consideration, if any, to determine the appropriate transaction price for computing revenue.</li> </ul> </li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>Considering the materiality of amounts involved, significance of the area to the consolidated financial statements, combined with significant judgements and estimates involved, revenue recognition has been considered to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>• Samples in respect of revenue recorded for sale of products were tested by inspection of customer acceptances, invoices and historical trend of collections and disputes. Further, tested sample transactions before and after year end to ensure revenue is recorded in the correct period.</li> <li>• In respect of samples relating to fixed maintenance contracts, verified the period of the contract with the customer agreements and verified if the revenue was recognised appropriately over the period of contract as services were being rendered basis the method of determination of satisfaction of performance obligations in accordance with Ind AS 115.</li> <li>• Tested a sample of credit notes issued during the year and subsequent to year end to confirm revenue recognised during the period was appropriate.</li> <li>• Performed analytical procedures for reasonableness of revenue recorded such as trend analysis by product and service offering categories, by geographical locations, etc.</li> <li>• Assessed the appropriateness and adequacy of disclosures included in the consolidated financial statements, in accordance with the requirements of Ind AS 115</li> </ul>

**INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

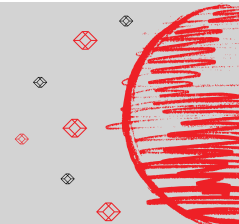
7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the corporate governance report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the entities covered in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the entities covered in the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

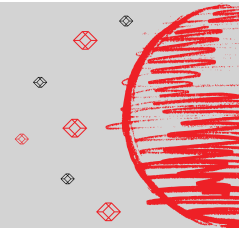
## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to consolidated financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we 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 communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company, which is a company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to two subsidiary companies, incorporated in India whose financial statements have been audited under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.



17. As required by clause (xxi) of paragraph 3 of Companies (Auditor’s Report) Order, 2020 (‘the Order’) issued by the Central Government of India in terms of section 143(11) of the Act, following are the companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under that Act that are audited by us and other auditor, for which the respective reports under section 143(11) of the Act of such companies have not yet been issued by us and by the respective other auditors, as per information and explanation given to us by the management in this respect.

S No	Name	CIN	Subsidiary/ Associate/ Joint Venture
1.	Black Box Network Services India Private Limited	U51101MH2013FTC242517	Step-down subsidiary
2.	COPC India Private Limited	U74140HR2012FTC047227	Step-down subsidiary

18. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

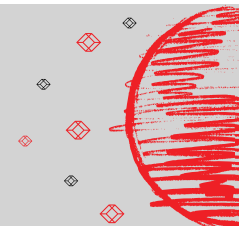
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies, and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, none of the directors of the Group companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in ‘Annexure II’ wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 37 to the consolidated financial statements;
  - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, during the year ended 31 March 2022;

- iv. a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies, respectively that, to the best of their knowledge and belief, as disclosed in note 56, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 56, no funds have been received by the Holding Company or its subsidiary companies, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiary companies, have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815  
**UDIN: 22106815AJTXFG3668**

**Place :** Mumbai  
**Date :** 27 May 2022

**ANNEXURE I****List of entities included in the Statement (in addition to the Holding Company)**

1. Black Box Technologies Pte Ltd. (formerly known as AGC Networks Pte. Ltd.)
2. AGC Networks Philippines, Inc.
3. AGC Networks & Cyber Solutions Limited
4. AGC Networks LLC, Dubai
5. AGC Networks LLC, Abu Dhabi
6. AGCN Solutions Pte. Limited
7. BBX Main Inc.
8. AGC Networks LLC, USA
9. Black Box Corporation
10. ACS Dataline, LP
11. ACS Investors, LLC
12. BB Technologies, Inc.
13. BBOX Holdings Mexico LLC
14. BBOX Holdings Puebla LLC
15. Black Box A/S
16. Black Box Canada Corporation
17. Black Box Chile S.A.
18. Black Box Comunicaciones, S.A.
19. Black Box Corporation of Pennsylvania
20. Black Box de Mexico, S. de R.L. de C.V.
21. Black Box Deutschland GmbH
22. Black Box do Brasil Industria e Comercio Ltda.
23. Black Box E-Commerce (Shanghai) Co., Ltd.
24. Black Box Finland OY
25. Black Box France
26. Black Box GmbH
27. Black Box Holdings Ltd.
28. Black Box International B.V.
29. Black Box International Holdings B.V.
30. Black Box Network Services (Dublin) Limited
31. Black Box Network Services (UK) Limited
32. Black Box Network Services AB
33. Black Box Network Services AG
34. Black Box Network Services Australia Pty Ltd
35. Black Box Network Services Co., Ltd.
36. Black Box Network Services Corporation
37. Black Box Network Services, Inc. – Government Solutions

38. Black Box Network Services India Private Limited
39. Black Box Network Services Korea Limited
40. Black Box Network Services New Zealand Limited
41. Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited)
42. Black Box Network Services NV
43. Black Box Network Services S.r.l.
44. Black Box Network Services SDN. BHD.
45. Black Box Network Services Singapore Pte Ltd
46. Black Box Norge AS
47. Black Box P.R. Corp.
48. Black Box Services Company
49. Black Box Software Development Services Limited
50. Delaney Telecom, Inc.
51. Norstan Canada, Ltd. / Norstan Canada, Ltée
52. Norstan Communications, Inc.
53. Nu-Vision Technologies, LLC
54. Black Box Network Services Philippines, Inc.
55. Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Ltd)
56. COPC Holdings Inc.
57. COPC Inc.
58. COPC International Inc.
59. COPC Asia Pacific Inc.
60. COPC International Holdings LLC
61. COPC India Private Limited
62. COPC Consultants (Beijing) Co. Limited
63. Fuji Soft Technology LLC
64. Fujisoft Security Solutions LLC
65. Pyrios Pty Limited
66. BBX Inc.
67. Black Box Network Services Hong Kong Limited
68. Black Box Technologies LLC
69. Service Journey Strategies Inc.
70. Servicios Black Box S.A. de C.V.
71. Black Box DMCC (formerly known as ZServices HQ DMCC)
72. Black Box Technologies Group B.V. (with effect from 16 December 2021)
73. Black Box Bangladesh Technologies Private Limited (with effect from 21 November 2021)
74. Black Box Costa Rica S.R.L (with effect from 08 October 2021)
75. Black Box Network Services Colombia S.A.S. (with effect from 25 October 2021)
76. Dragonfly Technologies Pty Ltd (with effect from 11 February 2022)
77. Cybalt Inc. (with effect from 16 February 2022)
78. Black Box Products FZE (with effect from 24 March 2022)





## **ANNEXURE II REFERRED TO IN PARAGRAPH 18 (F) OF THE INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')**

1. In conjunction with our audit of the consolidated financial statements of **Black Box Limited** (formerly known as AGC Networks Limited) (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its two subsidiary companies, which are companies covered under the Act, as at that date.

### **RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The respective Board of Directors of the Holding Company and its two subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria ('IFC Criteria') established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the 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 the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Group based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its two subsidiary companies, as aforesaid.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with



reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

8. In our opinion, the Holding Company, has in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2022, based on the IFC Criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **OTHER MATTER**

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to two subsidiary companies, which are companies covered under the Act, whose financial statements / financial information (before eliminating inter-company balances and transactions) reflects total assets of ₹ 68.28 Crores and net assets of ₹ 20.92 Crores as at 31 March 2022, total revenues of ₹ 67.12 Crores and net cash outflows amounting to ₹ 2.80 Crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements of these subsidiary companies, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to the aforesaid subsidiaries, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such companies. In our opinion and according to the information and explanations given to us by the management, these financial statements / financial information are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports, certified by the management.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Bharat Shetty**

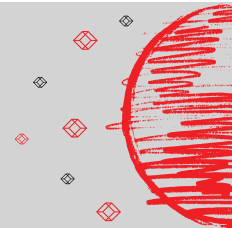
Partner

Membership No.: 106815

**UDIN: 22106815AJTXFG3668**

**Place :** Mumbai

**Date :** 27 May 2022



# CONSOLIDATED BALANCE SHEET as at 31 March 2022

₹ in Crores

	Notes	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	190.40	164.15
Right of use assets	4	194.32	145.65
Goodwill	5	300.35	269.18
Other intangible assets	6	47.42	43.27
Financial assets			
Other financial assets	7	23.83	27.90
Tax assets (net)		43.90	48.66
Deferred tax assets (net)	8	17.14	18.54
Other non-current assets	9	26.11	31.37
<b>Total non-current assets</b>		<b>843.47</b>	<b>748.72</b>
<b>Current assets</b>			
Inventories	10	225.94	148.75
Financial assets			
Trade receivables	11	374.21	239.76
Cash and cash equivalents	12	301.10	357.04
Bank balances other than cash and cash equivalents	12	10.15	53.25
Other financial assets	7	604.40	532.85
Other current assets	9	290.92	222.74
<b>Total current assets</b>		<b>1,806.72</b>	<b>1,554.39</b>
<b>TOTAL ASSETS</b>		<b>2,650.19</b>	<b>2,303.11</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	32.81	32.53
Other equity		227.59	174.17
<b>Total equity</b>		<b>260.40</b>	<b>206.70</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	14	228.92	119.39
Lease liabilities	15	116.45	94.18
Other financial liabilities	16	10.31	86.57
Provisions	17	69.86	77.72
Other non-current liabilities	18	51.16	24.75
<b>Total non-current liabilities</b>		<b>476.70</b>	<b>402.61</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	19	44.91	56.81
Lease liabilities	15	90.38	57.77
Trade payables	20		
Total outstanding dues to micro enterprises and small enterprises		20.18	11.66
Total outstanding dues to creditors other than micro enterprises and small enterprises		877.77	503.95
Other financial liabilities	16	287.54	373.33
Other current liabilities	18	521.88	563.57
Provisions	17	64.32	58.56
Income tax liabilities (net)		6.11	68.15
<b>Total current liabilities</b>		<b>1,913.09</b>	<b>1,693.80</b>
<b>Total liabilities</b>		<b>2,389.79</b>	<b>2,096.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,650.19</b>	<b>2,303.11</b>

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No. : 001076N/N500013

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place: Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**BHARAT SHETTY**  
Partner  
Membership No. 106815

**ADITYA GOSWAMI**  
Company Secretary

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place: Dallas, Texas, USA

Place : Mumbai  
Date : 27 May 2022

Place : Mumbai  
Date : 27 May 2022

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

	Notes	31 March 2022	31 March 2021
<b>₹ in Crores</b>			
<b>INCOME</b>			
Revenue from operations	21	5,370.17	4,674.02
Other income	22	6.36	11.13
<b>Total income (I)</b>		<b>5,376.53</b>	<b>4,685.15</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	4.03	5.36
Purchase of stock-in-trade		1,827.78	1,544.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(76.03)	(9.36)
Service charges		756.40	601.09
Employee benefits expense	25	2,145.60	1,825.38
Finance costs	26	73.60	97.91
Depreciation and amortisation expense	27	98.60	95.56
Other expenses	28	454.62	342.08
<b>Total expenses (II)</b>		<b>5,284.60</b>	<b>4,503.01</b>
<b>Profit before impact of foreign currency transactions and translations, (loss) / gain on financial liability, exceptional items and tax (I-II)</b>		<b>91.93</b>	<b>182.14</b>
Gain / (loss) on foreign currency transactions and translations (net)		2.60	(12.76)
(Loss) on fair value of financial liability	29	-	(41.70)
Gain on settlement of financial liability	29	13.59	-
<b>Profit before exceptional items and tax</b>		<b>108.12</b>	<b>127.68</b>
Exceptional items - expenses	30	(22.14)	(31.69)
<b>Profit before tax</b>		<b>85.98</b>	<b>95.99</b>
<b>Tax expense</b>			
Current tax	31	11.30	16.25
Deferred tax	31	1.96	1.65
<b>Total tax expense</b>		<b>13.26</b>	<b>17.90</b>
<b>Net profit for the year</b>		<b>72.72</b>	<b>78.09</b>
<b>Other Comprehensive (Loss) / Income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
- Remeasurement (loss) / gain on defined benefit plans		(2.69)	77.19
- Income tax on above item		-	-
<b>Items that will be reclassified subsequently to profit or loss</b>			
Exchange differences on translating the financial statements of foreign operations		(18.62)	38.31
<b>Other Comprehensive (Loss) / Income for the year</b>		<b>(21.31)</b>	<b>115.50</b>
<b>Total Comprehensive Income for the year</b>		<b>51.41</b>	<b>193.59</b>
<b>Earnings per equity share (Face value of ₹ 2 each)</b>	32 and 51		
Earnings per share before exceptional items:			
Basic (in ₹)		5.81	7.32
Diluted (in ₹)		5.72	6.89
<b>Earnings per share after exceptional items:</b>			
Basic (in ₹)		4.45	5.21
Diluted (in ₹)		4.38	4.90

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of profit and loss referred to in our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No. : 001076N/N500013

**BHARAT SHETTY**

Partner

Membership No. 106815

Place : Mumbai

Date : 27 May 2022

For and on behalf of the Board of Directors of

**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**

Whole-time Director

DIN - 06871685

Place: Dallas, Texas, USA

**ADITYA GOSWAMI**

Company Secretary

Place : Mumbai

Date : 27 May 2022

**MAHUA MUKHERJEE**

Executive Director

DIN - 08107320

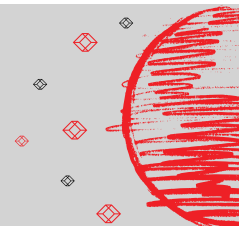
Place : Mumbai

**DEEPAK KUMAR BANSAL**

Chief Financial Officer and Executive Director

DIN - 07495199

Place: Dallas, Texas, USA



# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

₹ in Crores

	31 March 2022	31 March 2021
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	85.98	95.99
<b>Adjustments for non-cash transactions and items considered separately:</b>		
Depreciation and amortisation expense	98.60	95.56
Gain on disposal of property, plant and equipment and other intangible assets	(0.14)	(4.78)
Gain on remeasurement of lease	(0.39)	(0.59)
Interest on income-tax refund	(2.42)	(3.18)
Actuarial (gain) / loss on defined benefits plan	(2.69)	77.19
Expenses on share based payments	0.51	0.31
Creation / (reversal) of provision for warranties	4.54	(0.09)
Change in fair value of warrant liability	(13.59)	41.70
Allowance for expected credit loss (net)	(21.76)	28.40
Bad debts written off	3.33	3.25
Sundry balances written off	-	4.41
Liabilities / provisions for earlier years no longer required written back / reversed	(9.04)	(33.00)
Net (gain) / loss on foreign currency translation	(0.85)	3.38
Finance costs	73.60	97.91
Interest income on bank deposits	(0.30)	(0.23)
Interest income on inter corporate deposits	-	(1.67)
Prepayment charges on loan repayment	-	2.42
<b>Operating profit before working capital changes</b>	<b>215.38</b>	<b>406.98</b>
<b>Changes in working capital :</b>		
Trade receivables	(112.25)	119.66
Inventories	(77.19)	(6.41)
Financial and other assets	(121.41)	(39.32)
Trade payables	388.40	(52.67)
Provisions and other liabilities	(211.37)	(176.93)
<b>Cash generated from operating activities before taxes</b>	<b>81.56</b>	<b>251.31</b>
Income taxes (paid) / refund	(21.32)	51.89
<b>Net cash generated from operating activities (A)</b>	<b>60.24</b>	<b>303.20</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and other intangible assets	(51.06)	(29.85)
Proceeds from sale of property, plant and equipment and other intangible assets	0.43	11.55
Payment towards acquisition of business (including goodwill)	(20.22)	(40.42)
Inter corporate deposits received back	-	17.30
Liquidation of margin money deposits and bank deposits	33.92	1.64
Interest received on inter corporate deposits	-	7.19
Interest received on bank deposits	0.29	0.14
<b>Net cash used in investing activities (B)</b>	<b>(36.64)</b>	<b>(32.45)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

	₹ in Crores	
	31 March 2022	31 March 2021
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares	0.28	2.14
Money received against share warrants	-	73.38
Securities premium received on issue of equity shares and conversion of warrants	1.51	113.40
Availment of term loan	110.01	-
Repayment of term loans	(21.27)	(207.68)
Availment / (repayment) of working capital loan and cash credits (net)	6.06	(78.50)
Repayment of letter of credit facility	(16.33)	10.51
Payment for lease liabilities (net)	(67.16)	(85.10)
Payment of interest (excluding interest on lease liabilities)	(55.91)	(105.40)
<b>Net cash used in financing activities (C)</b>	<b>(42.82)</b>	<b>(277.25)</b>
<b>Net decrease in cash and cash equivalents (A + B + C)</b>	<b>(19.22)</b>	<b>(6.50)</b>
Cash and cash equivalents at the beginning of the year	357.04	315.87
Unrealised (loss) / gain on foreign currency cash and cash equivalents	(36.72)	47.67
<b>Cash and cash equivalents at the end of the year</b>	<b>301.10</b>	<b>357.04</b>
<b>Components of cash and cash equivalents (refer note 12)</b>		
Balances with banks:		
– In current accounts	301.02	353.48
– In deposit accounts	0.06	3.54
Cash on hand	0.02	0.02
<b>Total cash and cash equivalents</b>	<b>301.10</b>	<b>357.04</b>

The above consolidated statement of cash flows has been prepared under the “Indirect Method” as set out in Ind AS 7 “Statement of Cash Flows” specified under section 133 of the Companies Act, 2013 (‘the Act’).

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of cash flows referred to in our report of even date

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. : 001076N/N500013

**BHARAT SHETTY**  
Partner  
Membership No. 106815

Place : Mumbai  
Date : 27 May 2022

For and on behalf of the Board of Directors of  
**Black Box Limited (formerly known as AGC Networks Limited)**

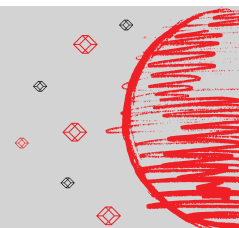
**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place: Dallas, Texas, USA

**ADITYA GOSWAMI**  
Company Secretary

Place : Mumbai  
Date : 27 May 2022

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place: Dallas, Texas, USA



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

## EQUITY SHARE CAPITAL

Particulars	Note	No. of shares	₹ in Crores
<b>As at 1 April 2020</b>	<b>13</b>	<b>29,744,649</b>	<b>29.75</b>
Changes during the year		2,784,181	2.78
<b>As at 31 March 2021</b>	<b>13</b>	<b>32,528,830</b>	<b>32.53</b>
Changes during the year		284,024	0.28
<b>As at 31 March 2022</b>	<b>13</b>	<b>32,812,854</b>	<b>32.81</b>

## OTHER EQUITY

Particulars	Reserves and surplus						Other Comprehensive Income	Money received against share warrant	Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Stock options outstanding account	Remeasurement of defined benefit plan (net of taxes)	Exchange differences on translating the financial statements of a foreign operation		
<b>As at 1 April 2020</b>	<b>38.04</b>	<b>45.90</b>	<b>100.58</b>	<b>(285.69)</b>	<b>2.16</b>	<b>(80.68)</b>	<b>(26.19)</b>	-	<b>(205.87)</b>
Profit for the year	-	-	-	78.09	-	-	-	-	78.09
Remeasurement of defined benefit obligation	-	-	-	-	-	77.19	-	-	77.19
Expenses on employee stock option scheme	-	-	-	-	0.31	-	-	-	0.31
Transferred to general reserve	-	-	0.01	-	(0.01)	-	-	-	-
Transferred to securities premium	-	0.72	-	-	(0.72)	-	-	-	-
Issue of equity shares, net of transaction costs	-	173.74	-	-	-	-	-	-	173.74
Exchange differences on remeasurement of defined benefit plans and translating the financial statements of a foreign operation	-	-	-	-	-	-	38.31	-	38.31
Money received against share warrants	-	-	-	-	-	-	-	12.40	12.40
<b>As at 31 March 2021</b>	<b>38.04</b>	<b>220.36</b>	<b>100.59</b>	<b>(207.60)</b>	<b>1.74</b>	<b>(3.49)</b>	<b>12.12</b>	<b>12.40</b>	<b>174.17</b>
Profit for the year	-	-	-	72.72	-	-	-	-	72.72
Remeasurement of defined benefit plan	-	-	-	-	-	(2.69)	-	-	(2.69)
Expenses on employee stock option scheme	-	-	-	-	0.51	-	-	-	0.51
Transferred to securities premium	-	1.24	-	-	(1.24)	-	-	-	-
Issue of equity shares on exercise of employee stock options	-	1.51	-	-	-	-	-	-	1.51

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

₹ in Crores

Particulars	Reserves and surplus						Other Comprehensive Income	Money received against share warrant	Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Stock options outstanding account	Remeasurement of defined benefit plan (net of taxes)	Exchange differences on translating the financial statements of a foreign operation		
Exchange differences on remeasurement of defined benefit plans and translating the financial statements of a foreign operation	-	-	-	-	-	-	(18.62)	-	(18.62)
<b>As at 31 March 2022</b>	<b>38.04</b>	<b>223.11</b>	<b>100.59</b>	<b>(134.88)</b>	<b>1.01</b>	<b>(6.18)</b>	<b>(6.50)</b>	<b>12.40</b>	<b>227.59</b>

## Nature and purpose of reserves:

### Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Group's own equity instrument is transferred to capital reserve.

### Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Act.

### General reserve

This represent appropriation of profit by the Group.

### Retained earnings

Retained earnings comprises of current year and prior years undistributed earnings / (loss) after taxes.

### Stock option outstanding account

The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amount recorded in this account are transferred to the securities premium upon exercise of stock options by employees, as applicable. In case of forfeiture, corresponding balance is transferred to general reserve.

### Remeasurement of defined benefit plans

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in Other Comprehensive Income and are adjusted to retained earnings.

### Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in OCI as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of changes in equity referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No. : 001076N/N500013

**BHARAT SHETTY**

Partner

Membership No. 106815

Place : Mumbai

Date : 27 May 2022

For and on behalf of the Board of Directors of

**Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**

Whole-time Director

DIN - 06871685

Place: Dallas, Texas, USA

**ADITYA GOSWAMI**

Company Secretary

Place : Mumbai

Date : 27 May 2022

**MAHUA MUKHERJEE**

Executive Director

DIN - 08107320

Place : Mumbai

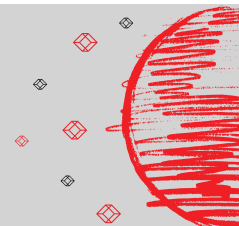
**DEEPAK KUMAR BANSAL**

Chief Financial Officer and Executive Director

DIN - 07495199

Place: Dallas, Texas, USA





# SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

## 1 CORPORATE INFORMATION

Black Box Limited (formerly known as AGC Networks Limited) (“the Holding Company”) or “BBL” is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, Bombay Stock Exchange (“BSE”) and National Stock Exchange (“NSE”). The Holding Company’s registered office is located at 501, 5th Floor, Building No.9, Airoli Knowledge Park, MIDC Industrial Area, Airoli, Navi Mumbai - 400708. The Holding Company, along with its foreign and Indian subsidiaries, (collectively referred to as “Group”) is a global information, communications technology (ICT) solutions provider and integrator seamlessly delivering technology based solutions across global markets and verticals layered with a spectrum of applications and services. The Group is the leader in Enterprise Communications with global footprint in locations spanning India, Middle East and Africa, North America, Australia, New Zealand, Singapore and Europe.

## 2 BASIS OF PREPARATION AND PRESENTATION

### A. General information and statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (“IND AS”) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules thereafter, including the presentation and disclosure requirements of Division II of Schedule III to the Act and the guidelines issued by the Securities and Exchange Board of India to the extent applicable.

The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

All amounts included in the consolidated financial statements are reported in Indian Rupees (“INR”) in Crores unless otherwise stated and rounded up to two decimals. Further, “0” denotes amounts less than fifty thousands rupees.

### B. Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The consolidated financial statements have been prepared in accordance with Ind AS 110 “Consolidated Financial Statements” and on the basis of the separate audited standalone financial statements of Black Box Limited and its subsidiaries. Reference in the notes to “the Holding Company” shall mean Black Box Limited and “Group” shall mean Black Box Limited and its subsidiaries consolidated in these consolidated financial statements unless otherwise stated.



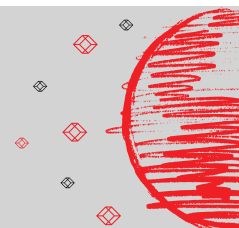
## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

The consolidated financial statements of the Group are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Ind AS 110 “Consolidated Financial Statements”.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in consolidated financial statements.

### Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Black Box Limited (formerly known as AGC Networks Limited)	Singapore	100.00%	100.00%
AGC Networks Philippines, Inc.	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Philippines	100.00%	100.00%
AGC Networks & Cyber Solutions Limited	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Kenya	100.00%	100.00%
AGC Networks LLC *	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Dubai	49.00%	49.00%
AGC Networks LLC *	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Abu Dhabi	0.00%	0.00%
Black Box Technologies Group B.V.	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Netherlands	100.00%	Not applicable
Black Box Products FZE	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Dubai	100.00%	Not applicable



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

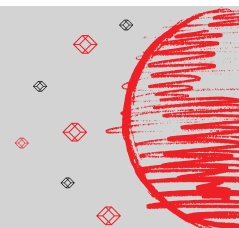
as at and for the year ended 31 March 2022

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
BBX Main Inc.	Black Box Technologies Group B.V. (w.e.f. 16 December 2021)	USA	100.00%	100.00%
	Black Box Technologies Pte. Ltd. (formerly known as AGC Networks Pte. Limited) (upto 15 December 2021)			
Cyballt, Inc.	Black Box Technologies Group B.V.	USA	100.00%	Not applicable
Black Box Bangladesh Technologies Private Limited	AGC Networks LLC, Dubai	Bangladesh	99.76%	Not applicable
Black Box Bangladesh Technologies Private Limited	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) #	Bangladesh	0.24%	Not applicable
BBX Inc.	BBX Main Inc.	USA	100.00%	100.00%
Black Box Corporation	BBX Inc.	USA	100.00%	100.00%
Black Box Chile S.A.	Black Box Corporation	Chile	99.99%	99.99%
Black Box Chile S.A.	Black Box Corporation of Pennsylvania #	Chile	0.01%	0.01%
Black Box Network Services (UK) Limited	Black Box Corporation #	England	35.50%	35.50%
Black Box Network Services (UK) Limited	Black Box Corporation of Pennsylvania	England	64.50%	64.50%
Black Box Finland OY	Black Box Corporation	Finland	100.00%	100.00%
Black Box Network Services India Private Limited	Black Box Corporation of Pennsylvania	India	99.99%	99.99%
Black Box Network Services India Private Limited	Black Box Corporation #	India	0.01%	0.01%
Black Box Network Services (Dublin) Limited	Black Box Corporation	Ireland	100.00%	100.00%
Black Box Network Services SDN. BHD.	Black Box Corporation	Malaysia	100.00%	100.00%
Black Box de Mexico, S. de R.L. de C.V.	BBOX Holdings Mexico LLC	Mexico	84.85%	84.85%

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
Black Box de Mexico, S. de R.L. de C.V.	BBOX Holdings Puebla LLC#	Mexico	10.58%	10.58%
Black Box de Mexico, S. de R.L. de C.V.	Black Box Corporation #	Mexico	4.56%	4.56%
Black Box de Mexico, S. de R.L. de C.V.	Black Box International Holdings B.V. #	Mexico	0.01%	0.01%
Black Box Norge AS	Black Box Corporation	Norway	100.00%	100.00%
Black Box Network Services Singapore Pte Ltd	Black Box Corporation	Singapore	100.00%	100.00%
Black Box Network Services AB	Black Box Corporation	Sweden	100.00%	100.00%
Black Box Network Services Corporation	Black Box Corporation	Taiwan	100.00%	100.00%
BBOX Holdings Puebla LLC	Black Box Corporation	USA	100.00%	100.00%
Black Box Corporation of Pennsylvania	Black Box Corporation	USA	100.00%	100.00%
Black Box Network Services, Inc. – Government Solutions	Black Box Corporation	USA	100.00%	100.00%
Black Box Services Company	Black Box Corporation	USA	100.00%	100.00%
Delaney Telecom, Inc.	Black Box Corporation	USA	100.00%	100.00%
Norstan Communications, Inc.	Black Box Corporation	USA	100.00%	100.00%
ACS Investors, LLC	Norstan Communications, Inc. (up to 31 March 2021 : ACS Communications, Inc)	USA	100.00%	100.00%
AGC Networks LLC (formerly known as AGC Networks Inc.)	Norstan Communications, Inc.	USA	100.00%	100.00%
Norstan Canada, Ltd./ Norstan Canada, Ltée	Norstan Communications, Inc.	Canada	100.00%	100.00%
Nu-Vision Technologies, LLC	Norstan Communications, Inc.	USA	100.00%	100.00%
ACS Dataline, LP	ACS Investors, LLC (up to 31 March 2021 : ACS Communications, Inc)	USA	99.00%	99.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

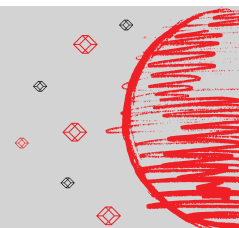
as at and for the year ended 31 March 2022

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
ACS Dataline, LP	Norstan Communications, Inc. (up to 31 March 2021: ACS Investors, LLC) #	USA	1.00%	1.00%
Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	Black Box Corporation of Pennsylvania	Australia	100.00%	100.00%
Black Box Network Services Australia Pty Ltd	Black Box Corporation of Pennsylvania	Australia	100.00%	100.00%
Black Box GmbH	Black Box Corporation of Pennsylvania	Austria	100.00%	100.00%
Black Box Network Services NV	Black Box Corporation of Pennsylvania	Belgium	96.62%	96.62%
Black Box Network Services NV	Black Box International B.V.#	Belgium	3.38%	3.38%
Black Box do Brasil Industria e Comercio Ltda.	Black Box Corporation of Pennsylvania	Brazil	100.00%	100.00%
Black Box do Brasil Industria e Comercio Ltda.	Black Box Canada Corporation #	Brazil	0.00%	0.00%
Black Box Canada Corporation	Black Box Corporation of Pennsylvania	Canada	100.00%	100.00%
Black Box Holdings Ltd.	Black Box Corporation of Pennsylvania	Cayman Islands	100.00%	100.00%
Black Box A/S	Black Box Corporation of Pennsylvania	Denmark	100.00%	100.00%
Black Box France	Black Box Corporation of Pennsylvania	France	100.00%	100.00%
Black Box Network Services S.r.l.	Black Box Corporation of Pennsylvania	Italy	100.00%	100.00%
Black Box Network Services Co., Ltd.	Black Box Corporation of Pennsylvania	Japan	100.00%	100.00%
Black Box Network Services Korea Limited	Black Box Corporation of Pennsylvania	Korea	100.00%	100.00%
Black Box International Holdings B.V.	Black Box Corporation of Pennsylvania	Netherlands	100.00%	100.00%
Black Box P.R. Corp.	Black Box Corporation of Pennsylvania	Puerto Rico	100.00%	100.00%

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
Black Box Comunicaciones, S.A.	Black Box Corporation of Pennsylvania	Spain	100.00%	100.00%
Black Box Network Services AG	Black Box Corporation of Pennsylvania	Switzerland	100.00%	100.00%
BB Technologies, Inc.	Black Box Corporation of Pennsylvania	USA	100.00%	100.00%
Servicios Black Box S.A. de C.V.	Black Box de Mexico, S. de R.L. de C.V.	Mexico	99.99%	99.99%
Servicios Black Box S.A. de C.V.	Black Box Corporation of Pennsylvania #	Mexico	0.01%	0.01%
Dragonfly Technologies Pty Ltd	Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	Australia	100.00%	Not applicable
AGCN Solutions Pte. Limited	Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	Singapore	100.00%	100.00%
Pyrios Pty Limited	Black Box Network Services Australia Pty Ltd	Australia	100.00%	100.00%
Black Box Network Services New Zealand Limited	Black Box Network Services Australia Pty Ltd	New Zealand	100.00%	100.00%
Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited)	Black Box Network Services New Zealand Limited	New Zealand	100.00%	100.00%
Black Box Deutschland GmbH	Black Box International Holdings B.V.	Germany	100.00%	100.00%
Black Box Software Development Services Limited	Black Box International Holdings B.V.	Ireland	100.00%	100.00%
Black Box International B.V.	Black Box International Holdings B.V.	Netherlands	100.00%	100.00%
Black Box Network Services Philippines Inc.	Black Box International Holdings B.V.	Philippines	99.99%	99.99%
BBOX Holdings Mexico LLC	Black Box International Holdings B.V.	USA	100.00%	100.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Name of the subsidiary	Name of parent	Principal place of business and country of incorporation	% holding as at 31 March 2022	% holding as at 31 March 2021
Black Box Network Services Colombia S.A.S.	Black Box de Mexico, S. de R.L. de C.V.	Colombia	100.00%	Not applicable
Black Box Costa Rica S.R.L.	Black Box de Mexico, S. de R.L. de C.V.	Costa Rica	100.00%	Not applicable
Black Box E-Commerce (Shanghai) Co., Ltd.	Black Box Holdings Ltd.	China	100.00%	100.00%
Black Box Network Services Hong Kong Limited	Black Box Holdings Ltd.	Hong Kong	100.00%	100.00%
FujiSoft Technology LLC*	Black Box Holdings Ltd.	Abu Dhabi	49.00%	49.00%
Black Box Technologies LLC (formerly known as Fujisoft Technology LLC)*	Black Box Holdings Ltd.	Dubai	49.00%	49.00%
Fujisoft Security Solutions LLC *	Black Box Holdings Ltd.	Dubai	49.00%	49.00%
COPC Holdings Inc.	Black Box Corporation	USA	100.00%	100.00%
COPC Inc.	COPC Holdings Inc.	USA	100.00%	100.00%
COPC International Inc.	COPC Holdings Inc.	USA	100.00%	100.00%
Service Journey Strategies Inc.	COPC Holdings Inc.	USA	100.00%	100.00%
COPC Asia Pacific Inc.	COPC International Inc.	USA	100.00%	100.00%
COPC Consultants (Beijing) Co. Limited	COPC International Inc.	China	100.00%	100.00%
COPC International Holdings LLC	COPC International Inc.	USA	100.00%	100.00%
COPC India Private Limited	COPC International Inc.	India	99.99%	99.99%
COPC India Private Limited	COPC International Holdings LLC #	India	0.01%	0.01%

# Other shareholders of respective subsidiaries.

\* Represents legal ownership as per the local laws of respective country. However, Company through its subsidiaries, is holding 100% of the beneficial interest in these entities.

Name of subsidiary	Name of parent	Principal place of business and country of incorporation
Black Box DMCC (formerly known as Zservices HQ DMCC)	Black Box Holdings Ltd.	Dubai

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### C. Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

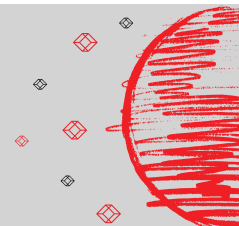
- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii. Share based payment transactions and;
- iii. Defined benefit and other long-term employee benefits.

### D. Use of estimate and judgment

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

- (i) **Income tax:** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- (ii) **Deferred tax:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.
- (iii) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (iv) **Share-based payments:** The grant date fair value of options granted to employees is recognised as employee benefits expense, with corresponding increase in equity, over the period that the employees become unconditionally entitled to the option. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under “stock options outstanding account”. The amount recognised as an expense is adjusted to reflect the impact of the revision estimates based on number of options that are expected to vest, in the consolidated statement of profit and loss with a corresponding adjustment to equity.
- (v) **Property, plant and equipment:** Property, plant and equipment (“PPE”) represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of the PPE’s expected useful life and the expected residual value at the end of its useful life. Depreciation of PPE is calculated on straight-line basis over the useful life estimated by the management based on technical evaluation or those prescribed under schedule II of the Act.
- (vi) **Expected credit loss on financial assets:** On application of Ind AS 109 “Financial Instruments”, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past history of collections, customer’s credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
- (vii) **Provisions:** Provisions are recognised when the Group has a present obligation as a result of past event 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. Provisions (excluding defined benefit plans and compensated absences) are not discounted to their present value and are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (viii) **Warranty:** Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.
- (ix) **Leases:** Ind AS 116 “Leases” requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group’s operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (x) **Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- (a) Goodwill and trademark are not subject to amortisation and is tested annually for impairment or more frequently if events or change in circumstances indicate they might be impaired.
- (b) The carrying amount of other non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal and external factors. An asset is treated as impaired when the carrying value exceeds its recoverable value. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risk specific to the assets. An impairment loss is charged to the consolidated statement of profit and loss in the year in which an assets is identified as impaired. After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.
- (xi) **Contingent liabilities:** At each balance sheet date basis the management judgement, changes in facts and legal aspects, the Group assess the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- (xii) **Fair value measurement:** Management applies valuation techniques to determine fair value of financial assets and liabilities (where active market quotes are not available). This involves developing estimates and assumptions around volatility and dividend yield etc. which may affect the value of financial assets and liabilities.

Estimates and judgements are continuously evaluated. These are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

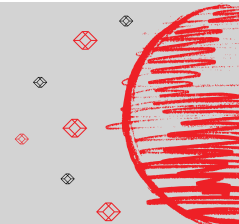
### E. Summary of significant accounting policies

(i) **Functional and presentation currency**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the “functional currency”). The consolidated financial statements are presented in INR, which is the functional and presentation currency of the Group.

(ii) **Foreign currency transactions and translations**

Foreign currency transactions of the Group are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at the rate prevailing on the balance sheet date whereas non-monetary assets and liabilities are translated at the rate prevailing on the date of the



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

transaction. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss.

### (iii) Financial instruments

#### a. Initial recognition and measurement

The Group recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised on the trade date.

#### b. Subsequent measurement

##### Non derivative financial instruments

##### a. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b. Financial assets at fair value through other comprehensive income (“FVOCI”)

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### c. Financial assets at fair value through profit or loss (“FVTPL”)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

##### d. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### c. De-recognition of financial instruments

The Group de-recognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset. A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### **d. Offsetting financial instruments**

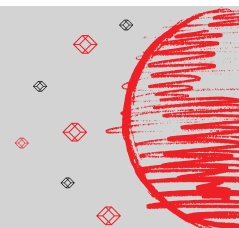
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### **(iv) Current versus non-current classification**

- (i) An asset is considered as current when it is:
  - a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Expected to be realised within twelve months after the reporting period, or
  - d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- (ii) All other assets are classified as non-current.
- (iii) Liability is considered as current when it is:
  - a. Expected to be settled in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Due to be settled within twelve months after the reporting period, or
  - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- (iv) All other liabilities are classified as non-current.
- (v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- (vi) All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

### **(v) Property, plant and equipment ("PPE")**

PPE are stated at historical cost, less accumulated depreciation / amortisation and impairment losses, if any. Historical costs include expenditure directly attributable to acquisition which are capitalised until the PPE are ready for use, as intended by management. Any trade discount and rebates are deducted in arriving at the purchase price.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

An item of PPE and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposals of assets are measured as the difference between the net disposal proceeds and the carrying value of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss, in the period of disposal.

Items such as spare parts are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

The Group depreciates PPE over their estimated useful lives using the straight-line method. The estimated useful lives of PPE are as follows:

Assets	Number of years
Leasehold improvements	Over the period of lease
Plant and equipment	3 to 15 years
Furniture and fixtures	5 years
Office equipment	3 to 5 years
Buildings	25 to 60 years
Vehicles	3 to 5 years
Computers and servers	3 to 7 years
Electrical installations	5 years

In case of certain PPE, the Group uses useful life different from those specified in Schedule II of the Act which is duly supported by technical evaluation. The management believe that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to PPE or on disposal of PPE is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

### (vi) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset on the date of disposal and are recognised in the consolidated statement of profit and loss when the asset is de-recognised.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Amortisation on addition to intangible assets or on disposal of intangible assets is calculated pro-rata from the month of such addition or up to the month of such disposal as the case may be.

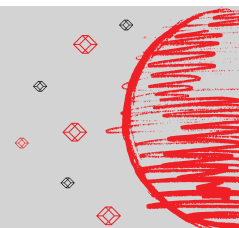
Trademark is not amortised and it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

The Group amortises intangible assets over their estimated useful lives using the straight line method which are as follows:

Assets	Number of years
Computer software	3 to 5 years
Customer relationships	4 to 20 years
Non-compete fees	4 to 20 years

### (vii) Business combinations

- (i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- (ii) Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.
- (iii) The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised as capital reserve.
- (iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- (v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- (vi) Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.
- (vii) On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.
- (viii) Any goodwill that arises on account of such business combination is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.
- (ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

### **(viii) Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of these investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

### **(ix) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **(i) The Group as a lessee**

The Group's lease asset class consists of leases for buildings, furniture, computers and servers, plant and equipment, office equipment and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right of use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (“CGU”) to which the asset belongs.

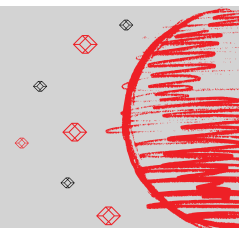
The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment on whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the consolidated balance sheet and lease payments have been classified as financing cash flows.

### **(ii) The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

### (x) Impairment of assets

#### a. Non-financial assets:

Intangible assets, ROU assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

#### b. Financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 “Financial Instruments” requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all trade receivables that do not constitute a financing component. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### (xi) Employee benefits

#### a. Long-term employee benefits

##### (i) Defined contribution plans

The Group has defined contribution plans for post employment benefits in the form of provident fund, employees’ state insurance and labour welfare fund etc. Under the defined contribution



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

plans, the Group has no further obligation beyond making the contributions. Such contributions are charged to the consolidated statement of profit and loss as incurred.

### (ii) Defined benefit plans

The Group has defined benefit plans for post employment benefits in the form of gratuity and pension for its employees. Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Actuarial gains or loss are recognised in Other Comprehensive Income (“OCI”). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in consolidated statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurement of net defined benefit liability or asset through OCI.

Remeasurements comprising of actuarial gains or loss and return on plan assets (excluding amounts included in net interest on the net defined benefit liability or assets) are not reclassified to consolidated statement of profit and loss in subsequent periods.

### (iii) Other long-term employee benefits

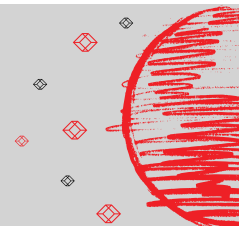
The employees of the Group are also entitled to other long-term benefits in the form of compensated absences as per the policy of the Group. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost 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 Group 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. Actuarial gains and loss are recognised in the consolidated statement of profit and loss during the period in which they arise.

### b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits include performance incentives.

### (xii) Share based payments

The Holding Company determines the compensation cost based on the fair value method using Black-Scholes-Merton formula, in accordance with Ind AS 102 “Share based payment”. The Holding Company grants options to its employees which will be vested in a graded manner and are to be exercised within a



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

specified period. The compensation cost is amortised on graded basis over the vesting period. The share based payment expense is determined based on the Holding Company's estimate of equity instrument that will eventually vest.

### **(xiii) Unamortised cost for maintenance contracts**

Contractual obligation relating to maintenance contracts, benefits of which will be consumed in subsequent years, have been recognised as unamortised cost for maintenance contracts and disclosed under "other assets".

### **(xiv) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

Contingent asset is not recognised in the consolidated financial statements. However, it is recognised only when an inflow of economic benefits is probable.

### **(xv) Warranty provisions**

Provisions for warranty-related costs are recognised when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is reviewed annually.

### **(xvi) Borrowing costs**

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

### **(xvii) Inventories**

Cost of raw materials and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realisable

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

value if the finished products in which they are to be incorporated are expected to be sold at a loss. Inventories of finished goods, work-in-progress and stock-in-trade are valued at cost or net realisable value, whichever is lower. The cost is determined on weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. In the case of work-in-progress, cost also includes costs of conversion.

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

Further, inventory contains service spares which are used as replacement stocks by the Group for servicing the customers repairs and maintenance requirements during the service period. Adequate allowances are recognised as a measure of consumption over their expected life based on their usage.

### **(xviii) Income recognition**

#### **(a) Revenue recognition**

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The following specific recognition criteria must also be met before revenue is recognised:

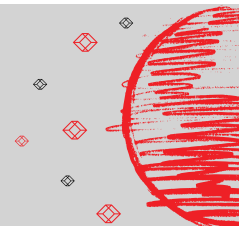
##### **Sale of products**

Revenue from sale of product is recognised when control of the product is transferred to the buyer which generally coincides with acknowledgement of delivery pending which the sale is disclosed as "Contract liabilities".

The Group collects goods and services tax ("GST") and other indirect taxes on behalf of the government and therefore, these are not economic benefits flowing to the Group and are accordingly excluded from the revenue.

##### **Sale of services**

1. Revenue from implementation services (including installation and commissioning) related to products supplied or on a standalone basis are recognised when services are rendered, as the performance obligations are met.
2. Revenue from maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.
3. Service income of a periodic nature which is billed but has not accrued during the year is disclosed as "Contract liabilities".
4. The Group collects goods and services tax ("GST") and other indirect taxes on behalf of the government and therefore, these are not economic benefits flowing to the Group and are accordingly excluded from the revenue.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### **(b) Other operating revenue**

It includes revenue arising from the reversal of operating liabilities / provisions no longer required or revenue arising from Group's ancillary revenue-generating activities. Revenue from these activities are recorded only when Group is reasonably certain of such income.

### **(c) Other income**

Other income comprises

- a. Interest income on deposits: Interest income is recognised using the effective interest method and on time proportion basis
- b. Commission income: It is accounted on accrual basis, except where receipt of income is uncertain.

### **(d) Trade receivables, contract assets and contract liabilities**

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the Group has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in "Other financial assets" to the consolidated financial statements and primarily relate to unbilled amounts on fixed-price contracts utilising the cost to cost method i.e. percentage of completion method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised. The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performances obligation and customer payment.

### **(xix) Income tax**

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on temporary differences between the accounting base and the tax base for the year and quantified using the tax rates and tax laws enacted or substantively enacted as at the balance sheet date.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in consolidated financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax asset is recognised to the extent 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 utilised. Deferred tax liabilities are recognised for all taxable temporary differences.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

### **(xx) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the period.

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

### **(xxi) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, balance with banks in current account and demand deposits, together with other short-term, highly liquid investments (original maturity less than three months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(xxii) Equity shares**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **(xxiii) Exceptional items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

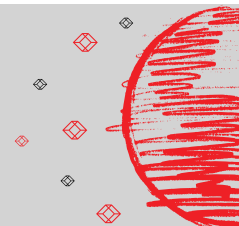
### **(xxiv) Service charges**

Service charges comprise of cost for back to back implementation services / installation and commissioning related to products supplied at customer location. Cost is recognised when services are received / commissioned or on completion of performance obligation.

Further, cost towards maintenance contracts is recognised based on receipt / delivery of services under the contract. It includes charges paid / payable to vendors towards annual maintenance contracts / warranty contracts / software support charges / engineers posted at customer sites.

### **(xxv) Segments**

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ("CODM") decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

reasonable basis.

### (xxvi) Trade receivables securitization

The Group accounts for receivables sold under the AR Securitization program as a sale of financial assets and derecognises these receivables, as well as the related loss allowances, from its consolidated balance sheet. The Group has no retained interests in the receivables, other than its right to the collection of servicing fees as the master servicer. The Group considers the fees received as adequate compensation for services rendered and accordingly have recorded no servicing asset or liability.

### (xxvii) Events after the reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

### (xxviii) Recent accounting pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. These amendments are applicable for reporting period on or after 01 April 2022. As the amendments are not yet effective as at reporting date, the Group is evaluating the requirement of the said amendments and its impact on these consolidated financial statements.

**Ind AS 16 “Property, plant and equipment”** – The amendment specifies that an entity shall deduct from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

**Ind AS 37 “Provisions, contingent liabilities and contingent assets”** – The amendment specifies that the cost of fulfilling a contract comprises the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

**Ind AS 103 “Business combinations”** – The amendment has added a new exception for liabilities and contingent liabilities.

**Ind AS 109 “Financial instruments”** – The amendment clarifies that the fees an entity should include when it applies the ‘10%’ test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 3 PROPERTY, PLANT AND EQUIPMENT

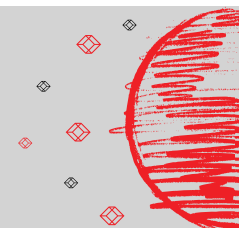
₹ in Crores

	Leasehold improvement	Freehold land	Buildings	Plant and equipment	Computers and servers	Electrical installations	Furniture and fixtures	Office equipment	Vehicles	Total
<b>Gross carrying amount</b>										
<b>As at 1 April 2020</b>	5.84	19.24	89.21	30.37	80.58	1.17	11.18	25.38	13.04	276.01
Additions	2.74	-	-	4.39	17.50	-	0.52	1.88	0.24	27.27
Acquisitions through business combination (refer note 42)	-	-	-	0.17	1.02	-	2.28	-	0.45	3.92
Disposals	-	-	-	4.15	9.44	0.89	1.98	8.20	0.07	24.73
Exchange differences	(0.17)	(0.55)	(1.89)	(0.41)	(0.95)	-	(0.50)	(0.02)	(0.66)	(5.15)
<b>As at 31 March 2021</b>	<b>8.41</b>	<b>18.69</b>	<b>87.32</b>	<b>30.37</b>	<b>88.71</b>	<b>0.28</b>	<b>11.50</b>	<b>19.04</b>	<b>13.00</b>	<b>277.32</b>
Additions	1.97	-	-	7.02	40.17	-	1.17	3.06	-	53.39
Acquisitions through business combination (refer note 42)	-	-	-	-	-	-	-	0.33	-	0.33
Disposals	0.10	-	-	4.49	0.73	-	10.17	0.84	-	16.33
Exchange differences	0.28	0.60	2.79	0.61	2.95	-	0.50	0.09	0.40	8.22
<b>As at 31 March 2022</b>	<b>10.56</b>	<b>19.29</b>	<b>90.11</b>	<b>33.51</b>	<b>131.10</b>	<b>0.28</b>	<b>3.00</b>	<b>21.68</b>	<b>13.40</b>	<b>322.93</b>
<b>Accumulated depreciation / amortisation</b>										
<b>As at 1 April 2020</b>	1.64	-	5.02	17.98	51.20	0.95	10.24	21.62	2.99	111.64
Charge for the year	1.16	-	4.66	3.53	9.04	0.06	1.40	1.65	2.13	23.63
Disposals	-	-	-	4.15	5.01	0.89	1.98	8.20	0.07	20.30
Exchange differences	(0.04)	-	(0.20)	(0.12)	(0.87)	-	(0.46)	(0.01)	(0.10)	(1.80)
<b>As at 31 March 2021</b>	<b>2.76</b>	<b>-</b>	<b>9.48</b>	<b>17.24</b>	<b>54.36</b>	<b>0.12</b>	<b>9.20</b>	<b>15.06</b>	<b>4.95</b>	<b>113.17</b>
Charge for the year	0.77	-	5.87	4.08	16.72	0.04	1.36	1.89	2.05	32.78
Disposals	0.06	-	-	4.49	0.69	-	10.14	0.83	-	16.21
Exchange differences	0.08	-	0.39	0.23	1.45	-	0.38	0.08	0.18	2.79
<b>As at 31 March 2022</b>	<b>3.55</b>	<b>-</b>	<b>15.74</b>	<b>17.06</b>	<b>71.84</b>	<b>0.16</b>	<b>0.80</b>	<b>16.20</b>	<b>7.18</b>	<b>132.53</b>
<b>Net carrying amount</b>										
<b>As at 31 March 2021</b>	<b>5.65</b>	<b>18.69</b>	<b>77.84</b>	<b>13.13</b>	<b>34.35</b>	<b>0.16</b>	<b>2.30</b>	<b>3.98</b>	<b>8.05</b>	<b>164.15</b>
<b>As at 31 March 2022</b>	<b>7.01</b>	<b>19.29</b>	<b>74.37</b>	<b>16.45</b>	<b>59.26</b>	<b>0.12</b>	<b>2.20</b>	<b>5.48</b>	<b>6.22</b>	<b>190.40</b>

#### Footnotes:

- Buildings includes those constructed on leasehold land.
- For capital commitments, refer note 37(B).
- Information on PPE maintained as security by the Group (refer notes 14 and 19).





## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

₹ in Crores

Class of asset	Net carrying amount		Loans / financing facilities against which assets are pledged
	31 March 2022	31 March 2021	
Leasehold improvement	6.95	5.54	
Freehold land	19.28	18.68	
Buildings	73.59	77.07	
Plant and equipment	17.31	13.43	Term loans, working capital term loan, working capital loan and cash credits facilities from banks
Computers and servers	57.51	32.37	
Electrical installations	0.05	0.09	
Furniture and fixtures	4.39	3.94	
Office equipment	2.55	0.96	
Vehicles	5.99	7.81	

#### 4 RIGHT OF USE ASSETS

₹ in Crores

	Buildings	Furniture	Computers and servers	Plant and equipment	Office equipment	Vehicles	Total
<b>Gross carrying amount</b>							
<b>As at 1 April 2020</b>	145.85	-	2.31	9.71	14.44	9.74	182.05
Additions	91.41	-	-	3.14	9.16	3.68	107.39
Disposals	22.17	-	-	1.60	-	-	23.77
Exchange differences	(3.92)	-	(0.05)	(0.30)	(0.52)	(0.32)	(5.11)
<b>As at 31 March 2021</b>	<b>211.17</b>	<b>-</b>	<b>2.26</b>	<b>10.95</b>	<b>23.08</b>	<b>13.10</b>	<b>260.56</b>
Additions	87.68	4.19	2.12	3.16	7.92	3.23	108.30
Disposals	11.96	-	-	-	-	-	11.96
Exchange differences	7.37	-	0.05	0.40	0.86	0.47	9.15
<b>As at 31 March 2022</b>	<b>294.26</b>	<b>4.19</b>	<b>4.43</b>	<b>14.51</b>	<b>31.86</b>	<b>16.80</b>	<b>366.05</b>
<b>Accumulated depreciation</b>							
<b>As at 1 April 2020</b>	55.46	-	0.56	3.23	3.58	3.69	66.52
Charge for the year	50.83	-	0.64	2.91	5.11	3.20	62.69
Disposals	11.38	-	-	1.03	-	-	12.41
Exchange differences	(1.47)	-	(0.01)	(0.11)	(0.17)	(0.13)	(1.89)
<b>As at 31 March 2021</b>	<b>93.44</b>	<b>-</b>	<b>1.19</b>	<b>5.00</b>	<b>8.52</b>	<b>6.76</b>	<b>114.91</b>
Charge for the year	42.40	0.26	0.67	1.48	8.73	2.78	56.32
Disposals	3.77	-	-	-	-	-	3.77



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

	₹ in Crores						
	Buildings	Furniture	Computers and servers	Plant and equipment	Office equipment	Vehicles	Total
Exchange differences	3.38	-	0.03	0.18	0.42	0.26	4.27
<b>As at 31 March 2022</b>	<b>135.45</b>	<b>0.26</b>	<b>1.89</b>	<b>6.66</b>	<b>17.67</b>	<b>9.80</b>	<b>171.73</b>
<b>Net carrying amount</b>							
<b>As at 31 March 2021</b>	<b>117.73</b>	<b>-</b>	<b>1.07</b>	<b>5.95</b>	<b>14.56</b>	<b>6.34</b>	<b>145.65</b>
<b>As at 31 March 2022</b>	<b>158.81</b>	<b>3.93</b>	<b>2.54</b>	<b>7.85</b>	<b>14.19</b>	<b>7.00</b>	<b>194.32</b>

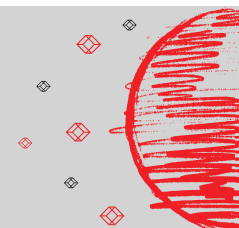
### Footnotes:

- Disposals includes lease reassessments in the nature of pre-termination of lease arrangements for the reported years.
- Refer note 40 for disclosure on leased assets.

## 5 GOODWILL

	₹ in Crores
<b>Gross carrying amount</b>	
<b>As at 1 April 2020</b>	256.93
Acquisitions through business combination (refer note 42)	39.27
Exchange differences	(4.95)
<b>As at 31 March 2021</b>	<b>291.25</b>
Acquisitions through business combination (refer note 42)	23.32
Exchange differences	8.83
<b>As at 31 March 2022</b>	<b>323.40</b>
<b>Impairment</b>	
<b>As at 1 April 2020</b>	22.69
Exchange differences	(0.62)
<b>As at 31 March 2021</b>	<b>22.07</b>
Exchange differences	0.98
<b>As at 31 March 2022</b>	<b>23.05</b>
<b>Net carrying amount</b>	
<b>As at 31 March 2021</b>	<b>269.18</b>
<b>As at 31 March 2022</b>	<b>300.35</b>

For impairment testing, goodwill and trademark, i.e., intangible asset with indefinite life are allocated to the Cash Generating Unit ("CGU") which represents the lowest level within the group at which goodwill or trademark



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

is monitored for internal management purposes. The Group’s goodwill on consolidation and intangible assets with indefinite life are tested for impairment annually or more frequently if there are indications that goodwill or trademark might be impaired.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset / CGU is made. Asset / CGU whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the consolidated statement of profit and loss.

The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the CGU and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset’s or CGU’s value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or CGU and from its disposal at the end of its useful life discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

During the current year and previous year, the testing did not result in any impairment in the carrying amount of goodwill or trademark.

Goodwill acquired in business combination and trademark, were allocated to the following CGUs that are expected to benefit from that business combination:

### Goodwill

	₹ in Crores	
	31 March 2022	31 March 2021
America	236.77	229.91
Australia	54.52	30.51
United Arab Emirates	6.54	6.31
Singapore	2.52	2.45
	<b>300.35</b>	<b>269.18</b>

### Trademark

	₹ in Crores	
	31 March 2022	31 March 2021
America	23.67	22.93
	<b>23.67</b>	<b>22.93</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

The recoverable amount of each CGU are determined based on value in use calculated using estimated discounted cash flows.

Key assumptions upon which the Group has based its determinations of value in use includes:

a) The Group prepares its cash flow forecasts for 3 years based on the most recent financial budgets approved by board of directors. The Group believes this to be the most appropriate timescale over which Group review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows.

b) A terminal value is arrived at by extrapolating the last forecasted year cashflows to perpetuity, using a constant long-term growth rate ranging from 0.00% to 5.00% (31 March 2021: 2.50%)

c) **Growth rates**

The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports ranging from 9.00% to 15.30% as at 31 March 2022 (31 March 2021: 5.00% to 14.00%).

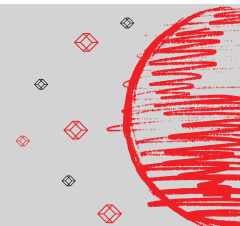
d) **Discount rates**

Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) ranging from 10.00% to 17.00% as at 31 March 2022 (31 March 2021: 20.40%).  $WACC = Risk\ free\ return + (Market\ risk\ premium \times Beta\ factor)$ .

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

e) **Sensitivity**

Reasonable sensitivities in key assumptions consequent to the change in estimated growth rate and discount rate is unlikely to cause the carrying amount to exceed the recoverable amount of the CGU.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### 6 OTHER INTANGIBLE ASSETS

₹ in Crores

	Customer relationship	Non-compete fee	Trademark	Computer software	Total
<b>Gross carrying amount</b>					
<b>As at 1 April 2020</b>	-	-	23.61	42.76	66.37
Additions	-	-	-	1.33	1.33
Acquisitions through business combination (refer note 42)	5.19	1.36	-	3.30	9.85
Disposals	-	-	-	2.44	2.44
Exchange differences	(0.06)	(0.02)	(0.68)	(0.66)	(1.42)
<b>As at 31 March 2021</b>	<b>5.13</b>	<b>1.34</b>	<b>22.93</b>	<b>44.29</b>	<b>73.69</b>
Additions	-	-	-	0.63	0.63
Acquisitions through business combination (refer note 42)	3.48	-	-	4.70	8.18
Disposals	-	-	-	0.06	0.06
Exchange differences	3.73	0.04	0.74	0.69	5.20
<b>As at 31 March 2022</b>	<b>12.34</b>	<b>1.38</b>	<b>23.67</b>	<b>50.25</b>	<b>87.64</b>
<b>Accumulated amortisation</b>					
<b>As at 1 April 2020</b>	-	-	-	23.77	23.77
Charge for the year	2.02	0.08	-	7.14	9.24
Disposals	-	-	-	1.56	1.56
Exchange differences	(0.73)	0.00	-	(0.30)	(1.03)
<b>As at 31 March 2021</b>	<b>1.29</b>	<b>0.08</b>	<b>-</b>	<b>29.05</b>	<b>30.42</b>
Charge for the year	2.59	0.07	-	6.84	9.50
Disposals	-	-	-	0.05	0.05
Exchange differences	0.08	0.00	-	0.27	0.35
<b>As at 31 March 2022</b>	<b>3.96</b>	<b>0.15</b>	<b>-</b>	<b>36.11</b>	<b>40.22</b>
<b>Net carrying amount</b>					
<b>As at 31 March 2021</b>	<b>3.84</b>	<b>1.26</b>	<b>22.93</b>	<b>15.24</b>	<b>43.27</b>
<b>As at 31 March 2022</b>	<b>8.38</b>	<b>1.23</b>	<b>23.67</b>	<b>14.14</b>	<b>47.42</b>

**Footnote:**

For capital commitments, refer note 37(B).

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 7 OTHER FINANCIAL ASSETS

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Unsecured, considered good</b>				
Margin money deposits with maturity of more than twelve months *	1.96	0.94	-	-
Margin money deposits having remaining maturity less than twelve months *	-	-	0.84	-
Security deposits	2.88	3.87	2.43	1.46
Receivable from related parties [refer note 36 (III)]	-	-	0.29	0.28
Interest accrued on margin money deposits *	0.09	-	0.11	0.19
Contract assets	-	-	44.46	3.67
Receivable against securitisation of trade receivables	-	-	494.71	384.35
Others	18.90	23.09	61.56	142.90
	<b>23.83</b>	<b>27.90</b>	<b>604.40</b>	<b>532.85</b>

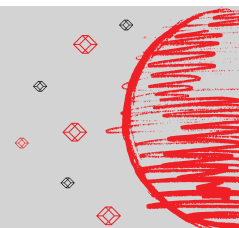
Refer note 38 for information on credit risk and market risk.

Refer note 19 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

\* As lien against bank guarantees issued amounting to ₹ 13.80 Crores (31 March 2021 : ₹ 61.40 Crores). There are no repatriation restrictions with regard to margin money deposits as at the end of the reporting period and prior periods.

### 8 DEFERRED TAX ASSETS (NET)

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Deferred tax asset arising on account of</b>		
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.49	0.25
Provision for employee benefits	0.53	0.27
Allowance for expected credit loss	2.87	0.59
Lease liabilities	1.18	0.03
Brought forward tax losses	16.27	17.47
Others (net)	1.70	1.16
	<b>23.04</b>	<b>19.77</b>
<b>(Deferred tax liability) arising on account of</b>		
Right of use assets	(5.90)	(1.23)
	<b>(5.90)</b>	<b>(1.23)</b>
<b>Deferred tax assets (net)</b>	<b>17.14</b>	<b>18.54</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

(a) Movement in deferred tax assets and deferred tax liability from 1 April 2021 to 31 March 2022

	₹ in Crores				
	Opening balance as on 1 April 2021	Recognised in the statement of profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance as on 31 March 2022
<b>Deferred tax assets arising on account of</b>					
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.25	0.24	-	-	0.49
Provision for employee benefits	0.27	0.26	-	-	0.53
Allowance for expected credit loss	0.59	2.28	-	-	2.87
Lease liabilities	0.03	1.15	-	-	1.18
Brought forward tax losses	17.47	(1.20)	-	-	16.27
Others (net)	1.16	0.54	-	-	1.70
	<b>19.77</b>	<b>3.27</b>	-	-	<b>23.04</b>
<b>(Deferred tax liability) arising on account of</b>					
Right of use assets	(1.23)	(4.67)	-	-	(5.90)
	<b>(1.23)</b>	<b>(4.67)</b>	-	-	<b>(5.90)</b>
<b>Deferred tax assets (net)</b>	<b>18.54</b>	<b>(1.40)</b>	-	-	<b>17.14</b>

(b) Movement in deferred tax assets and deferred tax liability from 1 April 2020 to 31 March 2021

	₹ in Crores				
	Opening balance as on 1 April 2020	Recognised in the statement of profit or loss	Recognised in OCI	Recognised directly in equity	Closing balance as on 31 March 2021
<b>Deferred tax assets arising on account of</b>					
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	0.38	(0.13)	-	-	0.25
Provision for employee benefits	0.36	(0.09)	-	-	0.27
Allowance for expected credit loss	1.19	(0.60)	-	-	0.59
Lease liabilities	0.34	(0.31)	-	-	0.03
Brought forward tax losses	21.39	(3.92)	-	-	17.47
Others (net)	0.90	0.26	-	-	1.16
	<b>24.56</b>	<b>(4.79)</b>	-	-	<b>19.77</b>
<b>(Deferred tax liability) arising on account of</b>					
Right of use assets	(4.29)	3.06	-	-	(1.23)
	<b>(4.29)</b>	<b>3.06</b>	-	-	<b>(1.23)</b>
<b>Deferred tax assets (net)</b>	<b>20.27</b>	<b>(1.73)</b>	-	-	<b>18.54</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off tax assets and tax liabilities and Group's intention is to settle on a net basis or to realise the asset and settle and liabilities simultaneously, and deferred tax assets and deferred tax liabilities related to the income taxes levied by the same tax authorities.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

**Brought forward tax losses and other temporary differences on which no deferred tax asset is recognised in consolidated balance sheet :**

	₹ in Crores	
	31 March 2022	31 March 2021
Brought forward tax losses	67.56	148.63
Temporary differences (net)	97.11	83.14
	<b>164.67</b>	<b>231.77</b>

### 9 OTHER ASSETS

	₹ in Crores			
	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Advances other than capital advances</b>				
Advance to vendors				
- Related parties [refer note 36(III)]	-	-	-	-
- Others	-	-	15.43	6.23
Prepaid expenses	6.28	12.13	210.65	144.52
Balances with statutory / government authorities	19.83	14.96	24.87	16.90
Unamortised cost for maintenance contracts	-	-	39.97	55.09
Others	-	4.28	-	-
	<b>26.11</b>	<b>31.37</b>	<b>290.92</b>	<b>222.74</b>

Refer note 19 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

### 10 INVENTORIES

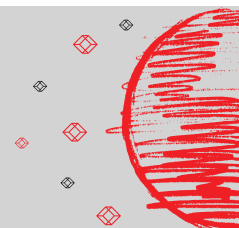
	₹ in Crores	
	31 March 2022	31 March 2021
Raw materials (refer note 23)	6.78	5.68
Work-in-progress (refer footnote of note 24)	0.03	0.01
Stock-in-trade (includes in transit ₹ 2.22 Crores) (31 March 2021 : ₹ 1.45 Crores) (refer footnote of note 24)	218.46	142.45
Stores and spares	0.67	0.61
	<b>225.94</b>	<b>148.75</b>

**Note:**

Write down of inventories to net realisable value is amounting to ₹ 8.64 Crores (31 March 2021: ₹ Nil).

Refer note 19 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

There are no inventories of finished goods.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 11 TRADE RECEIVABLES

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Unsecured</b>		
Considered good	483.75	352.30
Less: Allowance for expected credit loss	(109.54)	(112.54)
Credit impaired	7.56	43.68
Less: Allowance for expected credit loss	(7.56)	(43.68)
	<b>374.21</b>	<b>239.76</b>
Includes due from related parties [refer note 36 (III)]	13.14	7.70

#### Notes:

- Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms.
- Refer note 38 for information on credit risk and market risk.
- Refer note 19 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.
- Unbilled receivables amount to ₹ 44.46 Crores as at 31 March 2022 (31 March 2021: ₹ 3.67 Crores)

#### Ageing for gross trade receivables outstanding as at 31 March 2022 is as follows :

Particulars	₹ in Crores					Total
	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good	343.81	29.64	11.42	2.70	96.18	483.75
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	3.02	3.02
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	0.58	2.82	1.14	4.54
	<b>343.81</b>	<b>29.64</b>	<b>12.00</b>	<b>5.52</b>	<b>100.34</b>	<b>491.31</b>
<b>Less: Allowance for expected credit loss</b>						<b>(117.10)</b>
<b>Trade receivables (net)</b>						<b>374.21</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

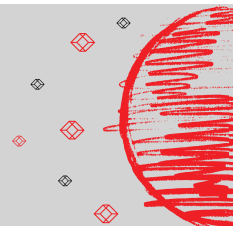
Ageing for gross trade receivables outstanding as at 31 March 2021 is as follows :

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	₹ in Crores					
Undisputed trade receivables – considered good	230.28	5.91	10.71	17.57	87.83	352.30
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	0.04	-	-	0.06	3.01	3.11
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	3.10	0.09	37.38	40.57
	<b>230.32</b>	<b>5.91</b>	<b>13.81</b>	<b>17.72</b>	<b>128.22</b>	<b>395.98</b>
<b>Less: Allowance for expected credit loss</b>						<b>(156.22)</b>
<b>Trade receivables (net)</b>						<b>239.76</b>

## 12 CASH AND CASH EQUIVALENTS AND BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Cash and cash equivalents</b>		
Balances with banks:		
– In current accounts	301.02	353.48
– In deposit accounts *	0.06	3.54
Cash on hand	0.02	0.02
	<b>301.10</b>	<b>357.04</b>
<b>Bank balances other than cash and cash equivalents</b>		
Margin money deposits with original maturity of more than three months and less than twelve months *	10.15	3.27
Deposits for letter of credit	-	42.66
Restricted cash balance **	-	7.32
	<b>10.15</b>	<b>53.25</b>

\* As lien against bank guarantees issued amounting to ₹ 13.80 Crores (31 March 2021 : ₹ 61.40 Crores).



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

\*\* Represents earmarked balance as collateral for credit card program of BBX Inc. and its subsidiaries (“BBX”).

There are no repatriation restrictions with regard to cash and cash equivalents and bank balances other than cash and cash equivalents of the Group as at the end of the reporting period.

Refer note 38 for information on credit risk and market risk.

Refer note 19 for information on assets provided as collateral or security for borrowings or financing facilities availed by the Group.

### 13 EQUITY SHARE CAPITAL

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Authorised share capital</b>		
45,000,000 (31 March 2021: 45,000,000) equity shares of ₹10 each *	45.00	45.00
5,000,000 (31 March 2021: 5,000,000) Cumulative redeemable preference shares of ₹ 100 each	50.00	50.00
5,000,000 (31 March 2021: 5,000,000) Convertible preference shares of ₹ 100 each	50.00	50.00
<b>Issued, subscribed and fully paid-up share capital</b>		
32,812,854 (31 March 2021: 32,528,830) equity shares of ₹ 10 each *	32.81	32.53
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>32.81</b>	<b>32.53</b>

\* Refer note 51 for sub-division of equity shares post reporting period

#### Notes:

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

#### Equity shares

	31 March 2022		31 March 2021	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	32,528,830	32.53	29,744,649	29.75
Shares issued on exercise of employee stock option plan (refer note 34)	284,024	0.28	185,530	0.18
Shares issued on conversion of share warrants issued on preferential basis (refer footnote below)	-	-	2,598,651	2.60
Outstanding at the end of the year	<b>32,812,854</b>	<b>32.81</b>	<b>32,528,830</b>	<b>32.53</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Footnote:

Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Holding Company had allotted on preferential basis, 3,333,334 convertible warrants of ₹ 10 each at a premium of ₹ 665 per warrant to Essar Telecom Limited and Onir Metalics Limited on 8 January 2021. During the year ended 31 March 2021, the Holding Company had received money aggregating to ₹ 187.81 Crores against convertible warrants. Each warrant is convertible into 1 equity share of ₹ 10 each of the Holding Company within 18 months from the date of allotment subject to payment of balance subscription amount. Out of total 3,333,334 convertible warrants, 2,598,651 warrants have been converted into equity shares until 31 March 2021. In the current year, Onir Metalics Limited has merged with Essar Steel Metal Trading Limited.

### (b) Rights, preference and restriction on equity shares

The Holding Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per equity share. The Holding Company declares and pays dividends in INR. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Essar Telecom Limited ("ETL") was the Holding Company with effect from 20 March 2021 and up to 20 September 2021. As at 31 March 2022, ETL is holding 16,346,336 (31 March 2021: 16,346,336) equity shares of ₹ 10 each fully paid-up amounting to ₹ 16.35 Crores (31 March 2021: ₹ 16.35 Crores).

### (d) Aggregate number of bonus shares issued and buy back of shares during the period of five years immediately preceding the reporting date

The Holding Company has neither issued bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2022.

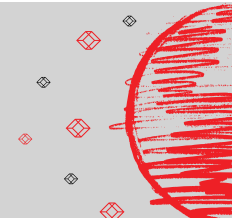
### (e) Shares issued for consideration other than cash

The Holding Company had allotted 1,271,185 fully paid-up equity shares of ₹ 10 each on conversion of compulsorily convertible preference shares during the year ended 31 March 2019.

### (f) Details of shareholders holding more than 5% equity share in the Holding Company

Name of the shareholder	31 March 2022		31 March 2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid-up</b>				
- Essar Telecom Limited	16,346,336	49.82%	16,346,336	50.25%
- Essar Steel Metal Trading Limited #	6,807,267	20.75%	6,807,267	20.93%

# Onir Metalics Limited which was holding these shares as at 31 March 2021 has merged with Essar Steel Metal Trading Limited with effect from 07 July 2021



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (g) Shareholding of promoters

**Details of equity shares held by promoters as at 31 March 2022 are as follows:**

Promoter name	No. of shares	% holding in the class	% change during the year
- Essar Telecom Limited	16,346,336	49.82%	0.00%
- Essar Steel Metal Trading Limited	6,807,267	20.75%	0.00%

**Details of equity shares held by promoters as at 31 March 2021 are as follows \***

Promoter name	No. of shares	% holding in the class	% change during the year
- Essar Telecom Limited	16,346,336	50.25%	16.08%
- Essar Steel Metal Trading Limited #	6,807,267	20.93%	5.17%

# Onir Metallics Limited which was holding these shares as at 31 March 2021 has merged with Essar Steel Metal Trading Limited with effect from 07 July 2021

\* Represents shares held by holding company of Black Box Limited including shares held by subsidiaries or associates of the holding company or the ultimate holding company of Black Box Limited.

As per records of the Holding Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### (h) Shares reserved for issue under options

The Holding Company has reserved 734,683 shares (31 March 2021: 734,683) for issue on conversion of warrants, refer footnote to note (a) above.

For details of shares reserved for issue under the employee stock option plan of the Holding Company, refer note 34.

#### Date of conversion of convertible securities

Particulars	Date of conversion
Convertible warrants	07 July 2022 *
Series 3 ESOPs**	14 June 2025 14 June 2024 14 June 2023
Series 4 ESOPs**	18 October 2027 18 October 2026 18 October 2025

\* These convertible warrants are converted into equity shares on 19 May 2022 subsequently.

\*\* Includes both vested as well as unvested options and date of conversion represents last date of exercise under ESOP scheme 2015. However, vested options can be exercised on or before the last exercise date for each tranche.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

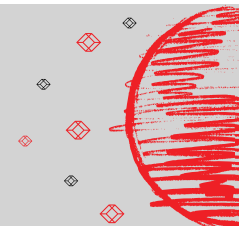
### 14 NON-CURRENT BORROWINGS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Secured</b>		
Term loans from banks [refer footnote (a)]	107.98	119.39
Working capital term loan [refer footnote (a)]	120.94	-
	<b>228.92</b>	<b>119.39</b>

#### Footnotes:

- (a) During the year ended 31 March 2021, BBX entered into a five year term loan with Fifth Third Bank for ₹ 79.89 Crores equivalent to USD 10.91 million and simultaneously entered into a five year term loan contract with East West Bank for ₹ 66.57 Crores equivalent to USD 9.09 million, out of which of ₹ 146.46 Crores equivalent to USD 20.00 million and ₹ 129.58 Crores equivalent to USD 17.14 million is outstanding inclusive of processing fees amounting to ₹ 7.92 Crores and ₹ 2.00 Crores as at 31 March 2021 and 31 March 2022, respectively. Outstanding principal payments on the term loans are due in equal installments on the last business day of each March, June, September, and December in each year, with the amount of each such principal installment equal to ₹ 5.37 Crores equivalent to USD 0.71 million. A total of ₹ 21.62 Crores equivalent to USD 2.86 million is due within the next 12 months, applied ratably to the outstanding balances of each lender amount which includes processing fees amounting to ₹ 2.03 Crores. A final payment comprised of all the principal and interest not sooner paid on the term loans is due and payable on 31 March 2026, the final maturity thereof. Interest accrues at a rate per annum equal to the greatest of: (a) the rate of interest announced by Fifth Third Bank, National Association, from time to time as its “prime rate” as in effect on such day, with any change in the Base Rate resulting from a change in said prime rate to be effective as of the date of the relevant change in said prime rate, (b) the sum of (i) the Federal Funds Rate, plus (ii) one-half of one percent (0.50%) and (c) the sum of (i) the adjusted London Interbank Offered Rate (“LIBOR”) that would be applicable to a Eurodollar loan with a one (1) month interest period advanced on such day plus (ii) one percent (1.00%). The obligations are secured by (a) valid, perfected, and enforceable liens of the Fifth Third Bank, National Association on all right, title, and interest of BBX and each loan party in all ownership interests held by such person in each of its subsidiaries provided that the loan parties shall only be required to pledge 65% of the outstanding voting ownership interest and 100% of the outstanding non-voting ownership interests of their foreign subsidiaries, and (b) valid, perfected and enforceable liens of the Fifth Third Bank, National Association on all right, title, and interest of each loan party in all personal property, fixtures, and real estate, whether now owned or hereafter acquired or arising, and all proceeds thereof. The aforementioned loan has been accounted under effective interest method.

Further, BBX has the ability to draw on a revolving notes with Fifth Third Bank in the amount of ₹ 139.87 Crores equivalent to USD 19.10 million and with East West Bank for ₹ 110.58 Crores equivalent to USD 15.10 million. BBX may elect for these borrowings to pay either base rate loans or Eurodollar loans, as described above. BBX has total outstanding revolving notes of ₹ Nil and ₹ 120.94 Crores equivalent to USD 16.00 million as at 31 March 2021 and 31 March 2022, respectively. The notes will terminate on 31 March 2026, and any amounts previously unpaid are due on that date. BBX also has the ability to draw on from time to



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

time a swing loan in the minimum amount of ₹ 1.83 Crores equivalent to USD 0.25 million and a maximum amount of ₹ 36.62 Crores equivalent to USD 5.00 million, which must be repaid by the last day of the interest period applicable thereto. Each swing loan shall bear interest until maturity at a rate per annum equal to, at the option of the borrower, (i) the sum of the base rate plus the applicable margin for base rate loans under the revolving credit from time to time in effect (computed on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days elapsed) or (ii) the swing line lender's quoted rate (computed on the basis of a year of 360 days for the actual number of days elapsed). Interest on each swing loan shall be due and payable prior to such maturity on the last day of each interest period applicable thereto. BBX has no outstanding amounts under these swing loans as at 31 March 2021 and 31 March 2022.

- (b) Current maturities of the above-mentioned borrowings, unless otherwise specified, are disclosed under note 19 "Current borrowings".

(c) **Details of repayment terms**

Period of maturity with reference to consolidated balance sheet date	Number of instalments outstanding as at 31 March 2022	Amount *
Term loans from banks	15 quarterly	80.98
Term loans from banks	Maturity payment	48.60
Working capital term loan	Maturity payment	120.94

\* These amounts are exclusive of EIR impact as per Ind AS 109 "Financial instruments"

- (d) The Group has used the borrowings for the specific purpose for which it was availed during current and previous year.
- (e) There is no default in repayment of borrowings and interest during the year ended 31 March 2022 and 31 March 2021.
- (f) Refer note 38 for information on credit risk, market risk and liquidity risk.

### 15 LEASE LIABILITIES

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Lease liabilities	116.45	94.18	90.38	57.77
	<b>116.45</b>	<b>94.18</b>	<b>90.38</b>	<b>57.77</b>

**Notes:**

- (a) Refer note 26 for interest on lease liabilities.
- (b) Refer note 40 for disclosure on leased assets.
- (c) Refer note 38 for information on credit risk, market risk and liquidity risk.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 16 OTHER FINANCIAL LIABILITIES

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Employee related payables *	-	-	91.91	81.34
Payables for expenses	-	-	110.92	166.70
Interest accrued on borrowings	-	-	0.18	0.24
Warrant liability	-	-	-	103.22
Payables for letter of credit	-	-	-	16.33
Other payables	10.31	86.57	84.53	5.50
	<b>10.31</b>	<b>86.57</b>	<b>287.54</b>	<b>373.33</b>

\* Include amount payable to key managerial personnel amounting to ₹ Nil (31 March 2021 : ₹ 5.87 Crores) [refer note 36(IV)].

Refer note 38 for information on credit risk, market risk and liquidity risk.

### 17 PROVISIONS

₹ in Crores

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Provision for employee benefits</b>				
Provision for gratuity [refer note 33 (b)]	6.98	7.83	1.69	1.31
Provision for compensated absences [refer note 33 (c)]	0.52	0.55	45.35	40.42
Provision for pension [refer note 33 (b)]	62.36	69.34	-	-
Provision for long-term disability	-	-	9.36	9.44
	<b>69.86</b>	<b>77.72</b>	<b>56.40</b>	<b>51.17</b>
<b>Other provisions</b>				
Provision for warranties [refer note (a)]	-	-	4.82	0.28
Provision for restructuring [refer note (b)]	-	-	3.10	7.11
	-	-	<b>7.92</b>	<b>7.39</b>
	<b>69.86</b>	<b>77.72</b>	<b>64.32</b>	<b>58.56</b>

#### (a) Provision for warranties

A provision is recognised for expected warranty claims on products sold during the last one year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will have been incurred within a year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the one-year warranty period for all products sold. The table below gives information about movement in warranty provision.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	0.28	0.37
Recognised during the year	4.82	0.28
Unused amounts reversed	(0.28)	(0.37)
<b>At the end of the year</b>	<b>4.82</b>	<b>0.28</b>

### (b) Provision for restructuring

During the financial year ended 31 March 2016, BBX had incurred expenditure related to employee severance and facility consolidation (collectively referred to as “restructuring expenses”) in a continued effort to consolidate back office functions and to make the organisation more efficient. Restructuring efforts increased significantly over the years leading up to acquisition of BBX by BBL, due to the liquidity concerns of BBX at that time. The Group has continued the on-going restructuring plans and expanded the initiatives during the post-acquisition period through executed and planned workforce reduction. The table below gives information about movement in restructuring provision.

	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	7.11	25.98
Recognised during the year	2.97	11.46
Payment made during the year	(7.13)	(29.81)
Exchange differences	0.15	(0.52)
<b>At the end of the year</b>	<b>3.10</b>	<b>7.11</b>

## 18 OTHER LIABILITIES

	₹ in Crores			
	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Contract liabilities [refer note 41(b)]	50.98	24.75	475.29	500.11
Advances from customers	-	-	-	2.10
Statutory dues payable	-	-	46.49	61.28
Other payables	0.18	-	0.10	0.08
	<b>51.16</b>	<b>24.75</b>	<b>521.88</b>	<b>563.57</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 19 CURRENT BORROWINGS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Cash credits facilities from banks [refer footnote (a)]	22.49	16.43
Current maturities of long-term borrowing [refer footnote (b)]	19.59	40.38
<b>Unsecured</b>		
Working capital loan from other [refer footnote (c)]	2.83	-
	<b>44.91</b>	<b>56.81</b>

#### Cash flow changes in liabilities arising from financial activities:

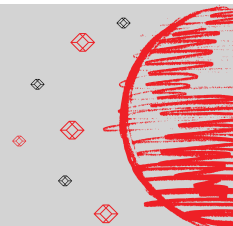
₹ in Crores

Particulars	Payables for letter of credit	Lease liabilities	Borrowings
<b>As at 1 April 2020</b>	<b>5.82</b>	<b>133.13</b>	<b>462.38</b>
Non cash movement: additions to / reassessment of lease liabilities	-	103.92	-
Cash flows (net)	10.51	(85.10)	(286.18)
<b>As at 31 March 2021</b>	<b>16.33</b>	<b>151.95</b>	<b>176.20</b>
Non cash movement: additions to / reassessment of lease liabilities	-	122.04	107.18
Acquisitions through business combination (refer note 42)	-	-	2.83
Cash flows (net)	(16.33)	(67.16)	(15.21)
<b>As at 31 March 2022</b>	<b>-</b>	<b>206.83</b>	<b>271.00</b>

#### Footnotes:

- (a) For Black Box Limited, cash credit facilities from banks are secured by first pari-passu charge on entire current assets of the Holding Company (present and future) including inventory of materials and components, work-in-progress, stock-in-trade, trade receivables, insurances etc. and by second pari-passu charge on all moveable PPE of the Holding Company.

Cash credit facilities carry an effective interest rate of 12.20% to 13.65% p.a. (31 March 2021 : 11.75% to 14.50% p.a.).



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**(b) Borrowings outstanding during the previous year and fully repaid in current year**

Name of subsidiary	Name of lender	Outstanding loan as at 31 March 2021 (₹ In Crores)	Interest rate
BBX Main Inc. *	Splice Capital LLC	16.48	8.50% to 10.00% p.a
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) **	First Abu Dhabi Bank	4.74	6.00% p.a.

\* The loan was fully repaid on 18 June 2021.

\*\* The loan was fully repaid on 28 April 2021.

- (c) On 11 February 2022, BBX completed the acquisition of Dragonfly Technologies Pty Ltd, Australia (“Dragonfly”) through Black Box Technologies Australia Pty Ltd, indirect wholly-owned subsidiary of the Holding Company. Dragonfly has a working capital loan of USD 0.38 million equivalent to ₹ 2.83 Crores from National Australia Bank Limited.

The rate of interest on the loan is 3.989% p.a. The maturity date of repayment was revised from 31 March 2022 to 30 June 2022.

- (d) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was availed during current and previous year.
- (e) There is no default in repayment of borrowings and interest during the year ended 31 March 2022 and 31 March 2021.
- (f) Refer note 38 for information on credit risk, market risk and liquidity risk.

## 20 TRADE PAYABLES

	₹ in Crores	
	31 March 2022	31 March 2021
Dues to micro enterprises and small enterprises	20.18	11.66
Dues to creditors other than micro enterprises and small enterprises	877.77	503.95
	<b>897.95</b>	<b>515.61</b>

Includes due to related parties [refer note 36 (III)]

**Notes:**

- Trade payables are generally non-interest bearing and are normally settled in line with applicable industry norms.
- Refer note 38 for information on credit risk, market risk and liquidity risk.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Ageing for trade payables outstanding as at 31 March 2022 is as follows \*

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	₹ in Crores				
<b>Trade payables</b>					
Micro enterprises and small enterprises ("MSME")	17.46	2.25	0.47	0.00	20.18
Other than MSME	862.80	1.47	1.64	11.86	877.77
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Other than MSME	-	-	-	-	-
	<b>880.26</b>	<b>3.72</b>	<b>2.11</b>	<b>11.86</b>	<b>897.95</b>

\* includes unbilled dues amounting to ₹ 280.78 Crores

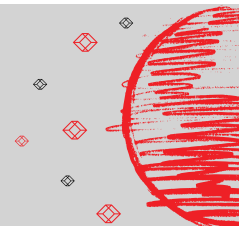
Ageing for trade payables outstanding as at 31 March 2021 is as follows \*\*

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	₹ in Crores				
<b>Trade payables</b>					
MSME	11.15	0.49	0.02	0.00	11.66
Other than MSME	478.73	7.45	11.89	3.56	501.63
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Other than MSME	-	-	-	2.32	2.32
	<b>489.88</b>	<b>7.94</b>	<b>11.91</b>	<b>5.88</b>	<b>515.61</b>

\*\* includes unbilled dues amounting to ₹ 73.38 Crores

## 21 REVENUE FROM OPERATIONS

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Revenue from contracts with customer</b>		
Sale of products (refer footnote of note 24)		
Finished goods	34.80	36.39
Stock-in-trade	1,765.60	1,740.30
Sale of services [refer note (a) below]	3,523.17	2,864.33
	<b>5,323.57</b>	<b>4,641.02</b>
<b>Other operating revenue</b>		
Reversal of allowance for expected credit loss (refer note 52)	37.56	-
Liabilities / provisions for earlier years no longer required written back / reversed [refer note (b) below]	9.04	33.00
	<b>5,370.17</b>	<b>4,674.02</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

**Notes:**
**(a) Details of sale of services**

	₹ in Crores	
	31 March 2022	31 March 2021
- Maintenance services	969.51	650.04
- Implementation services	2,449.73	2,147.78
- Training and consulting services	103.93	66.51
	<b>3,523.17</b>	<b>2,864.33</b>

**(b) Details of liabilities / provisions for earlier years no longer required written back / reversed**

	₹ in Crores	
	31 March 2022	31 March 2021
- pertaining to provision for expenses	0.79	4.57
- pertaining to employee related payables	0.35	5.46
- pertaining to trade payables	3.97	2.74
- pertaining to goods receipt / invoice receipt balances	3.84	2.56
- pertaining to advance from customers	0.09	17.67
	<b>9.04</b>	<b>33.00</b>

There is no reconciliation between the contract price and revenue from contracts with customer.

**22 OTHER INCOME**

	₹ in Crores	
	31 March 2022	31 March 2021
Interest income on		
Bank deposits	0.30	0.23
Income tax refund	2.42	3.18
Inter corporate deposits	-	1.67
Others	0.54	-
Gain on disposal of PPE and other intangible assets (net)	0.14	4.78
Gain on remeasurement of lease	0.39	0.59
Gain on sublease arrangement	0.45	-
Other non-operating income	2.12	0.68
	<b>6.36</b>	<b>11.13</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### 23 COST OF MATERIALS CONSUMED

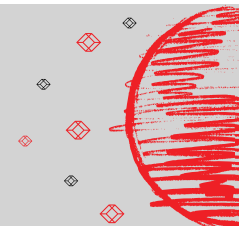
	₹ in Crores	
	31 March 2022	31 March 2021
Inventory at the beginning of the year	5.68	7.81
Add: Purchases made during the year (net)	5.13	3.23
	10.81	11.04
Less: Inventory at the end of the year	6.78	5.68
	<b>4.03</b>	<b>5.36</b>

#### Details of materials consumed

	₹ in Crores	
	31 March 2022	31 March 2021
Peripherals	4.03	5.02
Others	-	0.34
	<b>4.03</b>	<b>5.36</b>

### 24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	₹ in Crores	
	31 March 2022	31 March 2021
<b>Inventories at the end of the year</b>		
Stock-in-trade	218.46	142.45
Work-in-progress	0.03	0.01
Finished goods	-	-
	<b>218.49</b>	<b>142.46</b>
<b>Acquisitions through business combination (refer note 42)</b>		
Stock-in-trade	-	5.79
Work-in-progress	-	-
Finished goods	-	-
	<b>-</b>	<b>5.79</b>
<b>Inventories at the beginning of the year</b>		
Stock-in-trade	142.45	119.47
Work-in-progress	0.01	0.03
Finished goods	-	7.81
	<b>142.46</b>	<b>127.31</b>
	<b>(76.03)</b>	<b>(9.36)</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**Footnote:** The Group is a global ICT solution provider and integrator operating in various quadrants and the solutions sold to customers are configured as per specific customer requirements. The heterogeneous mix of components in solutions offered to customers makes it difficult to establish a meaningful and homogenous relationship for providing breakup of products purchased or sold during the year and the inventory position. Consequently, it is neither feasible nor meaningful to give the category-wise details of products purchased or sold during the year and inventory position for all its product solutions.

### 25 EMPLOYEE BENEFITS EXPENSE

	₹ in Crores	
	31 March 2022	31 March 2021
Salaries and wages*	2,131.27	1,810.50
Contribution to provident fund and other funds [refer note 33 (a)]*	12.16	10.76
Share based payment to employees*	0.51	0.31
Staff welfare expenses	1.66	3.81
	<b>2,145.60</b>	<b>1,825.38</b>

\* Includes amount paid to key managerial personnel amounting to ₹ 13.24 Crores (31 March 2021: ₹ 16.10 Crores) [refer note 36 (IV)].

### 26 FINANCE COSTS

	₹ in Crores	
	31 March 2022	31 March 2021
Interest on borrowings	11.13	27.76
Guarantee commission	0.15	0.14
Interest on lease liabilities	17.75	12.19
Other borrowing costs	44.57	57.82
	<b>73.60</b>	<b>97.91</b>

### 27 DEPRECIATION AND AMORTISATION EXPENSE

	₹ in Crores	
	31 March 2022	31 March 2021
Depreciation / amortisation of PPE (refer note 3)	32.78	23.63
Depreciation of ROU (refer note 4)	56.32	62.69
Amortisation of other intangible assets (refer note 6)	9.50	9.24
	<b>98.60</b>	<b>95.56</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 28 OTHER EXPENSES

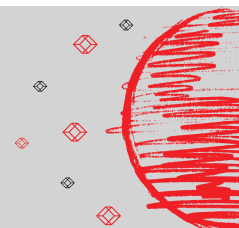
	₹ in Crores	
	31 March 2022	31 March 2021
Consumption of stores and spares	0.90	0.89
Power and water charges	8.15	8.08
Rent (net) (refer note 40) *	2.42	2.84
Rates and taxes	8.07	7.76
Insurance	25.08	22.83
Repairs and maintenance - others	8.30	8.10
Travelling and conveyance	89.70	59.15
Communication expenses	27.61	27.19
Legal and professional fees	102.78	82.04
Advertisement and sales promotion	40.35	35.05
Outward freight, clearing and forwarding charges	19.25	7.48
Commission on sales	0.02	0.26
Directors' sitting fees [refer note 36 (IV)]	0.37	0.27
Corporate social responsibility expenditure	0.02	0.20
Auditor's remuneration	4.83	1.09
Allowance for expected credit loss	15.80	28.40
Bad debts written off **	3.33	3.25
Loss on assignment of trade receivable (refer note 52) **	23.35	-
Sundry balances written off **	-	4.41
Miscellaneous expenses	74.29	42.79
	<b>454.62</b>	<b>342.08</b>

\* Pertains to rental for short term leases. Refer note 40.

\*\* Represents loss on derecognition of financial assets measured at amortised cost.

### 29 FINANCIAL LIABILITY

	₹ in Crores	
	31 March 2022	31 March 2021
(Loss) on fair value of financial liability	-	(41.70)
Gain on settlement of financial liability (refer note 49)	13.59	-
	<b>13.59</b>	<b>(41.70)</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 30 EXCEPTIONAL ITEMS - EXPENSES

	₹ in Crores	
	31 March 2022	31 March 2021
Provision of severance expenses [refer note (a) below]	2.97	8.61
Acquisition cost [refer note (b) below]	0.79	3.06
Foreclosure of leases [refer note (c) below]	13.54	10.40
Estimated cost for legal settlement [refer note (d) below]	-	6.20
Prepayment charges on loan repayment [refer note (e) below]	-	2.42
COVID-19 expenses [refer note (f) below]	3.11	1.00
Litigation settlement [refer note (g) below]	1.73	-
	<b>22.14</b>	<b>31.69</b>

#### Notes:

- (a) Represents net severance cost of BBX towards rationalisation of manpower to enhance operational efficiencies.
- (b) Represents acquisition related cost of BBX and Black Box Technologies Pte Ltd. which includes valuation fees, advisory fees, legal and professional fees and consulting fees.
- (c) Represents early closure of leases related to BBX.
- (d) Represents estimated cost for legal settlement related to BBX.
- (e) Represents prepayment charges to prematurely exit borrowing facilities with Greensill, related to BBX.
- (f) Represents expenses incurred on COVID-19 safety measures which includes purchase of masks, gloves, sterilisation equipment and other safety products for employees of BBX.
- (g) Represents settlement of litigation claim related to customs duty liability of the Holding Company.

### 31 TAX EXPENSES

#### a) Income tax expense in the consolidated statement of profit or loss consists of:

	₹ in Crores	
Particulars	31 March 2022	31 March 2021
<b>Current tax:</b>		
Current tax on profits for the year	11.30	16.25
<b>Deferred tax:</b>		
In respect of current year origination and reversal of temporary differences	1.96	1.65
	<b>13.26</b>	<b>17.90</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (b) Income tax on Other Comprehensive Income

₹ in Crores

Particulars	31 March 2022	31 March 2021
Deferred tax credit	-	-
	-	-

### c) Deferred tax assets in relation to:

₹ in Crores

Particulars	31 March 2022	31 March 2021
Brought forward losses	2.44	2.82
Others	(0.48)	(1.17)
	<b>1.96</b>	<b>1.65</b>

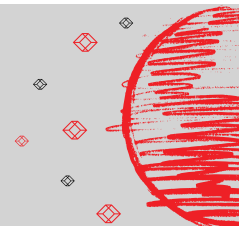
### d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

₹ in Crores

Particulars	31 March 2022	31 March 2021
Accounting profit before income tax	85.98	95.99
Applicable statutory income tax rate (in %)	25.17%	25.17%
Computed expected tax expense	21.64	24.16
Tax effect of amount which are not (taxable) / deductible in calculating taxable income	(10.34)	(7.91)
Deferred tax charge	1.96	1.65
<b>Tax expense reported in the statement of profit and loss</b>	<b>13.26</b>	<b>17.90</b>

## 32 EARNINGS PER EQUITY SHARE (EPS)

	31 March 2022	31 March 2021
<b>The components of basic and diluted EPS are as follows:</b>		
<b>(a) Net profit attributable to equity shareholders</b>		
Net profit before exceptional items (₹ in Crores)	94.86	109.78
Net profit after exceptional items (₹ in Crores)	72.72	78.09
<b>(b) Weighted average number of outstanding equity shares (post share split - refer note 51)</b>		
Considered for basic EPS	163,390,182	149,891,383
Add : Effect of dilutive potential equity shares arising from outstanding stock options (refer note 1 below)	1,172,860	2,184,575



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

	31 March 2022	31 March 2021
Add : Effect of dilutive potential equity shares arising from convertible share warrants (refer note 2 below)	1,347,490	-
Considered for diluted EPS	165,910,532	152,075,958
<b>(c) Earnings per equity share (Face value of ₹ 2 each - refer note 51)</b>		
Earnings per share before exceptional items :		
Basic (in ₹)	5.81	7.32
Diluted (in ₹)	5.72	6.89
Earnings per share after exceptional items :		
Basic (in ₹)	4.45	5.21
Diluted (in ₹)	4.38	4.90

### Notes:

- As at 31 March 2022, 703,405 potential equity shares (post share split) (31 March 2021 : 2,123,525) outstanding as share option under the ESOP Scheme, 2015, are considered for calculation of diluted EPS.
- Tax impact on exceptional items has not been considered for the purpose of reporting EPS.

### 33 EMPLOYEE BENEFITS PLAN

- (a) **Defined contribution plan** - The following amount is recognised in the consolidated statement of profit and loss for the year ended:

#### Disclosure in respect of the Holding Company

	₹ in Crores	
Particulars	31 March 2022	31 March 2021
Contribution to provident fund	0.87	0.79
Contribution to employees' state insurance	0.00	0.01
Contribution to labour welfare fund	0.00	0.00

Above amount has been included in the line item "Contribution to provident fund and other funds" in note 25. Also, the contribution of the Holding Company is limited to the amount contributed and it has no further contractual or constructive obligation.

- (b) **Defined benefit plan (unfunded)** - The Holding Company has an unfunded defined benefit plan i.e. Gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. This defined benefit plan is governed by The Payment of Gratuity Act, 1972.

The following tables summarises the components of employee benefit expense recognised in the consolidated statement of profit and loss and the amounts recognised in the consolidated balance sheet for the gratuity plan.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current service cost	0.66	0.64
Interest expense	0.46	0.43
<b>Employee benefit expense recognised in profit or loss</b>	<b>1.12</b>	<b>1.07</b>
<b>Actuarial gain transferred to OCI</b>		
Actuarial gain due to experience adjustment	(0.30)	(0.32)
Actuarial gain due to change in financial assumptions	(0.20)	-
<b>Net actuarial gain recognised in OCI</b>	<b>(0.50)</b>	<b>(0.32)</b>

Amount recognised in the consolidated balance sheet in respect of gratuity liability (defined benefit plan) is as follows:

Benefit liability

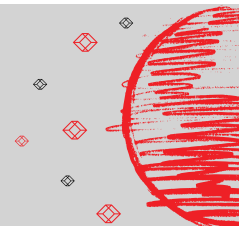
Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Present value of defined benefit obligation	7.05	6.97
<b>Liability recognised in consolidated balance sheet</b>	<b>7.05</b>	<b>6.97</b>

Changes in the present value of the defined benefit obligation are as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Opening defined benefit obligation	6.97	6.45
Current service cost	0.66	0.64
Interest cost	0.46	0.43
Benefits paid	(0.54)	(0.23)
Remeasurement gain	(0.50)	(0.32)
<b>Closing defined benefit obligation</b>	<b>7.05</b>	<b>6.97</b>

Bifurcation of defined benefit obligation of the Holding Company:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	0.31	0.34
Non-current	6.74	6.63
	<b>7.05</b>	<b>6.97</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

Particulars	₹ in Crores			
	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount rate ( - /+ 1%)	0.60	(0.51)	0.63	(0.54)
Salary growth rate ( - / + 1%)	(0.44)	0.52	(0.47)	0.53
Attrition rate ( - /+ 50% of attrition rates provided in principal assumption table)	(0.01)	0.04	(0.01)	0.02
Mortality rate ( - /+ 10%)	0.01	0.02	0.00	0.01

The sensitivity analysis presented above may not be a representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be related to each other.

### Following are the principal assumptions used as at the consolidated balance sheet date:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Discount rate (% per annum)	7.00%	6.65%
Salary growth rate (% per annum)	6.00%	6.00%
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age (in years)	58 years	58 years
Average future service (in years)	19.22 years	19.22 years
Attrition rate, based on age:		
Up to 26 years	5.00%	5.00%
27 - 34 years	12.00%	12.00%
35 - 44 years	5.00%	5.00%
Above 44 years	1.00%	1.00%

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience. The estimates of future salary growth rate considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Risk

Factor	Impact
Salary increase	Actual salary increases will increase the obligation. Increase in salary increase rate assumption in future valuations will also increase the obligation.
Discount rate	Reduction in discount rate in subsequent valuations can increase the obligation.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact the obligation.

### Maturity profile of defined benefit obligation on an undiscounted basis:

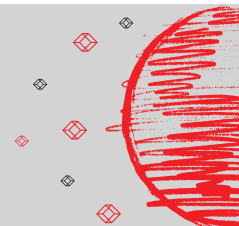
Particulars	₹ in Crores	
	31 March 2022	31 March 2021
One year	0.31	0.34
Two to five years	3.25	2.67
Six years and above	9.92	10.37

The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31 March 2021: 8 years)

The Holding Company expects to make a contribution of ₹ 7.77 Crores (31 March 2021: ₹ 7.66 Crores) to the defined benefit plan during the next financial year.

**Amount recognised in the consolidated statement of profit and loss in respect of gratuity cost and in consolidated balance sheet in respect of gratuity liability for the subsidiaries (including step-down subsidiaries) created as per the local laws of respective countries which is not material to the Group is as follows:**

Name of the subsidiary	₹ in Crores			
	31 March 2022		31 March 2021	
	Impact in consolidated statement of profit and loss	Impact in consolidated balance sheet	Impact in consolidated statement of profit and loss	Impact in consolidated balance sheet
AGC Networks LLC, Dubai	0.16	0.03	0.19	1.08
BBX	0.20	1.59	0.38	1.09
	<b>0.36</b>	<b>1.62</b>	<b>0.57</b>	<b>2.17</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Bifurcation of defined benefit obligation of the Group:

	₹ in Crores	
	31 March 2021	31 March 2020
Current	1.69	1.31
Non-current	6.98	7.83
	<b>8.67</b>	<b>9.14</b>

### Disclosure in respect of Norstan Communications Inc. ("Norstan"), step-down subsidiary of the Holding Company

**Defined benefit plan (partially funded)** - Norstan has a partially funded defined benefit plan i.e. Pension, for its employees where benefits have been "frozen" whereby, starting on 26 August 2006, no new employees were admitted, and, starting on 1 January 2008, those employees currently in the plan will not earn additional benefits based on service.

The following tables summarise the components of employee benefits expense recognised in the consolidated statement of profit and loss and the amounts recognised in the consolidated balance sheet for the pension plan.

### Amount recognised in the consolidated statement of profit and loss in respect of pension cost is as follows:

	₹ in Crores	
Particulars	31 March 2021	31 March 2020
Net interest (income)	(12.05)	(5.37)
<b>Employee benefits (income) recognised in profit or loss (net)</b>	<b>(12.05)</b>	<b>(5.37)</b>
<b>Actuarial loss / (gain)</b>		
Actuarial loss / (gain) due to experience adjustment	3.36	(4.65)
Actuarial loss due to demographic assumptions	0.42	0.44
Actuarial (gain) / loss due to change in financial assumptions	(26.69)	1.89
Return on plan assets	25.89	(74.55)
<b>Net actuarial loss / (gain) recognised in OCI</b>	<b>2.98</b>	<b>(76.87)</b>

### Amount recognised in the consolidated balance sheet in respect of pension obligation is as follows:

#### Benefit liability

	₹ in Crores	
Particulars	31 March 2022	31 March 2021
Present value of defined benefit obligation	399.76	413.19
Fair value of plan assets	337.40	343.85
<b>Net liability recognised in the consolidated balance sheet</b>	<b>62.36</b>	<b>69.34</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Changes in the present value of the defined benefit obligation are as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Opening defined benefit obligation	413.19	432.00
Interest cost	12.22	12.52
Remeasurement gain	(22.91)	(2.32)
Benefits paid	(15.63)	(16.72)
Exchange differences	12.89	(12.29)
<b>Closing defined benefit obligation</b>	<b>399.76</b>	<b>413.19</b>

Changes in the fair value of plan assets are as follows:

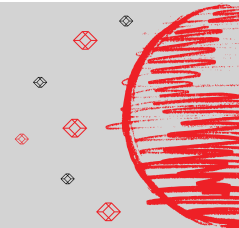
Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Opening fair value of plan assets	343.85	258.34
Interest income	24.27	17.89
Contribution by employer	-	18.26
Return on plan assets	(25.89)	74.55
Benefits paid	(15.63)	(16.72)
Exchange differences	10.80	(8.47)
<b>Closing fair value of plan assets</b>	<b>337.40</b>	<b>343.85</b>

Major categories of plan assets (as a % of total plan assets):

Particulars	31 March 2022	31 March 2021
Bank balance	1.99%	1.85%
Other Investments	98.01%	98.15%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Bifurcation of defined benefit obligation (net):

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	-	-
Non-current	62.36	69.34



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

₹ in Crores

Particulars	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate ( - /+ 0.5%)	27.25	(24.66)	30.47	(27.43)
Mortality Rate ( - /+ 10%)	10.23	(9.34)	11.07	(10.07)

The sensitivity analysis presented above may not be a representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another, as some of the assumptions may be related to each other.

### Following are the principal assumptions used as at the consolidated balance sheet date:

Particulars	31 March 2022	31 March 2021
Discount rate (% per annum)	3.40%	2.91%
Salary growth rate (% per annum)	0.00%	0.00%
Pension growth rate (% per annum)	0.00%	0.00%
Return on plan assets (% per annum)	7.10%	7.25%
Mortality rate	Pri-2012 Blue Collar Mortality Tables for Males and Females with Improvements Under MP-2021	Pri-2012 Blue Collar Mortality tables for Males and Females with Improvements Under MP-2020
Attrition rate, based on age:		
15 years	43.00%	43.00%
20 years	35.00%	35.00%
25 years	27.00%	27.00%
30 years	21.00%	21.00%
35 years	18.00%	18.00%
40 years	16.00%	16.00%
45 years	15.00%	15.00%
50 years	12.00%	12.00%
55 years	0.00%	0.00%
60 years	0.00%	0.00%
65 years	0.00%	0.00%



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

### Maturity profile of net defined benefit obligation (undiscounted):

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
One year	18.06	15.89
Two to five years	83.43	75.72
Six years and above	126.39	118.93

The weighted average duration of the defined benefit obligation at the end of the reporting period is 19 years (31 March 2021 : 20 years)

### (c) Compensated absences:

#### Disclosure in respect of the Holding Company:

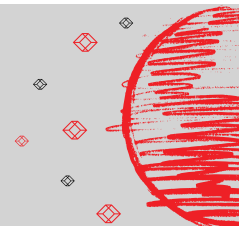
With effect from 1 January 2017, the Holding Company has decided to restrict the balance of un-availed privilege leave ('PL') to a maximum of 42 days from erstwhile limit of 90 days. Further, PL cannot be en-cashed or accumulated and shall lapse every year in the month of December. The balance as at 31 December 2016 is entitled to be en-cashed only during separation from the Holding Company based on the basic salary as at 31 December 2016.

Following are the principal assumptions used as at the consolidated balance sheet date:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Discount rate (% per annum)	7.00%	6.65%
Salary growth rate (% per annum)	0.00%	0.00%

### Movement during the year

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	0.59	0.60
Recognised during the year	0.08	0.17
Paid during the year	(0.11)	(0.18)
<b>At the end of the year</b>	<b>0.56</b>	<b>0.59</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Bifurcation of provision for compensated absences of the Holding Company:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	0.04	0.04
Non-current	0.52	0.55
	<b>0.56</b>	<b>0.59</b>

### Disclosure in respect of subsidiaries (including step-down subsidiaries):

PL for the subsidiaries (including step-down subsidiaries) cannot be en-cashed or accumulated and shall lapse every year in the month of December.

**Amount recognised in the consolidated statement of profit and loss in respect of compensated absences cost and in consolidated balance sheet in respect of compensated absences liability for the subsidiaries (including step-down subsidiaries) created as per the local laws of respective countries is as follows:**

#### Movement during the year

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
At the beginning of the year	40.38	36.64
Recognised during the year	4.24	11.30
Reversed during the year	-	(1.31)
Paid during the year	(0.67)	(5.22)
Exchange differences	1.36	(1.03)
<b>At the end of the year</b>	<b>45.31</b>	<b>40.38</b>

### Bifurcation of provision for compensated absences of the Group:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Current	45.31	40.38
Non-current	-	-
	<b>45.31</b>	<b>40.38</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 34 EMPLOYEES STOCK OPTION PLAN OF THE HOLDING COMPANY

The Holding Company provides share based payment schemes to its employees. Since the year ended 31 March 2016, an employee stock option plan (“ESOP”) was in existence i.e. ESOP scheme 2015. The relevant details of the scheme and the grant are as below.

The shareholders of the Holding Company through postal ballot on 21 April 2015 approved the equity settled ESOP scheme 2015 for issue of stock options to key employees and directors of the Holding Company setting aside 1,423,323 options under this scheme. The Holding Company had previously granted 1,004,866, 320,248, 170,799 and 63,000 stock options on 14 May 2015, 19 May 2016, 15 June 2018 and 19 October 2020, respectively. According to the scheme, the employees selected by the Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The other relevant terms of the grants are as below:

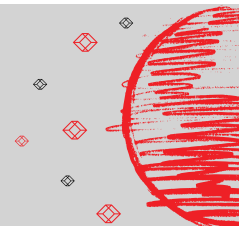
Grant date	19 October 2020	15 June 2018	19 May 2016	14 May 2015
Number of option granted	63,000	170,799	320,248	1,004,866
Vesting period (in years)	3 to 5 years	3 to 5 years	3 to 5 years	3 to 5 years
Exercise period (in years)	2 years from the end of vesting period	2 years from the end of vesting period	2 years from the end of vesting period	2 years from the end of vesting period
Exercise price (₹)	425.00	107.00	55.00	80.00
Fair value at grant date (₹)	215.65	71.65	42.84	32.85

The options are granted at an exercise price, which is in accordance with the relevant Securities and Exchange Board of India (“SEBI”) guidelines in force, at the time of such grants. Further, the Holding Company does not have a past practice of cash settlement for these ESOPs. The Holding Company accounts for the ESOPs as an equity-settled plan.

The details of activity under the ESOP scheme 2015 are summarised below:

Particulars	31 March 2022		31 March 2021	
	No. of options	* WAEP (₹)	No. of options	* WAEP (₹)
Outstanding at the beginning of the year	424,705	124.97	619,262	74.51
Granted during the year	-	-	63,000	425.00
Forfeited during the year	-	-	69,633	107.00
Exercised during the year	284,024	63.35	185,530	65.76
Expired during the year	-	-	2,394	80.00
Outstanding at the end of the year	140,681	241.41	424,705	124.97
Exercisable at the end of the year	9,900	107.00	151,655	62.58

\* WAEP denotes weighted average exercise price of the option



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Weighted average share price for options exercised during the year ended 31 March 2022 is ₹ 1,269.20 (31 March 2021: ₹ 625.85)

The following tables summarises the information about the outstanding options as at 31 March 2022 and 31 March 2021, respectively.

Grant	31 March 2022		
	Grant date	No. of options outstanding	Weighted Average life*
Series 3	15 June 2018	77,681	2.52
Series 4	19 October 2020	63,000	4.56

Grant	31 March 2021		
	Grant date	No. of options outstanding	Weighted Average life*
Series 1	14 May 2015	45,973	1.12
Series 2	19 May 2016	214,566	1.64
Series 3	15 June 2018	101,166	3.22
Series 4	19 October 2020	63,000	5.57

\* Weighted average of remaining contractual life of options outstanding at the end of respective year

For the options outstanding as at 31 March 2022, the exercise price range is ₹ 107.00 to ₹ 425.00 (31 March 2021: ₹ 80.00 to ₹ 425.00).

The weighted average fair value of the stock options outstanding as at 31 March 2022 is ₹ 136.13 (31 March 2021: ₹ 74.26). Options were priced using Black-Scholes-Merton formula.

### Inputs into the model:

Particulars	Grant date			
	19 October 2020	15 June 2018	19 May 2016	14 May 2015
Dividend yield (%)	0.00%	0.00%	0.00%	9.60%
Expected volatility (%)	59.69 - 61.22%	60.04 - 61.19%	55.71 - 60.74%	54.42 - 57.57%
Risk-free interest rate (%)	5.05 - 5.62%	7.87 - 8.04%	7.30 - 7.46%	7.77 - 7.82%
Weighted average share price (₹)	394.30	116.25	68.20	104.15
Exercise price (₹)	425.00	107.00	55.00	80.00
Expected life of options granted (in years)	4.00 - 6.00	4.00 - 6.01	4.00 - 6.00	4.00 - 6.01

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**Volatility :** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility used in Black-Scholes-Merton formula is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The Holding Company considered the daily historical volatility of the Holding Company's stock price on NSE over a period prior to the date of grant, corresponding with the expected life of the options.

**Risk free rate :** The risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on zero coupon yield curve for government securities.

**Expected life of the options :** Expected life of the options is the period for which the Holding Company expects the options to be live. The minimum life of stock options is the minimum period before which the options cannot be exercised and the maximum life of the option is the maximum period after which the options cannot be exercised. The Holding Company has calculated expected life as the average of the minimum and the maximum life of the options.

**Dividend yield:** Expected dividend yield has been calculated by dividing the last declared dividend per share by the market price per share as on the date of grant.

### 35 SEGMENT INFORMATION

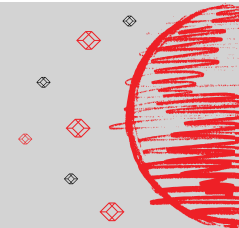
Ind AS 108 "Operating Segments" establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance.

Based on the 'management approach' as defined in Ind AS 108 "Operating Segments", the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographical segments. Accordingly, the information has been presented as business segment and geographical segment. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segment of the Group are:

1. System Integration ("SI") includes enterprise networking, data centers, digital workplace, connected buildings and cyber security.
2. Technology Product Solution ("TPS") includes keyboard, video and mouse (KVM), cables, Internet of Things (IoT), audio video products.
3. Others includes training, consulting and design services.

Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Group level.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### (a) Information about reportable business segments:

₹ in Crores

Particulars	31 March 2022				31 March 2021			
	SI	TPS	Others	Total	SI	TPS	Others	Total
Segment revenue	4,426.93	839.31	103.93	<b>5,370.17</b>	3,878.66	728.85	66.51	<b>4,674.02</b>
Segment results	113.36	27.37	18.44	<b>159.17</b>	229.85	31.83	7.24	<b>268.92</b>
Other income				6.36				11.13
Finance costs				73.60				97.91
<b>Profit before impact of foreign currency transactions and translations, (loss) / gain on financial liability, exceptional items and tax</b>				<b>91.93</b>				<b>182.14</b>
Gain / (loss) on foreign currency transactions and translations (net)				2.60				(12.76)
(Loss) on fair value of financial liability				-				(41.70)
Gain on settlement of financial liability				13.59				-
<b>Profit before exceptional items and tax</b>				<b>108.12</b>				<b>127.68</b>
Exceptional items - expenses (refer note 30)				(22.14)				(31.69)
<b>Profit before tax</b>				<b>85.98</b>				<b>95.99</b>
Tax expense				13.26				17.90
<b>Net profit for the year</b>				<b>72.72</b>				<b>78.09</b>
Depreciation and amortisation expenses				98.60				95.56

### (b) Geographical segment

₹ in Crores

Particulars	31 March 2022	31 March 2021
<b>Revenue from external customers :</b>		
India	311.49	262.05
America	3,741.69	3,429.41
Rest of the world	1,358.64	1,041.44
<b>Total</b>	<b>5,411.82</b>	<b>4,732.90</b>
Less : Inter-segment	(41.65)	(58.88)
<b>Revenue from operations</b>	<b>5,370.17</b>	<b>4,674.02</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

America comprises of North America, Canada and Mexico.

Rest of the world comprising all other places except America and India i.e. Europe, Asia Pacific (“APAC”), Middle East and Africa (“MEA”), South Asian Association for Regional Cooperation (“SAARC”) and Latin America (“LATAM”).

### Notes on segment information:

- 1 The Board considers a business activity focused reporting format to be more meaningful from a management forecasting perspective.
- 2 Assets and liabilities used in the Group’s business are not identifiable to any of the reportable segments, as these are used interchangeably between segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.
- 3 Revenue of ₹ 779.69 Crores equivalent to USD 104.71 million (31 March 2021 : ₹ 787.35 Crores equivalent to USD 106.27 million) is derived from a single external customer, Bank of America and it constitutes more than 10% of the Group’s revenue. This revenue is attributable to SI segment.

### 36 RELATED PARTY DISCLOSURE

In accordance with the requirement of Ind AS 24 “Related Party Disclosures”, name of the related parties, their relationship, transactions and outstanding balances including commitments, with whom transactions have taken place during the reported period are as follows:

#### (I) List of related parties and relationship

##### (i) Ultimate Holding Company:

Essar Global Fund Limited (w.e.f. 20 March 2021 and up to 20 September 2021)

##### (ii) Holding Company:

Essar Telecom Limited (w.e.f. 20 March 2021 and up to 20 September 2021)

##### (iii) Subsidiary companies (including step-down subsidiaries):

Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)

AGC Networks LLC, USA (formerly known as AGC Networks Inc.)

AGC Networks Philippines, Inc.

AGC Networks & Cyber Solutions Limited

AGC Networks LLC, Dubai

AGC Networks LLC, Abu Dhabi

BBX Main Inc.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

BBX Inc.  
Black Box Corporation  
ACS Dataline, LP  
ACS Investors, LLC  
BB Technologies, Inc.  
BBOX Holdings Mexico LLC  
BBOX Holdings Puebla LLC  
Black Box Corporation of Pennsylvania  
Black Box Network Services, Inc. – Government Solutions  
Black Box Services Company  
Delaney Telecom, Inc.  
Norstan Communications, Inc.  
Nu-Vision Technologies, LLC  
Black Box Network Services Australia Pty Ltd  
Black Box GmbH  
Black Box Network Services NV  
Black Box do Brasil Industria e Comercio Ltda.  
Black Box Canada Corporation  
Norstan Canada, Ltd./Norstan Canada, Ltée  
Black Box Holdings Ltd.  
Black Box Chile S.A.  
Black Box E-Commerce (Shanghai) Co., Ltd.  
Black Box A/S  
Black Box Network Services (UK) Limited  
Black Box Finland OY  
Black Box France  
Black Box Deutschland GmbH  
Black Box Network Services India Private Limited  
Black Box Network Services (Dublin) Limited  
Black Box Software Development Services Limited  
Black Box Network Services S.r.l.  
Black Box Network Services Co., Ltd.  
Black Box Network Services Korea Limited  
Black Box Network Services SDN. BHD.  
Black Box de Mexico, S. de R.L. de C.V.  
Black Box International B.V.  
Black Box International Holdings B.V.  
Black Box Network Services New Zealand Limited  
Black Box Norge AS



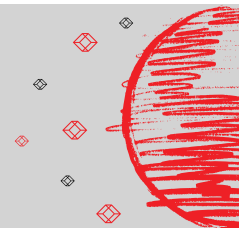
## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Black Box P.R. Corp.  
Black Box Network Services Singapore Pte Ltd  
Black Box Comunicaciones, S.A.  
Black Box Network Services AB  
Black Box Network Services AG  
Black Box Network Services Corporation  
Servicios Black Box S.A. de C.V.  
Black Box Network Services Hong Kong Limited  
Black Box Network Services Philippines Inc. (w.e.f. 01 January 2021)  
Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)  
AGCN Solutions Pte. Limited  
COPC Holdings Inc.  
COPC Inc.  
COPC International Inc.  
COPC Asia Pacific Inc.  
COPC International Holdings LLC  
COPC India Private Limited  
COPC Consultants (Beijing) Co. Limited  
Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited) (w.e.f. 01 July 2020)  
Pyrios Pty Limited (w.e.f. 01 July 2020)  
Fujisoft Security Solutions LLC (w.e.f. 01 July 2020)  
Black Box Technologies LLC (formerly known as Fujisoft Technology LLC) (w.e.f. 01 July 2020)  
Fujisoft Technology LLC, Abu Dhabi (w.e.f. 01 July 2020)  
Service Journey Strategies Inc. (w.e.f. 20 January 2021)  
Black Box DMCC (formerly known as Zservices HQ DMCC) (w.e.f. 01 July 2021) \*  
Black Box Costa Rica S.R.L (w.e.f. 08 October 2021)  
Black Box Network Services Colombia S.A.S. (w.e.f. 25 October 2021)  
Black Box Bangladesh Technologies Private Limited (w.e.f. 21 November 2021)  
Black Box Technologies Group B.V. (w.e.f. 16 December 2021)  
Dragonfly Technologies Pty Ltd (w.e.f. 11 February 2022)  
Cybalt Inc.(w.e.f. 16 February 2022)  
Black Box Products FZE (w.e.f. 24 March 2022)

\* Not consolidated

### **Subsidiary companies dissolved during the year ended 31 March 2021**

AGC Networks New Zealand Limited  
RevealCX LLC  
ACS Communications, Inc.  
CBS Technologies Corp.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### **Related party with whom transactions have taken place**

#### **(iii) Entities under common control:**

Essar Bulk Terminal (Salaya) Limited  
Essar Bulk Terminal Limited  
Essar Bulk Terminal Paradip Limited  
Essar Oil UK Limited  
Essar Shipping Limited  
Essar Projects Limited  
Essar Power Gujarat Limited  
Essar Power Orissa Limited  
Essar Power M P Limited  
Essar Power Hazira Limited  
Essar Electric Power Development Corporation Limited  
Essar Oil and Gas Exploration and Production Limited  
Arkay Logistics Limited  
Mesabi Metallics Company LLC  
EPC Constructions India Limited  
Essar Constructions India Limited  
Essar Power Transmission Company Limited  
Essar Projects PNG Limited  
Essar Steel Metal Trading Limited (Onir Metallics Limited merged with Essar Steel Metal Trading Limited w.e.f. 07 July 2021)  
Essar Capital Advisory India Private Limited  
Essar Capital Mauritius Limited  
Essar Vizag Terminals Limited

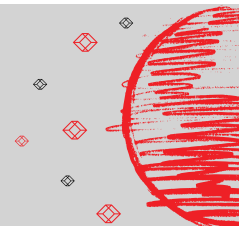
#### **(iv) Key Managerial Personnel:**

Mr. Sanjeev Verma, Whole-time Director  
Mr. Sujay R Sheth, Independent Director  
Mr. Dilip Thakkar, Independent Director  
Ms. Neha Nagpal, Independent Director (w.e.f. 10 September 2020)  
Mrs. Mahua Mukherjee, Executive Director  
Mr. Naresh Kothari, Non-executive Director  
Mr. Anshuman Ruia, Non-executive Director (w.e.f. 10 September 2020)  
Mr. Deepak Kumar Bansal, Chief Financial Officer and Executive Director  
Mr. Aditya Goswami, Company Secretary

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### (II) Transactions during the year with related parties :

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Nature of transaction</b>		
<b>Sale of products *</b>		
Essar Oil UK Limited	-	5.40
Essar Power Hazira Limited	0.12	0.54
Essar Power Gujarat Limited	0.20	0.35
Essar Power Orissa Limited	-	0.01
Essar Bulk Terminal (Salaya) Limited	0.00	0.01
Essar Bulk Terminal Limited	0.60	0.81
Essar Bulk Terminal Paradip Limited	0.01	0.02
Essar Power Transmission Company Limited	0.07	0.08
Essar Capital Advisory India Private Limited	0.12	-
Mesabi Metalics Company LLC	-	2.59
Essar Constructions India Limited	0.16	-
EPC Constructions India Limited	12.20	1.18
Arkay Logistics Limited	-	0.09
Essar Vizag Terminals Limited	0.02	-
	<b>13.50</b>	<b>11.08</b>
<b>Sale of services *</b>		
Essar Oil UK Limited	5.71	3.66
Essar Bulk Terminal Limited	4.13	0.00
Essar Shipping Limited	-	1.06
Essar Power M P Limited	0.00	0.01
Essar Power Hazira Limited	0.03	-
Essar Projects Limited	0.70	0.97
Essar Power Orissa Limited	-	0.35
Essar Power Transmission Company Limited	0.63	0.71
Essar Projects PNG Limited	0.22	0.20
Essar Electric Power Development Corporation Limited	-	0.12
Essar Oil and Gas Exploration and Production Limited	1.49	1.30
Essar Constructions India Limited	1.30	0.99
Essar Capital Advisory India Private Limited	0.01	-
Essar Capital Mauritius Limited	1.51	-
	<b>15.73</b>	<b>9.37</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Loan repaid (including interest)</b>		
Essar Telecom Limited	-	206.11
	-	<b>206.11</b>
<b>Issue of equity shares (including securities premium)</b>		
Essar Telecom Limited	-	152.84
Essar Steel Metal Trading Limited	-	22.57
	-	<b>175.41</b>
<b>Money received against share warrants</b>		
Essar Telecom Limited	-	3.98
Essar Steel Metal Trading Limited	-	8.42
	-	<b>12.40</b>

\* Sale of products and services represent invoices raised during the year and it also includes invoices where revenue recognition has been deferred.

### Notes:

1. Transactions up to the date of cessation or from the date of establishment of related party relationship have been considered for disclosure.
2. Foreign currency transactions are reported in INR using exchange rate at the transaction date.

### (III) Amount due to / from related parties (as at year-end)

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Nature of balances</b>		
<b>Amount payable by Group**</b>		
Essar Constructions India Limited	0.19	-
Essar Oil and Gas Exploration and Production Limited	0.00	-
Essar Bulk Terminal (Salaya) Limited	0.00	-
	<b>0.19</b>	-
<b>Trade receivables</b>		
Essar Shipping Limited	0.29	1.15
Essar Bulk Terminal Limited	0.00	0.04
Essar Bulk Terminal Paradip Limited	0.00	-
Essar Oil UK Limited	0.80	0.58
Essar Power Hazira Limited	0.01	0.10
Essar Power M P Limited	0.00	0.00
Essar Projects Limited	1.25	0.64

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Essar Constructions India Limited	1.64	0.99
Essar Oil and Gas Exploration and Production Limited	-	0.75
Essar Power Transmission Company Limited	0.21	0.79
Essar Projects PNG Limited	0.06	0.07
EPC Constructions India Limited	5.71	0.00
Mesabi Metalics Company LLC	2.65	2.59
Essar Capital Advisory India Private Limited	0.12	-
Essar Capital Mauritius Limited	0.38	-
Essar Vizag Terminals Limited	0.02	-
	<b>13.14</b>	<b>7.70</b>
<b>Other receivable</b>		
Essar Projects Limited	0.29	0.28
	<b>0.29</b>	<b>0.28</b>

Foreign currency balance are restated in INR using year end exchange rate.

\*\* These amounts include trade payables and advance from customers.

#### (IV) Key Management Personnel (“KMP”) compensation:

The following table provides the total value of transactions that have been entered into with KMP for the relevant financial year:

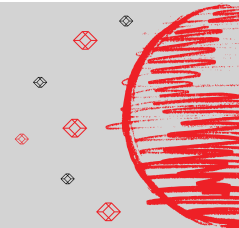
During the current year, Nil (31 March 2021: 63,000) ESOPs are granted to KMP and Nil (31 March 2021: Nil) ESOPs granted to KMP have lapsed.

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
(i) Short term employee benefits	12.23	15.80
(ii) Post employment benefits	-	-
(iii) Other long term benefits (refer note below)	-	-
(iv) Termination benefits	0.55	-
(v) Share based payment	0.45	0.30
(vi) Directors' sitting fees	0.37	0.27
Payable as at year end	-	5.87

**Note:** The remuneration to the KMP does not include the provisions made for gratuity and compensated absences, as they are determined on an actuarial basis for the Group as a whole.

(V) There are no commitments with any related party during the year or as at year end.

(VI) All the related party transactions are made on terms equivalent to those that prevail in an arm's length transactions.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 37 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

#### (A) Contingent liabilities

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
I] In respect of disputed demands for matters under appeal with		
(a) Income tax authorities *	27.14	29.72
(b) Excise, service tax and customs authorities *	18.50	22.20
(c) Sales tax authorities *	10.80	12.06
(d) Claims against the Group not acknowledged as debt	101.24	9.93
II] Form-F pending receipt	0.83	0.83

#### Notes:

- The Group is contesting all of the above demands in respect of Income tax, Excise duty, Service tax, Customs duty and Sales tax and the management believes that its positions are likely to be upheld at the appellate stage. No expense has been accrued in the consolidated financial statements for the aforesaid demands. The management believes that the ultimate outcome of these proceedings are not expected to have a material adverse effect on the Group's financial position and results of operations and hence no provision has been made in this regard.
- It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.
- Refer note 47 for penalty unascertained on account of non-compliance with provisions of Foreign Exchange Management Act, 1999.

\* Amount outstanding as at balance sheet date represents gross demand raised by the tax authorities, as amount paid under protest is not charged to the consolidated statement of profit and loss by the Group.

#### (B) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 0.09 Crores (31 March 2021: ₹ 5.98 Crores).

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 38.1 FINANCIAL INSTRUMENTS

#### a) Categories of financial instruments

₹ in Crores

Particulars	Carrying value and fair value			
	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>				
<b>Non-current</b>				
(a) Other financial assets		23.83		27.90
<b>Current</b>				
(a) Trade receivables		374.21		239.76
(b) Cash and cash equivalents		301.10		357.04
(c) Bank balances other than cash and cash equivalents		10.15		53.25
(d) Other financial assets		604.40		532.85
<b>Financial liabilities</b>				
<b>Non-current</b>				
(a) Borrowings		228.92		119.39
(b) Lease liabilities		116.45		94.18
(c) Other financial liabilities		10.31		86.57
<b>Current</b>				
(a) Borrowings		44.91		56.81
(b) Lease liabilities		90.38		57.77
(c) Trade payables		897.95		515.61
(d) Other financial liabilities	-	287.54	103.22	270.11

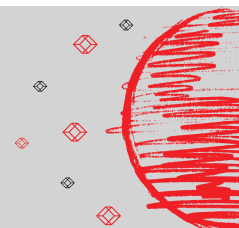
#### b) Fair value hierarchy and method of valuation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

There have been no transfer amongst the levels of fair value hierarchy during the year.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions are used to estimate the fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets / liabilities and borrowings approximate their carrying amounts largely due to short term maturities of these instruments. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counter-party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
3. The fair values for deposits and financial guarantee contract were calculated based on cash flows discounted using lending rate on the date of initial recognition. The lease liability is initially measured at amortised cost at the present value of the future lease payments and are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Accordingly, all these are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
4. The Group has measured warrants at fair value, which is classified as Level 3 hierarchy, as it is based on present value calculations and external valuation models.

### Details of financial assets and liabilities considered under Level 3 classification

	₹ in Crores	
Lease liabilities	31 March 2022	31 March 2021
Balance at the beginning of the year	151.95	133.13
Additions, including reassessment, during the year	122.04	103.92
Repayments during the year	(67.16)	(85.10)
Interest expense recognised in consolidated statement of profit or loss	-	-
<b>Balance at the end of the year</b>	<b>206.83</b>	<b>151.95</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

Warrant liability	₹ in Crores	
	31 March 2022	31 March 2021
Balance at the beginning of the year	103.22	-
Recognised during the year	-	144.92
(Loss) on fair value of financial liability	-	(41.70)
Gain on settlement of financial liability	13.59	-
Repayments during the year	(116.81)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>103.22</b>

The impact of additions, deletions and gain or loss on profit or loss and OCI for security deposits and other payables is negligible.

### 38.2 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### a) Market risk

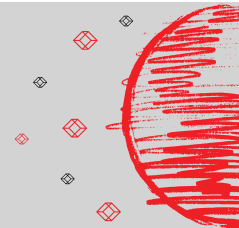
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, foreign currency payables and borrowings.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations.

#### Exposure to interest rate risk

Particulars	₹ in Crores	
	As at 31 March 2022	As at 31 March 2021
<b>Fixed-rate instruments</b>		
Term loan	-	21.22
<b>Total</b>	<b>-</b>	<b>21.22</b>
<b>Variable-rate instruments</b>		
Working capital loan	2.83	-
Cash credit facilities	22.49	16.43
Term loans and working capital term loan	248.51	138.55
<b>Total</b>	<b>273.83</b>	<b>54.98</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit or loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	₹ in Crores	
	Gain / (loss) on profit or loss before tax	
	31 March 2022	31 March 2021
Interest rate increase by 50 basis points	(1.37)	(0.77)
Interest rate decrease by 50 basis points	1.37	0.77

### c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

#### Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, forward looking macroeconomic information, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The expected credit loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Outstanding customer receivables are regularly monitored.

#### Other financial assets

The Group periodically monitors the recoverability and credit risks of its other financial assets. The Group evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

The credit risk for cash and cash equivalents, bank balances other than cash and cash equivalents is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

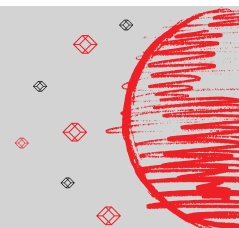
### Expected credit loss for trade receivables

₹ in Crores					
As at 31 March 2022	0-30 days	31-60 days	61-90 days	More than 90 days	Credit impaired
<b>Gross trade receivables</b>	<b>268.83</b>	<b>28.12</b>	<b>20.54</b>	<b>166.26</b>	<b>7.56</b>
Less: Trade receivables from group companies	1.94	0.01	0.38	10.82	-
<b>Net trade receivables</b>	<b>266.89</b>	<b>28.11</b>	<b>20.16</b>	<b>155.44</b>	<b>7.56</b>
Expected loss rates	1.21%	1.46%	10.91%	66.72%	100.00%
<b>Expected credit loss</b>	<b>3.22</b>	<b>0.41</b>	<b>2.20</b>	<b>103.71</b>	<b>7.56</b>

₹ in Crores					
As at 31 March 2021	0-30 days	31-60 days	61-90 days	More than 90 days	Credit impaired
<b>Gross trade receivables</b>	<b>161.85</b>	<b>30.30</b>	<b>10.55</b>	<b>149.60</b>	<b>43.68</b>
Less: Trade receivables from group companies	4.46	0.98	0.48	1.78	-
<b>Net trade receivables</b>	<b>157.39</b>	<b>29.32</b>	<b>10.07</b>	<b>147.82</b>	<b>43.68</b>
Expected loss rates	0.89%	1.09%	7.85%	74.44%	100.00%
<b>Expected credit loss</b>	<b>1.40</b>	<b>0.32</b>	<b>0.79</b>	<b>110.03</b>	<b>43.68</b>

The following table summarises the change in the loss allowance measured using expected credit loss model:

₹ in Crores		
Lease liabilities	31 March 2022	31 March 2021
<b>At the beginning of the year</b>	<b>156.22</b>	<b>133.53</b>
Provision made during the year (net)	15.80	28.40
Reversal during the year	(37.56)	-
Exchange differences	(17.36)	(5.71)
<b>At the end of the year</b>	<b>117.10</b>	<b>156.22</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

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

Particulars	31 March 2022	31 March 2021
Revenue from top customer	15%	17%
Revenue from top five customers	23%	24%

### d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for financial liabilities as well as forecast cash inflow and outflows due in day to day business. In addition, processes and policies related to such risks are overseen by senior management.

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

Maturity profile of financial liabilities:

₹ in Crores

As at 31 March 2022	On Demand	Less than one year	One to five years	More than five years	Total
Borrowings	22.49	19.59	228.92	-	271.00
Lease liabilities	-	90.38	121.17	55.65	267.20
Trade payables	-	897.95	-	-	897.95
Other financial liabilities	0.18	287.36	10.31	-	297.85
<b>Total</b>	<b>22.67</b>	<b>1,295.28</b>	<b>360.40</b>	<b>55.65</b>	<b>1,734.00</b>

₹ in Crores

As at 31 March 2021	On Demand	Less than one year	One to five years	More than five years	Total
Borrowings	16.43	40.38	119.39	-	176.20
Lease liabilities	-	57.77	104.96	30.50	193.23
Trade payables	-	515.61	-	-	515.61
Other financial liabilities	0.18	373.15	86.57	-	459.90
<b>Total</b>	<b>16.61</b>	<b>986.91</b>	<b>310.92</b>	<b>30.50</b>	<b>1,344.94</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 38.3 Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group procures products and services in their respective local currency and in case of imports, it primarily deals in United States Dollars (“USD”). The Group has mainly foreign currency trade payables and other receivables which are unhedged and exposed to foreign currency risk.

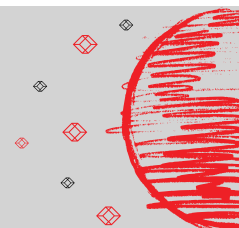
The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.

The Group’s exposure to foreign currency risk at the end of the reporting period are as under:

Particulars	31 March 2022						31 March 2021					
	USD	AED	SAR	GBP	SGD	Others	USD	AED	SAR	GBP	SGD	Others
<b>Financial assets</b>												
Trade receivables	12.53	15.32	1.88	8.33	-	3.15	22.76	18.33	2.75	4.36	-	4.33
Cash and cash equivalents and bank balances other than cash and cash equivalents	0.20	0.52	-	0.68	0.17	0.91	3.70	0.19	-	-	-	7.14
<b>Exposure to foreign currency risk on financial assets</b>	<b>12.73</b>	<b>15.84</b>	<b>1.88</b>	<b>9.01</b>	<b>0.17</b>	<b>4.06</b>	<b>26.46</b>	<b>18.52</b>	<b>2.75</b>	<b>4.36</b>	<b>-</b>	<b>11.47</b>
<b>Financial liabilities</b>												
Trade payables	28.62	4.34	0.12	5.96	0.58	0.47	21.98	4.58	1.84	3.60	2.41	14.85
Other financial liabilities *	0.30	-	-	-	-	-	0.52	-	-	-	-	-
<b>Exposure to foreign currency risk on financial liabilities</b>	<b>28.92</b>	<b>4.34</b>	<b>0.12</b>	<b>5.96</b>	<b>0.58</b>	<b>0.47</b>	<b>22.50</b>	<b>4.58</b>	<b>1.84</b>	<b>3.60</b>	<b>2.41</b>	<b>14.85</b>
<b>Net exposure to foreign currency risk</b>	<b>(16.19)</b>	<b>11.50</b>	<b>1.76</b>	<b>3.05</b>	<b>(0.41)</b>	<b>3.59</b>	<b>3.96</b>	<b>13.94</b>	<b>0.91</b>	<b>0.76</b>	<b>(2.41)</b>	<b>(3.38)</b>

Group has accumulated net exposure to foreign currency risk amounting to ₹ 3.30 Crores (31 March 2021 : ₹ 13.78 Crores).

\* Includes provision for expenses, billing of which is pending as at reporting date and will be billed in currency other than reporting currency.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD, United Arab Emirates Dirham (“AED”), Saudi Riyal (“SAR”), Great Britain Pound (“GBP”), Singapore Dollar (“SGD”) and other currencies with all other variables held constant. The below impact on the Group’s profit or loss before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities as at consolidated balance sheet date:

₹ in Crores

Particulars	Impact on profit or loss for the year ended	
	31 March 2022	31 March 2021
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	(0.81)	0.20
Decrease by 5%	0.81	(0.20)
<b>AED sensitivity</b>		
INR / AED		
Increase by 5%	0.58	0.70
Decrease by 5%	(0.58)	(0.70)
<b>SAR sensitivity</b>		
INR / SAR		
Increase by 5%	0.09	0.05
Decrease by 5%	(0.09)	(0.05)
<b>GBP sensitivity</b>		
INR / GBP		
Increase by 5%	0.15	0.04
Decrease by 5%	(0.15)	(0.04)
<b>SGD sensitivity</b>		
INR / SGD		
Increase by 5%	(0.02)	(0.12)
Decrease by 5%	0.02	0.12
<b>Others sensitivity</b>		
INR / Other		
Increase by 5%	0.18	(0.17)
Decrease by 5%	(0.18)	0.17

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 39 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

#### Gearing ratio:

₹ in Crores

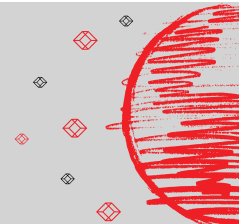
Particulars	31 March 2022	31 March 2021
Borrowings	273.83	176.20
Other financial liabilities	0.18	16.57
<b>Total debt</b>	<b>274.01</b>	<b>192.77</b>
Less: Cash and cash equivalents and bank balances other than cash and cash equivalents	311.25	410.29
<b>Net debt #</b>	<b>(37.24)</b>	<b>(217.52)</b>
Total equity	260.40	206.70
<b>Total capital</b>	<b>260.40</b>	<b>206.70</b>
<b>Gearing ratio (in %)</b>	<b>(14.30)%</b>	<b>(105.24)%</b>

# Net debt for the above purpose includes borrowings, current maturities of long-term debt, interest accrued on borrowings and amount payable for letter of credit net of cash and cash equivalents and bank balances other than cash and cash equivalents.

### 40 LEASES

The disclosures required in accordance with Ind AS 116 "Leases" are as follows:

- The Group's leased assets consists of leases for buildings, furniture, computers and servers, plant and equipment, office equipment and vehicles, having different lease terms. There are several lease agreements with extension and termination options, for which management exercise significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Group has opted to include such extended term and ignore termination option in determination of lease term.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

		₹ in Crores	
b) Particulars	31 March 2022	31 March 2021	
Depreciation of ROU assets	56.32	62.69	
Interest expense on lease liabilities	17.75	12.19	
Expense relating to short term leases	2.42	2.84	
Total cash outflow for leases (including interest)	67.16	85.10	
Additions to ROU assets	108.30	107.39	

c) Amounts recognised in consolidated balance sheet:

		₹ in Crores	
Particulars	31 March 2022	31 March 2021	
<b>Carrying amount of ROU assets</b>			
Buildings	158.81	117.73	
Furniture	3.93	-	
Computers and servers	2.54	1.07	
Plant and equipment	7.85	5.95	
Office equipment	14.19	14.56	
Vehicles	7.00	6.34	
<b>Lease liabilities</b>			
Non-current	116.45	94.18	
Current	90.38	57.77	

The incremental borrowing rate applied to lease liabilities ranges from 5.50% to 17.00% p.a. (31 March 2021 : 6.00% to 17.00% p.a.)

d) The details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis are as follows:

		₹ in Crores	
Particulars	31 March 2022	31 March 2021	
Within one year	90.38	57.77	
Later than one year and not later than five years	121.17	104.96	
Later than five years	55.65	30.50	

**Additional information**

1. The Group has not earned gain or incurred loss from sale and lease back transaction.
2. There are no significant restrictions or covenants imposed on leases.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**e) Group as a lessor:**

Lease rental receipts recognised in the consolidated statement of profit and loss, being short term in nature, is ₹ 0.05 Crores (31 March 2021: ₹ 0.03 Crores).

### 41 REVENUE FROM CONTRACTS WITH CUSTOMERS

The outstanding balance of net trade receivables and contract assets is presented in below table:

Particulars	₹ in Crores	
	As at 31 March 2022	As at 31 March 2021
Trade receivables (net)	374.21	239.76
Contract assets	44.46	3.67

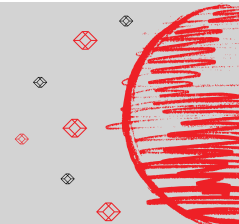
**a) Performance obligations:**

The performance obligation of Group is satisfied at a point in time or period of time depending on the nature of products and services provided.

- 1) Revenue from sale of products:** It includes IT infrastructure, speciality networking, multimedia, KVM Switching, unified and voice communication solutions, IP Phones, data products, video conferencing products and cyber security solutions. Revenue is recognised at a point in time, which is generally on the delivery of product.
- 2) Revenue from implementation contracts:** It includes implementation services on products (including installation and commissioning). Revenue is recognised in the accounting period in which services are rendered, as the performance obligations are met.
- 3) Revenue from maintenance contracts:** Revenue from fixed maintenance contracts is recognised based on time elapsed and revenue is straight lined over the period of the performance or on the performance of services as specified in the contract.

**b) Changes in contract liabilities are as follows:**

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Balance at the beginning of the year</b>	<b>524.86</b>	<b>468.06</b>
Net revenue recognised that was included in the balance at the beginning of the year	(500.11)	(404.89)
Net invoicing during the year, excluding amounts recognised as revenue during the year	501.52	461.69
<b>Balance at the end of the year</b>	<b>526.27</b>	<b>524.86</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### c) Changes in contract assets are as follows:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
<b>Balance at the beginning of the year</b>	<b>3.67</b>	<b>13.95</b>
Invoices raised that were included in the contract assets balance at the beginning of the year	(3.67)	(13.95)
Increase due to revenue recognised during the year, excluding amounts billed during the year	44.46	3.67
<b>Balance at the end of the year</b>	<b>44.46</b>	<b>3.67</b>

### d) Timing of revenue recognition:

Particulars	₹ in Crores	
	31 March 2022	31 March 2021
Transferred at a point in time	4,250.13	3,924.47
Transferred over time	1,073.44	716.55

### e) Remaining performance obligation

As at 31 March 2022, the aggregate amount of transaction price allocated to remaining performance obligations is ₹ 526.27 Crores of which approximate 90.31% is expected to be recognised as revenue within one year.

## 42 BUSINESS COMBINATIONS

### **Black Box Technologies LLC (formerly known as Fujisoft Technology LLC (Dubai)), Fujisoft Security Solutions LLC (Dubai) and Fuji Soft Technology LLC (Abu Dhabi) (“Fujisoft”)**

On 31 May 2020, Black Box Holdings Limited (“BBHL”), step-down subsidiary of the Company, had entered into a share purchase agreement to acquire 100% holding of Black Box Technologies LLC (Dubai), Fujisoft Security Solutions LLC (Dubai) and Fuji Soft Technology LLC (Abu Dhabi) for a total consideration of AED 9,866,353. This acquisition was completed on 31 August 2020 with the effective date being 1 July 2020.

### **Pyrios Pty Limited and Pyrios Limited (“Pyrios”)**

On 10 June 2020, Black Box Networks Services Australia Pty Ltd, step-down subsidiary of the Company, had entered into a share purchase agreement with Agile Group Limited to acquire 100% holding in Pyrios Pty Limited, Australia for a total consideration of USD 800,000. This acquisition was completed on 13 August 2020 with the effective date being 1 July 2020.

On 10 June 2020, Black Box Networks Services New Zealand Ltd, step-down subsidiary of the Company, had entered into a share purchase agreement with Agile Group Limited to acquire 100% holding in Pyrios Limited, New Zealand for a total purchase consideration of USD 1,950,000 with USD 700,000 of the consideration payable on the completion of acquisition and the balance as deferred consideration. Out of the deferred consideration,

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

USD 750,000 is payable after 6 months and USD 500,000 after 18 months from the completion of acquisition. This acquisition was completed on 13 August 2020 with the effective date being 1 July 2020.

### Mobiquest Solutions Pte Limited (“Mobiquest”)

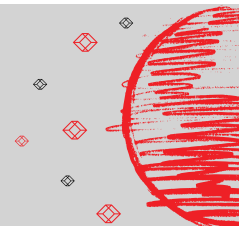
Black Box Network Services Singapore Pte Limited, step-down subsidiary of the Company, had entered into an Asset Purchase Agreement on 18 September 2020 to acquire certain assets of Mobiquest Solutions Pte Limited for a purchase consideration of USD 400,000. The acquisition was effective from 1 October 2020.

### Dragonfly Technologies Pty Ltd (“Dragonfly”)

Black Box Technologies Australia Pty Ltd, step-down subsidiary of the Holding Company, has entered into a share purchase agreement to acquire 100% of share capital of Dragonfly Technologies Pty Ltd (“Target Company”), incorporated in the Australia, for a total consideration of AUD 5.91 million. 11 February 2022 is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the consolidated financial statement.

The details of financial information are as provided below:

Particulars	₹ in Crores			
	31 March 2022	31 March 2021		
	Dragonfly	Fujisoft	Pyrios	Mobiquest
<b>Assets</b>				
Property, plant and equipment	0.33	3.66	0.26	-
Other intangible assets	8.18	7.13	1.79	0.93
Trade receivables	3.14	15.57	18.24	1.48
Inventories	-	2.73	3.06	-
Cash and cash equivalents	8.07	5.80	2.18	-
Other assets (including financial assets)	0.11	4.58	12.58	-
<b>Total assets</b>	<b>19.83</b>	<b>39.47</b>	<b>38.11</b>	<b>2.41</b>
<b>Liabilities</b>				
Borrowings	2.83	-	-	-
Trade payables	3.20	16.66	9.42	1.90
Tax liabilities	1.28	0.01	-	-
Other payables (including financial liabilities and provisions)	0.06	3.64	31.78	-
Provisions	2.33	-	7.47	-
<b>Total liabilities</b>	<b>9.70</b>	<b>20.31</b>	<b>48.67</b>	<b>1.90</b>
<b>Fair value of net assets acquired</b>	<b>10.13</b>	<b>19.16</b>	<b>(10.56)</b>	<b>0.51</b>
<b>Purchase consideration</b>	<b>33.45</b>	<b>25.47</b>	<b>19.95</b>	<b>2.96</b>
<b>Goodwill on acquisition</b>	<b>23.32</b>	<b>6.31</b>	<b>30.51</b>	<b>2.45</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

**43** As per the transfer pricing rules, the Group has examined international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustments with regard to the transactions involved.

**44** As per Ind AS 12 “Income Taxes”, a deferred tax asset (‘DTA’) shall be recognised for the carry forward of unused tax loss, unused tax credits and taxable timing differences to the extent it is probable that future taxable profit will be available against which the unused tax loss, unused tax credits and taxable timing differences can be utilised. Accordingly, DTA has been recognised.

### **45 TRADE RECEIVABLES SECURITISATION**

On 27 December 2019, BBX had entered into a non-recourse accounts receivable securitisation program for the sale of both billed and unbilled receivables originated by BBX’s subsidiaries in the United States and the United Kingdom to an unaffiliated third party. The securitisation program allows availability up to \$90 million to BBX. Additionally, BBX entered into \$15 million term loan facility that is secured by one of the tranches in the securitisation program. The proceeds from the sale of receivables and term loan were used to pay off all outstanding loans from the former lenders. The securitisation program expires on 27 December 2022.

### **46 ENTITY RESTRUCTURING**

#### **During the year ended 31 March 2022**

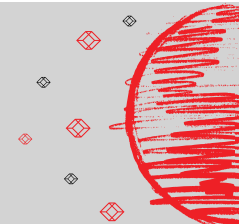
- a) Black Box Holdings Limited (‘BBHL’), step-down subsidiary of the Holding Company, had entered into a share purchase agreement with Z Services Holding Ltd., a BVI business company incorporated in the British Virgin Islands (‘seller’) on 11 March 2021, to acquire 76% of share capital of Zservices HQ DMCC (‘Target Company’), limited liability company incorporated under laws of Dubai Multi Commodities Centre (‘DMCC’), for a total consideration of USD 3.94 Million, payable on closing of transaction or acquisition. The acquisition was initially effective from 01 April 2021. Based on the updated terms, the valuation of the Target Company has been adjusted and seller has compensated BBHL by allowing it to increase its shareholding in Target Company from 76% to 86%, and at revised consideration of USD 3.44 Million. The revised effective date of acquisition is 01 July 2021. The Holding Company is awaiting the final amendment agreement to evaluate fair valuation of assets and liabilities and for Purchase Price Allocation (‘PPA’). The name of Target Company has changed to Black Box DMCC.
- b) Black Box Technologies Australia Pty Ltd, step-down subsidiary of the Holding Company, has entered into a share purchase agreement to acquire 100% of share capital of Dragonfly Technologies Pty Ltd (‘Target Company’), incorporated in the Australia, for a total consideration of AUD 5.91 million. 11 February 2022 is considered to be the date of transfer of control or the date of acquisition, as per Ind AS 103, and necessary effects have been recognised in the consolidated financial statements.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### During the year ended 31 March 2021

- a) A stock purchase agreement was executed between Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) (“BBX Singapore”), wholly owned subsidiary of the Holding Company, Norstan Communication Inc. (“Norstan”), step-down subsidiary of the Holding Company and BBX, wherein BBX Singapore had sold 100% holding of AGC Networks LLC (“AGC USA”) to Norstan effective on 31 March 2020 as of 11:59:59 p.m. On 1 April 2020, AGC USA transferred its ownership interest in COPC to Norstan, and Norstan transferred its ownership interest in COPC Holdings Inc. (“COPC”) to BBX. As a result of which, AGC USA and COPC become step-down subsidiaries of BBX.
  - b) The Holding Company had invested ₹ 160.26 Crores in BBX Singapore through Overseas Direct Investment route during February and March 2021.
  - c) The Holding Company had sold all the shares held in Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited) to Black Box Corporation of Pennsylvania, step-down subsidiary of the Holding Company for a total purchase consideration of ₹ 16.35 Crores. The effective date was 01 January 2021.
  - d) AGC Networks New Zealand Limited, step-down subsidiary of the Holding Company, incorporated on 1 November 2018 under the New Zealand Companies Act, 1993 stands dissolved w.e.f. 30 October 2020.
- 47** The outstanding balance (before eliminating inter-company balances) of trade payables, trade receivables and other financial assets as at 31 March 2022 includes amount payable aggregating to ₹ 13.00 Crores and amount receivable aggregating to ₹ 16.44 Crores and ₹ 11.36 Crores, respectively, to / from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Holding Company and its subsidiary companies, incorporated in India have filed necessary application with AD Category – I bank (‘AD Bank’) for extension of time limit on payables aggregating to ₹ 11.96 Crores during the current period and on payables aggregating to ₹ 1.04 Crores subsequent to 31 March 2022. Similarly, the Holding Company and its subsidiary companies, incorporated in India, have filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to ₹ 16.53 Crores during the current period and on receivables aggregating to ₹ 11.27 Crores subsequent to 31 March 2022. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the consolidated financial statements does not include any adjustments that may arise due to such delays.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- 48** The spread of COVID-19, a pandemic caused by the novel Coronavirus has impacted global economy and way of doing business. Majority of the countries across the world had announced a series of lock-down measures starting in January 2020 which have been extended from time to time. With the change in global circumstances, governments have issued directives which indicate calibrated and gradual or complete withdrawal of lockdown and partial or complete resumption of economic activity depending on the severity of the disruption caused in respective countries. The business and operations have returned to normalcy to pre-covid level and there is no impact of pandemic on the consolidated financial statement for the year ended 31 March 2022. However, the Holding Company's management is continuously monitoring the current COVID-19 developments and possible effects that may result from the current pandemic on its financial conditions, liquidity, operations and actively working in minimizing the impact of this unprecedented situation.
- 49** During year ended 31 March 2022, Black Box Corporation has entered into a contract to premature the warrant agreement with Pathlight Capital Fund LLP, executed in pursuance of credit agreement, by buying back the warrants for a value of ₹ 89.71 Crores (equivalent to USD 12.25 Million).
- 50** The Holding Company had filed claim before National Company Law Tribunal ("NCLT"), Mumbai, towards recovery of dues from EPC Constructions India Limited ("EPCCIL" or "Corporate Debtor") on account of services rendered by the Holding Company to EPCCIL during its Corporate Insolvency Resolution Process ("CIRP") period commencing from April 2018.

NCLT vide its order dated 08 June 2021, uploaded on its website on 26 June 2021, had directed EPCCIL to make payment of all outstanding dues to the Holding Company within a period of 3 months from the date of receipt of the aforesaid order and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Holding Company. Subsequently, on appeal filed by EPCCIL challenging the aforesaid order, National Company Law Appellate Tribunal ("NCLAT"), New Delhi had passed an order dated 28 September 2021 in favour of the Holding Company and had directed EPCCIL to pay ₹ 4.50 Crores (inclusive of ₹ 1.00 Crore already paid in the month of June 2019) to the Holding Company within a period of 2 months from the date of this order and had further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Holding Company.

Subsequent to 31 March 2022, the Holding Company and EPCCIL have arrived at an amicable settlement whereby EPCCIL has agreed to make payment of entire outstanding principal amount of ₹ 5.50 Crores (inclusive of taxes) in three monthly instalments subject to fulfilment of conditions attached to the settlement arrangement and shall continue to pay revised monthly charges of ₹ 0.20 Crores per month (earlier ₹ 0.25 Crores per month) to the Holding Company effective May 2022. In lieu of the same, the Holding Company has agreed to waive claim of interest amounting to ₹ 1.50 Crores and accordingly charged off the same in the consolidated statement of profit and loss.

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

- 51** Pursuant to approval of the members received on 20 April 2022, the Holding Company has sub-divided its equity shares of ₹ 10 each into equity share of ₹ 2 each. As a result, each equity share of ₹ 10 is sub-divided into 5 (five) equity shares of ₹ 2 each. Consequently, the basic and diluted earnings per share have been computed for all the periods on the basis of the new number of equity shares in accordance with Ind AS 33 “Earnings per Share”.
- 52** During the year ended 31 March 2022, Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited) (Dubai branch), step-down subsidiary of the Holding Company, has assigned certain trade receivables to Peregrine Opportunities Growth Fund Limited (the ‘buyer’) amounting to ₹ 37.56 Crores (equivalent to USD 5.05 million) for purchase consideration of ₹ 15.12 Crores (equivalent to USD 2.00 million). The aforesaid consideration is receivable in four instalments of ₹ 1.51 Crores (equivalent to USD 0.20 million), ₹ 3.02 Crores (equivalent to USD 0.40 million), ₹ 6.05 Crores (equivalent to USD 0.80 million), and ₹ 4.54 Crores (equivalent to USD 0.60 million) on 31 October 2021, 31 March 2022, 31 December 2022 and 31 March 2023, respectively. Accordingly, the Group has reversed the entire allowance for expected credit loss of ₹ 37.56 Crores towards the aforementioned trade receivables and derecognised trade receivables of ₹ 37.56 Crores and recognised receivables from the buyer towards aforementioned purchase consideration at present value of ₹ 14.21 Crores on the initial recognition date. The difference between the consideration receivable and the carrying value of trade receivables is recognised in the consolidated statement of profit and loss during the year ended 31 March 2022. Further, the unwinding of discount on the above receivable will be recognised in the consolidated statement of profit and loss over the period of agreement and will be classified as interest income. The Group considers the aforementioned receivables from the buyer, good and recoverable as at the reporting date, i.e., 31 March 2022 and these receivables are shown as ‘Other financial assets’ in the consolidated financial statements.



**53 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF COMPONENTS CONSOLIDATED AS SUBSIDIARY**

**For the period 31 March 2022**

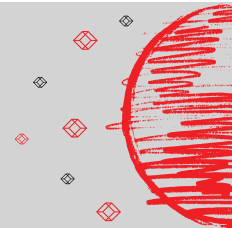
Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
<b>Parent</b>								
Black Box Limited (formerly known as AGC Networks Limited)	109.54%	285.25	7.99%	5.81	-2.36%	0.50	12.28%	6.31
<b>Subsidiaries</b>								
<b>Indian</b>								
Black Box Network Services India Private Limited	9.92%	25.84	10.48%	7.62	0.09%	-0.02	14.78%	7.60
COPC India Private Limited	-1.89%	(4.92)	-4.39%	(3.20)	0.00%	0.00	-6.22%	(3.20)
<b>Foreign</b>								
Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	75.38%	196.28	29.05%	21.13	-26.85%	5.72	52.22%	26.85
AGC Networks Philippines, Inc.	0.83%	2.16	-0.29%	(0.21)	0.56%	(0.12)	-0.64%	(0.33)
AGC Networks & Cyber Solutions Limited	-4.93%	(12.83)	-3.91%	(2.84)	1.69%	(0.36)	-6.22%	(3.20)
AGC Networks LLC, Dubai	30.79%	80.17	38.11%	27.71	-10.09%	2.15	58.08%	29.86
AGC Networks LLC, Abu Dhabi	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BBX Main Inc.	-19.68%	(51.24)	-13.63%	(9.91)	38.53%	(8.21)	-35.24%	(18.12)
Cyball Inc.	-2.55%	(6.63)	-9.06%	(6.59)	0.19%	(0.04)	-12.90%	(6.63)
Black Box Bangladesh Technologies Private Limited	0.14%	0.37	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Corporation	176.71%	460.14	1.03%	0.75	0.00%	0.00	1.46%	0.75
ACS Dataline, LP	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
ACS Investors, LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BB Technologies, Inc.	-50.45%	(131.36)	-0.61%	(0.45)	0.00%	0.00	-0.87%	(0.45)
BBOX Holdings Mexico LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BBOX Holdings Puebla LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box A/S	4.88%	12.70	-1.17%	(0.85)	0.00%	0.00	-1.65%	(0.85)
Black Box Canada Corporation	14.30%	37.25	1.27%	0.92	0.00%	0.00	1.80%	0.92



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
Black Box Chile S.A.	10.98%	28.58	2.89%	2.10	0.00%	0.00	4.09%	2.10
Black Box Comunicaciones, S.A.	13.74%	35.78	-0.60%	(0.44)	0.00%	0.00	-0.85%	(0.44)
Black Box Corporation of Pennsylvania	904.10%	2,354.29	20.27%	14.74	-0.09%	0.02	28.72%	14.76
Black Box de Mexico, S. de R. L. de C.V.	-29.02%	(75.56)	-0.18%	(0.13)	0.00%	0.00	-0.26%	(0.13)
Black Box Deutschland GmbH	14.06%	36.62	0.33%	0.24	0.00%	0.00	0.46%	0.24
Black Box do Brasil Industria e Comercio Ltda.	-3.72%	(9.70)	3.40%	2.47	0.00%	0.00	4.81%	2.47
Black Box E-Commerce (Shanghai) Co., Ltd.	-2.07%	(5.40)	0.45%	0.33	-0.14%	0.03	0.70%	0.36
Black Box Finland OY	16.00%	41.66	0.51%	0.37	0.00%	0.00	0.72%	0.37
Black Box France	27.76%	72.30	-0.46%	(0.34)	0.00%	0.00	-0.65%	(0.34)
Black Box GmbH	0.02%	0.04	0.35%	0.25	0.00%	0.00	0.49%	0.25
Black Box Holdings Ltd.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box International B.V.	46.14%	120.14	10.60%	7.71	0.00%	0.00	15.00%	7.71
Black Box International Holdings B.V.	32.42%	84.41	-2.38%	(1.73)	0.00%	0.00	-3.36%	(1.73)
Black Box Network Services (Dublin) Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services (UK) Limited	-18.81%	(48.98)	0.69%	0.50	0.00%	0.00	0.97%	0.50
Black Box Network Services AB	26.10%	67.97	0.91%	0.66	0.00%	0.00	1.29%	0.66
Black Box Network Services AG	-3.24%	(8.44)	-0.36%	(0.26)	0.00%	0.00	-0.51%	(0.26)
Black Box Network Services Australia Pty Ltd	7.50%	19.53	-0.42%	(0.31)	0.00%	0.00	-0.59%	(0.31)
Black Box Network Services Co., Ltd.	21.21%	55.22	-2.17%	(1.58)	0.00%	0.00	-3.07%	(1.58)
Black Box Network Services Corporation	-1.02%	(2.65)	-1.23%	(0.89)	0.00%	0.00	-1.74%	(0.89)
Black Box Network Services, Inc. – Government Solutions	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services Korea Limited	-0.49%	(1.29)	0.52%	0.38	0.00%	0.00	0.74%	0.38



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
Black Box Network Services New Zealand Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services NV	-15.77%	(41.05)	-1.73%	(1.26)	0.00%	0.00	-2.45%	(1.26)
Black Box Network Services S.r.l.	-24.25%	(63.14)	-0.01%	(0.01)	0.00%	0.00	-0.01%	(0.01)
Black Box Network Services SDN. BHD.	2.74%	7.15	0.18%	0.13	0.00%	0.00	0.26%	0.13
Black Box Network Services Singapore Pte Ltd	11.81%	30.75	-12.50%	(9.09)	0.00%	0.00	-17.68%	(9.09)
Black Box Norge AS	22.26%	57.96	4.37%	3.18	0.00%	0.00	6.19%	3.18
Black Box P.R. Corp.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Services Company	-1004.11%	(2,614.71)	-36.41%	(26.48)	0.00%	0.00	-51.50%	(26.48)
Black Box Software Development Services Limited	-26.94%	(70.16)	5.77%	4.19	0.00%	0.00	8.16%	4.19
Delaney Telecom, Inc.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Norstan Canada, Ltd./ Norstan Canada, Ltée	63.40%	165.10	2.25%	1.64	0.00%	0.00	3.19%	1.64
Norstan Communications, Inc.	5.73%	14.91	37.02%	26.92	110.34%	(23.51)	6.64%	3.41
Nu-Vision Technologies, LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BBX Inc.	78.00%	203.12	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	15.64%	40.73	1.66%	1.21	-12.01%	2.56	7.33%	3.77
AGC Networks LLC, USA (formerly known as AGC Networks Inc.)	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
AGCN Solutions Pte. Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Technologies LLC (formerly known as Fujisoft Technology LLC)	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services Philippines Inc.	-0.27%	(0.70)	-2.36%	(1.71)	0.00%	0.00	-3.33%	(1.71)
COPC Holdings Inc.	-15.02%	(39.11)	-1.36%	(0.99)	0.00%	0.00	-1.93%	(0.99)

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
COPC Inc.	4.80%	12.49	5.77%	4.19	0.00%	0.00	8.16%	4.19
COPC Consultants (Beijing) Co. Limited	6.25%	16.27	8.66%	6.29	0.00%	0.00	12.24%	6.29
COPC International Holdings LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
COPC International Inc.	29.78%	77.55	18.87%	13.72	0.00%	0.00	26.69%	13.72
COPC Asia Pacific Inc.	-3.60%	(9.37)	0.53%	0.39	0.00%	0.00	0.75%	0.39
Service Journey Strategies Inc.	-1.81%	(4.72)	-3.90%	(2.84)	0.00%	0.00	-5.52%	(2.84)
Fujisoft Technology LLC, Abu Dhabi	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Fujisoft Security Solutions LLC	7.33%	19.09	-14.44%	(10.50)	0.00%	0.00	-20.43%	(10.50)
Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited)	2.33%	6.08	0.00%	0.00	0.00%	0.00	0.00%	0.00
Pyrios Pty Limited	5.74%	14.96	-0.78%	(0.57)	0.00%	0.00	-1.10%	(0.57)
Dragonfly Technologies Pty Ltd	17.15%	44.66	0.37%	0.27	0.00%	0.00	0.52%	0.27
Black Box Network Services Hong Kong Limited	0.01%	0.02	0.04%	0.03	0.14%	(0.03)	0.00%	0.00
Servicios Black Box S.A. de C.V.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Costa Rica S.R.L.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services Colombia S.A.S.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Technologies Group B.V.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Products FZE	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Sub Total</b>	<b>585.87%</b>	<b>1,525.60</b>	<b>100.00%</b>	<b>72.72</b>	<b>100.00%</b>	<b>(21.31)</b>	<b>100.00%</b>	<b>51.41</b>
Add / (Less) : Effect of Inter Company elimination / adjustment	-485.87%	(1,265.20)	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Total</b>	<b>100.00%</b>	<b>260.40</b>	<b>100.00%</b>	<b>72.72</b>	<b>100.00%</b>	<b>(21.31)</b>	<b>100.00%</b>	<b>51.41</b>

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

### ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF COMPONENTS CONSOLIDATED AS SUBSIDIARY

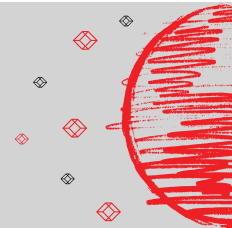
For the period 31 March 2021

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
<b>Parent</b>								
AGC Networks Limited	133.84%	276.64	-2.38%	(1.86)	0.28%	0.32	-0.79%	(1.54)
<b>Subsidiaries</b>								
<b>Indian</b>								
Black Box Network Services India Private Limited	8.82%	18.24	-3.24%	-2.53	-0.12%	(0.14)	-1.38%	-2.67
COPC India Private Limited	-0.79%	(1.63)	-1.57%	(1.22)	0.01%	0.01	-0.63%	(1.21)
<b>Foreign</b>								
AGC Networks Pte. Limited	81.99%	169.48	-8.93%	(6.97)	8.99%	10.38	1.76%	3.41
AGC Networks Philippines, Inc.	1.20%	2.49	1.65%	1.29	0.00%	0.00	0.67%	1.29
AGC Networks & Cyber Solutions Limited	-4.67%	(9.66)	-0.96%	(0.75)	0.23%	0.27	-0.25%	(0.48)
AGC Networks LLC, Dubai	24.34%	50.31	34.38%	26.85	-0.96%	(1.11)	13.30%	25.74
AGC Networks LLC, Abu Dhabi	0.00%	0.00	0.79%	0.62	0.02%	0.02	0.33%	0.64
AGCN Solutions Pte. Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Corporation	-17.94%	(37.08)	-69.13%	(53.99)	0.51%	0.59	-27.58%	(53.40)
ACS Dataline, LP	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
ACS Investors, LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BB Technologies, Inc.	-0.47%	(0.98)	-0.60%	(0.47)	0.00%	0.01	-0.24%	(0.46)
BBOX Holdings Mexico LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
BBOX Holdings Puebla LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box A/S	2.17%	4.49	-1.35%	(1.05)	0.32%	0.37	-0.35%	(0.68)
Black Box Canada Corporation	12.21%	25.23	3.50%	2.73	2.39%	2.76	2.83%	5.49
Black Box Chile S.A.	8.30%	17.15	-3.90%	(3.04)	3.26%	3.76	0.37%	0.72

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
Black Box Comunicaciones, S.A.	10.86%	22.46	-2.26%	(1.76)	1.36%	1.57	-0.10%	(0.19)
Black Box Corporation of Pennsylvania	16.95%	35.04	10.89%	8.50	0.10%	0.11	4.45%	8.61
Black Box de Mexico, S. de R. L. de C.V.	-2.45%	(5.07)	0.33%	0.26	0.00%	0.00	0.13%	0.25
Black Box Deutschland GmbH	18.40%	38.04	5.00%	3.90	-0.04%	(0.04)	1.99%	3.86
Black Box do Brasil Industria e Comercio Ltda.	2.78%	5.74	-1.22%	(0.95)	0.01%	0.01	-0.49%	(0.94)
Black Box E-Commerce (Shanghai) Co., Ltd.	-1.94%	(4.01)	-1.65%	(1.29)	-0.40%	(0.46)	-0.90%	(1.75)
Black Box Finland OY	10.70%	22.13	2.20%	1.72	1.13%	1.30	1.56%	3.02
Black Box France	28.15%	58.19	-3.62%	(2.82)	3.39%	3.91	0.56%	1.09
Black Box GmbH	1.84%	3.81	0.10%	0.08	0.15%	0.17	0.13%	0.25
Black Box Holdings Ltd.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box International B.V.	43.28%	89.46	43.04%	33.61	-0.32%	(0.37)	17.17%	33.24
Black Box International Holdings B.V.	60.69%	125.46	3.96%	3.09	1.95%	2.26	2.76%	5.35
Black Box Network Services (Dublin) Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services (UK) Limited	35.60%	73.58	-5.08%	(3.96)	3.07%	3.55	-0.22%	(0.42)
Black Box Network Services AB	25.22%	52.14	0.26%	0.20	0.17%	0.19	0.20%	0.39
Black Box Network Services AG	6.35%	13.13	0.74%	0.58	0.12%	0.14	0.37%	0.72
Black Box Network Services Australia Pty Ltd	9.18%	18.98	2.23%	1.74	2.63%	3.04	2.47%	4.78
Black Box Network Services Co., Ltd.	14.65%	30.27	-0.25%	(0.20)	-1.35%	(1.56)	-0.90%	(1.75)
Black Box Network Services Corporation	0.71%	1.47	-0.27%	(0.21)	-0.19%	(0.21)	-0.22%	(0.42)



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

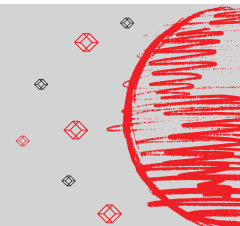
as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
Black Box Network Services, Inc. – Government Solutions	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Network Services Korea Limited	0.79%	1.63	0.07%	0.05	0.11%	0.12	0.09%	0.18
Black Box Network Services New Zealand Limited	-0.07%	(0.15)	-0.18%	(0.14)	0.00%	0.00	-0.07%	(0.14)
Black Box Network Services NV	1.97%	4.08	-3.78%	(2.95)	0.30%	0.35	-1.34%	(2.60)
Black Box Network Services S.r.l.	-20.08%	(41.50)	-1.39%	(1.08)	-1.53%	(1.76)	-1.47%	(2.85)
Black Box Network Services SDN. BHD.	1.95%	4.03	0.12%	0.09	0.08%	0.09	0.10%	0.19
Black Box Network Services Singapore Pte Ltd	8.51%	17.59	-5.68%	(4.44)	1.32%	1.52	-1.51%	(2.92)
Black Box Norge AS	11.08%	22.90	-2.31%	(1.80)	4.83%	5.58	1.95%	3.78
Black Box P.R. Corp.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Services Company	-29.69%	(61.37)	-21.32%	(16.65)	0.14%	0.16	-8.52%	(16.49)
Black Box Software Development Services Limited	-18.67%	(38.59)	-9.48%	(7.40)	-3.92%	(4.53)	-6.17%	(11.94)
Delaney Telecom, Inc.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Norstan Canada, Ltd./ Norstan Canada, Ltée	40.51%	83.73	0.91%	0.71	-0.01%	(0.01)	0.36%	0.70
Norstan Communications, Inc.	150.13%	310.33	178.12%	139.10	69.47%	80.24	113.30%	219.34
Nu-Vision Technologies, LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
AGC Networks LLC, USA (formerly known as AGC Networks Inc.)	62.07%	128.29	-48.17%	(37.62)	-1.83%	(2.12)	-20.53%	(39.74)
Black-Box Network Services Philippines, Inc.	0.52%	1.08	-0.55%	(0.43)	0.00%	0.00	-0.22%	(0.42)

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

as at and for the year ended 31 March 2022

Particulars	Net Assets i.e. total assets minus total liabilities		Profit / (loss) after tax		Other comprehensive income / (loss) for the year		Total comprehensive income / (loss) for the year	
	As % of consolidated net assets	₹ in Crores	As % of profit / (loss) after tax	₹ in Crores	As % of Other comprehensive income / (loss)	₹ in Crores	As % of total comprehensive income / (loss)	₹ in Crores
AGC Networks Australia Pty Ltd	8.16%	16.86	-3.30%	(2.57)	3.28%	3.79	0.63%	1.22
COPC Holdings Inc.	-18.11%	(37.44)	8.33%	6.51	-0.06%	(0.07)	3.32%	6.44
COPC Inc.	3.86%	7.97	-2.93%	(2.29)	0.02%	0.03	-1.17%	(2.26)
COPC International Inc.	29.74%	61.47	7.11%	5.55	-0.05%	(0.06)	2.84%	5.49
COPC Asia Pacific Inc.	-4.58%	(9.46)	1.61%	1.26	-0.01%	(0.01)	0.64%	1.24
COPC International Holdings LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
COPC Consultants (Beijing) Co. Limited	4.64%	9.59	2.38%	1.86	-0.02%	(0.02)	0.95%	1.84
Service Journey Strategies Inc.	-0.87%	(1.79)	-2.44%	(1.90)	0.02%	0.02	-0.97%	(1.88)
RevealCX	0.00%	0.00	0.67%	0.52	0.00%	(0.01)	0.27%	0.52
Fujisoft Technology LLC, Abu Dhabi	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Fujisoft Security Solutions LLC	13.94%	28.82	4.93%	3.85	0.00%	0.00	1.99%	3.85
Pyrios Limited	6.42%	13.28	9.51%	7.43	0.31%	0.36	4.02%	7.79
Pyrios Pty Limited	7.34%	15.18	-0.12%	(0.09)	0.84%	0.97	0.45%	0.87
BBX Inc.	95.21%	196.79	0.00%	0.00	0.00%	0.00	0.00%	0.00
BBX Main Inc.	-16.02%	(33.12)	-14.76%	(11.53)	0.00%	0.00	-5.96%	(11.53)
Black Box Network Services Hong Kong Limited	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Black Box Technologies LLC	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Servicios Black Box S.A. de C.V.	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Sub Total</b>	<b>868.74%</b>	<b>1,795.69</b>	<b>100.00%</b>	<b>78.09</b>	<b>99.99%</b>	<b>115.50</b>	<b>100.00%</b>	<b>193.59</b>
Add / (Less) : Effect of Inter Company elimination / adjustment		-768.74%	(1,588.99)	0.00%	0.00	0.00%	0.00%	0.00
<b>Total</b>	<b>100.00%</b>	<b>206.70</b>	<b>100.00%</b>	<b>78.09</b>	<b>99.99%</b>	<b>115.50</b>	<b>100.00%</b>	<b>193.59</b>



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 54 BORROWING SECURED AGAINST CURRENT ASSETS

The Holding Company has sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of current assets are filed by the Holding Company with banks on regular basis and the required reconciliation is presented below:

#### For the year ended 31 March 2022

₹ in Crores					
Quarter ended	Particulars	Amount as per books of account of the Holding Company	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material discrepancies
31 March 2022	Trade receivables *	86.38	90.42	(4.04)	Difference is on account of adjustment and reclassification entries during finalisation / audit.
	Inventory	6.87	6.47	0.40	
31 December 2021	Trade receivables *	102.39	102.39	-	No difference
	Inventory	7.09	7.09	-	
30 September 2021	Trade receivables *	88.51	88.51	-	No material discrepancy
	Inventory	13.38	13.36	0.02	
30 June 2021	Trade receivables *	97.40	97.40	-	No material discrepancy
	Inventory	9.88	9.82	0.06	

#### For the year ended 31 March 2021

₹ in Crores					
Quarter ended	Particulars	Amount as per books of account of the Company	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material discrepancies
31 March 2021	Trade receivables *	77.51	92.95	(15.44)	Difference is on account of adjustment and reclassification entries during finalisation / audit.
	Inventory	11.86	12.79	(0.93)	
31 December 2020	Trade receivables	125.59	117.02	8.57	Difference is on account of reclassification entries.
	Inventory	12.61	12.61	-	
30 September 2020	Trade receivables	124.13	119.93	4.20	Difference is on account of reclassification entries.
	Inventory	9.70	9.70	-	
30 June 2020	Trade receivables	133.87	121.31	12.56	Difference is on account of reclassification entries.
	Inventory	8.83	8.80	0.03	

\* Includes trade receivables which are outstanding up to 180 days and non-trade receivables from group companies.



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

### 55 ADDITIONAL REGULATORY INFORMATION REQUIRED BY DIVISION II SCHEDULE III OF THE ACT

#### a) Details of benami property held

Neither the Holding Company nor any of its subsidiary company to whom Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder applies is holding any benami property under the aforementioned act and rules. Further, no proceedings have been initiated or pending against the abovementioned companies for holding any benami property under the act and rules mentioned above.

#### b) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or any lender.

#### c) Relationship with struck off companies

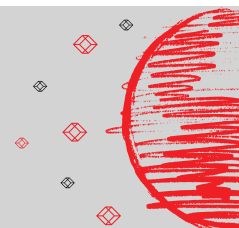
The disclosure of relationship and transaction with struck off companies under section 248 of the Act is as follows:

**In respect of the Holding Company:**

**As at and for the year ended 31 March 2022**

₹ in Crores

Name of struck off company	Nature of transactions with struck off company	Balance outstanding as at year-end	Relationship with struck off company
R.P. Electronics	Receivable	0.00	Buyer-seller relationship
TDW India Limited	Receivable	0.00	Buyer-seller relationship
HIRCO Developments Private Limited	Receivable	0.00	Buyer-seller relationship
Mas Teltech Solutions (P) Limited	Receivable	0.00	Buyer-seller relationship
Trustron Devices Private Limited	Receivable	0.00	Buyer-seller relationship
Aqsacom India Private Limited	Receivable	0.01	Buyer-seller relationship
Fore TechServe Private Limited	Receivable	0.01	Buyer-seller relationship
Gilgal Net Solutions Private Limited	Receivable	0.01	Buyer-seller relationship
East Point Infotech	Receivable	0.01	Buyer-seller relationship
Motorola India Private Limited	Receivable	0.01	Buyer-seller relationship
Sagar Hospitals	Receivable	0.02	Buyer-seller relationship
Wizard Internet Solutions Private Limited	Receivable	0.03	Buyer-seller relationship
TIHOTS	Receivable	0.03	Buyer-seller relationship
Marina Towers	Receivable	0.03	Buyer-seller relationship
Vertex Integrated Services	Receivable	0.07	Buyer-seller relationship
iProf Learning Solutions India Private Limited	Receivable	0.12	Buyer-seller relationship
Msource India Private Limited	Receivable	0.25	Buyer-seller relationship
Unicorp Infotech Private Limited	Receivable	0.32	Buyer-seller relationship



## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

As at and for the year ended 31 March 2021

			₹ in Crores
Name of struck off company	Nature of transactions with struck off company	Balance outstanding as at year-end	Relationship with struck off company
R.P. Electronics	Receivable	0.00	Buyer-seller relationship
TDW India Limited	Receivable	0.00	Buyer-seller relationship
HIRCO Developments Private Limited	Receivable	0.00	Buyer-seller relationship
Mas Teltech Solutions (P) Limited	Receivable	0.00	Buyer-seller relationship
Trustron Devices Private Limited	Receivable	0.00	Buyer-seller relationship
Aqsacom India Private Limited	Receivable	0.01	Buyer-seller relationship
Fore TechServe Private Limited	Receivable	0.01	Buyer-seller relationship
Gilgal Net Solutions Private Limited	Receivable	0.01	Buyer-seller relationship
East Point Infotech	Receivable	0.01	Buyer-seller relationship
Motorola India Private Limited	Receivable	0.01	Buyer-seller relationship
Sagar Hospitals	Receivable	0.02	Buyer-seller relationship
Wizard Internet Solutions Private Limited	Receivable	0.03	Buyer-seller relationship
TIHOTS	Receivable	0.03	Buyer-seller relationship
Marina Towers	Receivable	0.03	Buyer-seller relationship
Vertex Integrated Services	Receivable	0.07	Buyer-seller relationship
iProf Learning Solutions India Private Limited	Receivable	0.12	Buyer-seller relationship
Msource India Private Limited	Receivable	0.25	Buyer-seller relationship
Unicorp Infotech Private Limited	Receivable	0.32	Buyer-seller relationship

**d) Compliance with number of layers of companies**

The Holding Company and subsidiary companies covered under the Act have complied with the number of layers prescribed under section 2(87) of the Act.

**e) Compliance with approved scheme of arrangements**

The Holding Company and its subsidiary companies covered under the Act have not entered into any scheme of arrangement in terms of section 230 to 237 of the Act for the year ended 31 March 2022 and 31 March 2021.

**f) Utilisation of borrowed funds and share premium**

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity ('Intermediaries') with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

## SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION as at and for the year ended 31 March 2022

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

The Group has not received any fund from any person or entity, including foreign entity ('Funding Party') with the understanding (whether recorded in writing or otherwise) that the Group shall:

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

### g) Undisclosed income

No income has been surrendered or disclosed as income during the current and previous year by the Group.

### h) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current and previous year.

**56** The Holding Company has not given any loan or advance in the nature of loan to its subsidiary or other entity during the year ended 31 March 2022 and 31 March 2021. Therefore, disclosure under Regulation 53(1)(f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is not applicable.

### **57 AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements as at and for the year ended 31 March 2022 were approved by the Board of Directors on 27 May 2022.

**58** Previous year figures have been regrouped, reclassified and rearranged wherever necessary, to conform to this year's presentation.

These are the significant accounting policies and other explanatory information referred to in our report of even date

#### For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No. : 001076N/N500013

#### **BHARAT SHETTY**

Partner

Membership No. 106815

Place : Mumbai

Date : 27 May 2022

#### For and on behalf of the Board of Directors of

**Black Box Limited (formerly known as AGC Networks Limited)**

#### **SANJEEV VERMA**

Whole-time Director

DIN - 06871685

Place : Dallas, Texas, USA

#### **ADITYA GOSWAMI**

Company Secretary

Place : Mumbai

Date : 27 May 2022

#### **MAHUA MUKHERJEE**

Executive Director

DIN - 08107320

Place : Mumbai

#### **DEEPAK KUMAR BANSAL**

Chief Financial Officer and Executive Director

DIN - 07495199

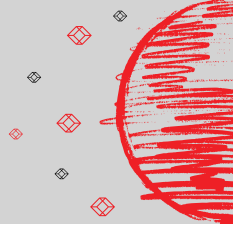
Place : Dallas, Texas, USA

## Statement regarding Subsidiary Companies pursuant to Section 129(3) of the Companies Act, 2013

2022

Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity assets	Total assets	Total liabilities	Investments in subsidiaries	Revenue from operations	Profit / (loss) before tax	Tax expenses / (credits)	Profit (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
1	Black Box Technologies Pte. Limited (formerly known as AGC Networks Pte. Limited)	Same	USD	75.59	194.48	1.81	307.32	111.04	-	144.13	21.13	-	21.13	26.85	-	100%	Singapore
2	AGC Networks Philippines, Inc.	Same	PHP	1.44	1.26	0.90	3.90	1.74	-	(0.04)	(0.03)	0.18	(0.21)	(0.33)	-	100%	Philippines
3	AGC Networks & Cyber Solutions Limited	Same	USD	75.59	0.01	(12.84)	2.96	15.79	-	3.91	(2.84)	-	(2.84)	(3.20)	-	100%	Kenya
4	AGC Networks LLC	Same	USD	75.59	0.26	79.92	95.99	15.82	-	56.48	27.71	-	27.71	29.86	-	49%	Dubai
5	AGC Networks LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	0%	Abu Dhabi
6	BBX Main Inc.	Same	USD	75.59	-	(51.24)	218.10	269.34	-	-	(9.91)	-	(9.91)	(18.12)	-	100%	USA
7	Cybat, Inc.	Same	USD	75.59	-	(6.63)	-	6.63	-	-	(6.59)	-	(6.59)	(6.63)	-	100%	USA
8	Black Box Bangladesh Technologies Private Limited	Same	USD	75.59	0.37	-	0.37	-	-	-	-	-	-	-	-	100%	Bangladesh
9	Black Box Corporation	Same	USD	75.59	145.49	314.65	5,985.91	5,525.76	-	-	(0.27)	(1.02)	0.75	0.75	-	100%	USA
10	ACS DataLine, LP	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
11	ACS Investors, LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
12	BB Technologies, Inc.	Same	USD	75.59	-	(131.36)	85.55	216.91	-	-	(0.45)	-	(0.45)	(0.45)	-	100%	USA
13	BBOX Holdings Mexico LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
14	BBOX Holdings Puebla LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
15	Black Box A/S	Same	USD	75.59	8.43	4.27	12.70	-	-	12.63	(1.15)	(0.30)	(0.85)	(0.85)	-	100%	Denmark
16	Black Box Canada Corporation	Same	USD	75.59	20.74	16.50	37.25	-	-	15.71	1.84	0.92	0.92	0.92	-	100%	Canada
17	Black Box Chile S.A.	Same	USD	75.59	20.01	8.58	28.58	-	-	2.46	0.36	2.10	2.10	2.10	-	100%	Chile
18	Black Box Comunicaciones, S.A.	Same	USD	75.59	22.83	12.96	35.78	-	-	26.48	(0.60)	(0.16)	(0.44)	(0.44)	-	100%	Spain
19	Black Box Corporation of Pennsylvania	Same	USD	75.59	-	2,354.29	2,963.29	609.01	-	318.35	14.71	(0.03)	14.74	14.76	-	100%	USA
20	Black Box de Mexico, S. de R.L. de C.V.	Same	USD	75.59	-	(75.56)	12.55	88.10	-	15.91	(0.19)	(0.06)	(0.13)	(0.13)	-	100%	Mexico
21	Black Box Deutschland GmbH	Same	USD	75.59	24.21	12.40	45.18	8.56	-	55.48	0.98	0.74	0.24	0.24	-	100%	Germany
22	Black Box do Brasil Industria e Comercio Ltda.	Same	USD	75.59	0.37	(10.06)	47.27	56.97	-	75.00	3.67	1.19	2.47	2.47	-	100%	Brazil
23	Black Box E-Commerce (Shanghai) Co., Limited	Same	USD	75.59	-	(5.40)	2.00	7.39	-	2.12	0.42	0.10	0.33	0.36	-	100%	China
24	Black Box Finland OY	Same	USD	75.59	17.71	23.96	41.66	-	-	20.56	0.51	0.14	0.37	0.37	-	100%	Finland
25	Black Box France	Same	USD	75.59	57.39	14.91	72.30	-	-	45.14	(0.57)	(0.24)	(0.34)	(0.34)	-	100%	France
26	Black Box GmbH	Same	USD	75.59	2.88	(2.83)	4.08	4.04	-	3.72	0.34	0.08	0.25	0.25	-	100%	Austria
27	Black Box Holdings Limited	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Cayman Islands
28	Black Box International B.V.	Same	USD	75.59	39.25	80.89	201.20	81.06	-	101.63	19.27	11.56	7.71	7.71	-	100%	Netherlands
29	Black Box International Holdings B.V.	Same	USD	75.59	87.95	(3.54)	259.11	174.70	-	1.01	(1.02)	0.71	(1.73)	(1.73)	-	100%	Netherlands
30	Black Box Network Services (Dublin) Limited	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Ireland
31	Black Box Network Services (UK) Limited	Same	USD	75.59	69.31	(18.29)	206.92	255.90	-	124.79	0.71	0.21	0.50	0.50	-	100%	England
32	Black Box Network Services AB	Same	USD	75.59	48.29	19.67	67.97	-	-	127.84	0.89	0.22	0.66	0.66	-	100%	Sweden

Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity	Total assets	Total liabilities	Investments in subsidiaries (excluding investment operations)	Revenue from operations	Profit / (loss) before tax	Tax expenses / (credits) after tax	Profit / (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
33	Black Box Network Services AG	Same	USD	75.59	8.91	(17.35)	13.25	21.69	-	12.11	(0.30)	(0.04)	(0.26)	(0.26)	-	100%	Switzerland
34	Black Box Network Services Australia Pty Limited	Same	USD	75.59	17.88	1.66	19.53	-	-	-	(0.31)	-	(0.31)	(0.31)	-	100%	Australia
35	Black Box Network Services Co., Limited	Same	USD	75.59	25.35	29.87	55.22	-	-	57.25	0.20	1.78	(1.58)	(1.58)	-	100%	Japan
36	Black Box Network Services Corporation	Same	USD	75.59	1.36	(4.01)	4.29	6.94	-	7.26	(1.01)	(0.11)	(0.89)	(0.89)	-	100%	Taiwan
37	Black Box Network Services, Inc.- Government Solutions	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
38	Black Box Network Services India Private Limited	Same	USD	75.59	0.75	25.09	67.57	41.73	-	65.14	9.03	1.41	7.62	7.60	-	100%	India
39	Black Box Network Services Korea Limited	Same	USD	75.59	1.62	(2.91)	2.09	3.38	-	1.98	0.47	0.09	0.38	0.38	-	100%	Korea
40	Black Box Network Services New Zealand Limited	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	New Zealand
41	Black Box Network Services NV	Same	USD	75.59	9.65	(50.70)	12.47	53.52	-	29.72	(2.04)	(0.78)	(1.26)	(1.26)	-	100%	Belgium
42	Black Box Network Services S.r.l.	Same	USD	75.59	10.36	(73.49)	19.66	82.80	-	19.38	(0.40)	(0.39)	(0.01)	(0.01)	-	100%	Italy
43	Black Box Network Services SDN. BHD.	Same	USD	75.59	4.04	3.10	7.15	-	-	1.21	0.15	0.01	0.13	0.13	-	100%	Malaysia
44	Black Box Network Services Singapore Pte. Limited	Same	USD	75.59	22.99	7.76	30.75	-	-	52.60	(10.94)	(1.85)	(9.09)	(9.09)	-	100%	Singapore
45	Black Box Norge AS	Same	USD	75.59	24.61	33.36	57.96	-	-	40.87	4.37	1.18	3.18	3.18	-	100%	Norway
46	Black Box P.R. Corp.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Puerto Rico
47	Black Box Services Company	Same	USD	75.59	-	(2,614.71)	-	2,614.71	-	-	(32.17)	(5.69)	(26.48)	(26.48)	-	100%	USA
48	Black Box Software Development Services Limited	Same	USD	75.59	-	(70.16)	44.46	114.62	-	(0.01)	3.08	(1.12)	4.19	4.19	-	100%	Ireland
49	Delaney Telecom, Inc.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
50	Norstan Canada, Limited / Norstan Canada, Ltee	Same	USD	75.59	87.46	77.64	165.10	-	-	28.37	2.99	1.36	1.64	1.64	-	100%	Canada
51	Norstan Communications, Inc.	Same	USD	75.59	-	14.91	18,333.06	18,338.15	-	3,293.26	26.92	-	26.92	3.41	-	100%	USA
52	Nu-Vision Technologies, LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
53	BBX Inc.	Same	USD	75.59	217.39	(14.27)	203.12	-	-	-	-	-	-	-	-	100%	USA
54	Black Box Technologies Australia Pty Limited (formerly known as AGC Networks Australia Pty Limited)	Same	USD	75.59	15.56	25.17	169.53	128.80	-	71.66	1.97	0.76	1.21	3.77	-	100%	Australia
55	AGC Networks LLC (formerly known as AGC Networks Inc.)	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
56	AGCN Solutions Pte. Limited	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Singapore
57	Black Box Technologies LLC (formerly known as Fujisoft Technology LLC)	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	49%	Dubai
58	Black Box Network Services Philippines, Inc.	Same	PHP	1.44	1.42	(2.12)	3.64	4.34	-	9.80	(1.71)	-	(1.71)	(1.71)	-	100%	Philippines
59	COPC Holdings Inc.	Same	USD	75.59	0.69	(39.80)	1.03	40.13	-	-	(1.00)	(0.01)	(0.99)	(0.99)	-	100%	USA
60	COPC Inc.	Same	USD	75.59	24.74	(12.26)	25.48	12.99	-	31.15	4.12	(0.07)	4.19	4.19	-	100%	USA
61	COPC Consultants (Beijing) Co. Limited	Same	USD	75.59	0.42	15.85	19.61	3.34	-	19.55	6.34	0.04	6.29	6.29	-	100%	China
62	COPC India Private Limited	Same	USD	75.59	-	(4.92)	0.71	5.63	-	1.98	(3.37)	(0.18)	(3.20)	(3.20)	-	100%	India



Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity	Total assets	Total liabilities	Investments in subsidiaries (excluding investment operations)	Revenue from operations	Profit / (loss) before tax	Tax expenses / (credits) after tax	Profit / (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
63	COPC International Holdings LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	USA
64	COPC International Inc.	Same	USD	75.59	-	77.55	92.00	14.45	-	40.41	15.99	2.27	13.72	13.72	-	100%	USA
65	COPC Asia Pacific Inc.	Same	USD	75.59	-	(9.37)	5.90	15.27	-	10.76	0.39	-	0.39	0.39	-	100%	USA
66	Service Journey Strategies Inc.	Same	USD	75.59	-	(4.72)	0.01	4.73	-	(2.84)	-	(2.84)	(2.84)	(2.84)	-	100%	USA
67	Fuji Soft Technology LLC	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	49%	Abu Dhabi
68	Fujisoft Security Solutions LLC	Same	USD	75.59	23.77	(4.68)	69.61	50.51	-	102.05	(10.50)	-	(10.50)	(10.50)	-	49%	Dubai
69	Black Box Technologies New Zealand Limited (formerly known as Pyrios Limited)	Same	USD	75.59	5.56	0.52	6.08	-	-	-	-	-	-	-	-	100%	New Zealand
70	Pyrios Pty Limited	Same	USD	75.59	13.56	1.40	45.14	30.18	-	62.77	(0.57)	-	(0.57)	(0.57)	-	100%	Australia
71	Dragonfly Technologies Pty Ltd	Same	USD	75.59	40.62	4.05	59.65	14.98	-	7.91	0.27	-	0.27	0.27	-	100%	Australia
72	Black Box Network Services Hong Kong Limited	Same	USD	75.59	-	0.02	0.20	0.18	-	0.21	0.03	-	0.03	-	-	100%	Hong kong
73	Servicios Black Box S.A. de C.V.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Mexico
74	Black Box DMCC (formerly known as Zservices HQ DMCC)	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	76%	Dubai
75	Black Box Costa Rica S.R.L.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Costa Rica
76	Black Box Network Services Colombia S.A.S.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Colombia
77	Black Box Technologies Group B.V.	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Netherlands
78	Black Box Products FZE	Same	USD	75.59	-	-	-	-	-	-	-	-	-	-	-	100%	Dubai
					<b>1,319.94</b>	<b>(79.57)</b>	<b>30,292.21</b>	<b>29,051.85</b>		<b>5,118.23</b>	<b>80.17</b>	<b>13.26</b>	<b>66.91</b>	<b>45.10</b>			

**Note:**

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rate as on 31 March 2022.

**For and on behalf of the Board of Directors of Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place: Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place : Mumbai

**ADITYA GOSWAMI**  
Company Secretary  
Place : Mumbai  
Date : 27 May 2022

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place: Dallas, Texas, USA

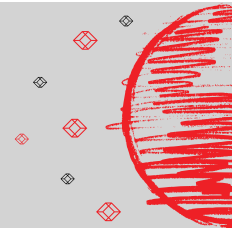
## Statement regarding Subsidiary Companies pursuant to Section 129(3) of the Companies Act, 2013

2021

₹ in Crores

Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity	Total assets	Total liabilities	Investments in subsidiaries (excluding investment)	Revenue from operations	Profit / (loss) before tax	Tax expenses / (credits) after tax	Profit / (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
1	AGC Networks Pte. Limited	Same	USD	73.23	194.48	(25.00)	276.75	107.27	-	134.22	(6.97)	-	(6.97)	3.41	-	100%	Singapore
2	AGC Networks Philippines, Inc.	Same	PHP	1.51	1.26	1.23	4.91	2.42	-	12.36	1.55	0.26	1.29	1.29	-	100%	Philippines
3	AGC Networks & Cyber Solutions Limited	Same	USD	73.23	0.01	(9.67)	3.11	12.77	-	8.70	(0.75)	-	(0.75)	(0.48)	-	100%	Kenya
4	AGC Networks LLC	Same	USD	73.23	0.26	50.05	70.04	19.73	-	65.18	26.85	-	26.85	25.74	-	49%	Dubai
5	AGC Networks LLC	Same	USD	73.23	-	-	-	-	-	0.83	0.62	-	0.62	0.64	-	0%	Abu Dhabi
6	AGCN Solutions Pte. Limited	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Singapore
7	Black Box Corporation	Same	USD	73.23	145.49	(182.57)	91.42	128.50	-	-	(46.65)	7.34	(53.99)	(53.40)	-	100%	USA
8	ACS Dataline, LP	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
9	ACS Investors, LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
10	BB Technologies, Inc.	Same	USD	73.23	-	(0.98)	-	0.98	-	-	(0.46)	0.01	(0.47)	(0.46)	-	100%	USA
11	BBOX Holdings Mexico LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
12	BBOX Holdings Puebla LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
13	Black Box A/S	Same	USD	73.23	8.43	(3.94)	4.49	-	-	8.63	(1.43)	(0.37)	(1.05)	(0.68)	-	100%	Denmark
14	Black Box Canada Corporation	Same	USD	73.23	20.74	4.48	26.65	1.42	-	14.79	3.70	0.97	2.73	5.49	-	100%	Canada
15	Black Box Chile S.A.	Same	USD	73.23	20.01	(2.86)	17.38	0.23	-	-	(3.57)	(0.52)	(3.04)	0.72	-	100%	Chile
16	Black Box Comunicaciones, S.A.	Same	USD	73.23	22.83	(0.37)	26.68	4.23	-	18.24	(2.34)	(0.58)	(1.76)	(0.19)	-	100%	Spain
17	Black Box Corporation of Pennsylvania	Same	USD	73.23	-	35.04	57.23	22.19	-	296.37	7.13	(1.37)	8.50	8.61	-	100%	USA
18	Black Box de Mexico, S. de R.L. de C.V.	Same	USD	73.23	-	(5.07)	0.76	5.83	-	13.88	0.35	0.09	0.26	0.25	-	100%	Mexico
19	Black Box Deutschland GmbH	Same	USD	73.23	24.21	13.83	52.77	14.73	-	52.98	5.24	1.34	3.90	3.86	-	100%	Germany
20	Black Box do Brasil Industria e Comercio Ltda.	Same	USD	73.23	0.37	5.37	5.74	-	-	37.83	(1.46)	(0.51)	(0.95)	(0.94)	-	100%	Brazil
21	Black Box E-Commerce (Shanghai) Co., Ltd.	Same	USD	73.23	-	(4.01)	1.46	5.47	-	0.44	(1.74)	(0.46)	(1.29)	(1.75)	-	100%	CHINA
22	Black Box Finland OY	Same	USD	73.23	17.71	4.42	25.71	3.58	-	17.31	2.24	0.52	1.72	3.02	-	100%	Finland
23	Black Box France	Same	USD	73.23	57.39	0.80	62.79	4.60	-	34.51	(4.20)	(1.37)	(2.82)	1.09	-	100%	France
24	Black Box GmbH	Same	USD	73.23	2.88	0.93	4.53	0.72	-	3.52	0.09	0.01	0.08	0.25	-	100%	Austria
25	Black Box Holdings Ltd.	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Cayman Islands
26	Black Box International B.V.	Same	USD	73.23	39.25	50.21	124.69	35.23	-	80.11	46.24	12.62	33.61	33.24	-	100%	Netherlands
27	Black Box International Holdings B.V.	Same	USD	73.23	87.95	37.50	129.14	3.68	-	(0.64)	5.60	2.51	3.09	5.35	-	100%	Netherlands
28	Black Box Network Services (Dublin) Limited	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Ireland
29	Black Box Network Services (UK) Limited	Same	USD	73.23	69.31	4.27	91.42	17.85	-	80.93	(3.97)	(0.01)	(3.96)	(0.42)	-	100%	England





₹ in Crores

Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity assets	Total assets	Total liabilities	Total investments (excluding investment in subsidiaries)	Revenue from operations	Profit before tax	Tax expenses / (credits)	Profit / (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
30	Black Box Network Services AB	Same	USD	73.23	48.29	3.85	84.60	32.46	-	50.29	0.19	(0.02)	0.20	0.39	-	100%	Sweden
31	Black Box Network Services AG	Same	USD	73.23	8.91	4.22	15.25	2.12	-	10.45	0.63	0.05	0.58	0.72	-	100%	Switzerland
32	Black Box Network Services Australia Pty Ltd	Same	USD	73.23	17.88	1.11	23.65	4.66	-	11.82	2.37	0.63	1.74	4.78	-	100%	Australia
33	Black Box Network Services Co., Ltd.	Same	USD	73.23	25.35	4.92	38.33	8.06	-	56.46	2.62	2.81	(0.20)	(1.75)	-	100%	Japan
34	Black Box Network Services Corporation	Same	USD	73.23	1.36	0.12	1.47	-	-	6.26	(0.25)	(0.04)	(0.21)	(0.42)	-	100%	Taiwan
35	Black Box Network Services, Inc. - Government Solutions	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
36	Black Box Network Services India Private Limited	Same	USD	73.23	0.75	17.49	47.31	29.07	-	33.35	(2.45)	0.08	(2.53)	(2.67)	-	100%	India
37	Black Box Network Services Korea Limited	Same	USD	73.23	1.62	0.01	1.63	-	-	0.41	0.05	(0.00)	0.05	0.18	-	100%	Korea
38	Black Box Network Services New Zealand Limited	Same	USD	73.23	-	(0.15)	-	0.15	-	0.48	(0.14)	0.00	(0.14)	(0.14)	-	100%	New Zealand
39	Black Box Network Services NV	Same	USD	73.23	9.65	(5.57)	4.08	-	-	23.03	(4.52)	(1.57)	(2.95)	(2.60)	-	100%	Belgium
40	Black Box Network Services S.r.l.	Same	USD	73.23	10.36	(51.85)	2.07	43.57	-	16.41	(1.71)	(0.63)	(1.08)	(2.85)	-	100%	Italy
41	Black Box Network Services SDN. BHD.	Same	USD	73.23	4.04	(0.01)	4.03	-	-	1.16	0.07	(0.02)	0.09	0.19	-	100%	Malaysia
42	Black Box Network Services Singapore Pte Ltd	Same	USD	73.23	22.99	(5.41)	26.18	8.60	-	33.01	(5.28)	(0.84)	(4.44)	(2.92)	-	100%	Singapore
43	Black Box Norge AS	Same	USD	73.23	24.61	(1.71)	32.51	9.62	-	30.53	(2.51)	(0.71)	(1.80)	3.78	-	100%	Norway
44	Black Box P.R. Corp.	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Puerto Rico
45	Black Box Services Company	Same	USD	73.23	-	(61.37)	246.86	308.23	-	(16.49)	0.16	(16.65)	(16.49)	(16.49)	-	100%	USA
46	Black Box Software Development Services Limited	Same	USD	73.23	-	(36.59)	7.75	46.34	-	2.18	(8.37)	(0.97)	(7.40)	(11.94)	-	100%	Ireland
47	Delaney Telecom, Inc.	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
48	Norstan Canada, Ltd. / Norstan Canada, Ltée	Same	USD	73.23	87.46	(3.73)	83.73	-	-	28.65	2.94	2.23	0.71	0.70	-	100%	Canada
49	Norstan Communications, Inc.	Same	USD	73.23	-	310.33	1,491.84	1,181.51	-	2,857.96	137.59	(1.51)	139.10	219.34	-	100%	USA
50	Nu-Vision Technologies, LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
51	AGC Networks LLC	Same	USD	73.23	154.53	(26.24)	177.88	49.58	-	174.64	(37.21)	0.41	(37.62)	(39.74)	-	100%	USA
52	Black-Box Network Services Philippines, Inc.	Same	PHP	1.51	1.42	(0.33)	1.69	0.61	-	1.29	(0.42)	0.00	(0.43)	(0.42)	-	100%	Philippines
53	Black Box Technologies Australia Pty Limited	Same	USD	73.23	15.56	1.30	39.96	23.10	-	36.29	(4.17)	(1.60)	(2.57)	1.22	-	100%	Australia
54	COPC Holdings Inc.	Same	USD	73.23	0.69	(38.13)	(34.07)	3.38	-	-	5.76	(0.75)	6.51	6.44	-	100%	USA
55	COPC Inc.	Same	USD	73.23	24.74	(16.77)	16.84	8.86	-	15.27	(2.36)	(0.08)	(2.29)	(2.26)	-	100%	USA
56	COPC International Inc.	Same	USD	73.23	-	61.47	72.37	10.90	-	25.20	6.28	0.73	5.55	5.49	-	100%	USA
57	COPC Asia Pacific Inc.	Same	USD	73.23	-	(9.46)	(5.62)	3.84	-	6.52	0.45	(0.81)	1.26	1.24	-	100%	USA



Sr. no.	Name of Subsidiary Company	Reporting Period	Reporting currency	Exchange Rate	Equity share capital	Other equity assets	Total assets	Total liabilities	Investments in subsidiaries (excluding investment in subsidiaries)	Revenue from operations	Profit / (loss) before tax	Tax expenses / (credits)	Profit / (loss) after tax	Total comprehensive income / (loss) for the year	Proposed Dividend	% of share-holding	Country
58	COPC International Holdings LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	USA
59	COPC India Private Limited	Same	USD	73.23	-	(1.63)	(1.18)	0.45	-	1.46	(1.47)	(0.25)	(1.22)	(1.21)	-	100%	India
60	COPC Consultants (Beijing) Co. Limited	Same	USD	73.23	0.42	9.17	16.61	7.02	-	15.81	2.08	0.22	1.86	1.84	-	100%	China
61	Service Journey Strategies Inc.	Same	USD	73.23	-	(1.79)	(1.08)	0.71	-	-	(1.88)	0.02	(1.90)	(1.88)	-	100%	USA
62	RevealCX	Same	USD	73.23	-	-	-	-	-	2.44	0.52	(0.01)	0.52	0.52	-	100%	USA
63	Fuji Soft Technology LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	49%	Abu Dhabi
64	Fujisoft Security Solutions LLC	Same	USD	73.23	23.77	5.05	49.11	20.28	-	88.79	3.80	(0.04)	3.85	3.85	-	49%	Dubai
65	Pyrios Limited	Same	USD	73.23	5.56	7.72	30.56	17.28	-	29.89	7.35	(0.08)	7.43	7.79	-	100%	New Zealand
66	Pyrios Pty Limited	Same	USD	73.23	13.56	1.62	37.07	21.89	-	43.00	(0.09)	0.00	(0.09)	0.87	-	100%	Australia
67	BBX Inc.	Same	USD	73.23	217.39	(20.60)	196.79	-	-	-	-	-	-	-	-	100%	USA
68	BBX Main Inc.	Same	USD	73.23	-	(33.12)	239.37	272.49	-	0.12	(11.53)	-	(11.53)	(11.53)	-	100%	USA
69	Black Box Network Services Hong Kong Limited	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Hong Kong
70	Black Box Technologies LLC	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	49%	Dubai
71	Servicios Black Box S.A. de C.V.	Same	USD	73.23	-	-	-	-	-	-	-	-	-	-	-	100%	Mexico
Elimination					(1,020.09)	(155.49)	(1,350.24)	(174.66)			(0.11)	-	(0.11)	(0.11)	-	-	
					1,433.49	85.55	4,025.26	2,506.21			4,483.36	97.85	17.90	79.95	195.12	-	

**Note:**

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rate as on 31 March 2021.

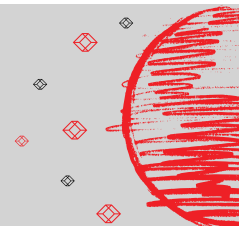
**For and on behalf of the Board of Directors of Black Box Limited (formerly known as AGC Networks Limited)**

**SANJEEV VERMA**  
Whole-time Director  
DIN - 06871685  
Place: Dallas, Texas, USA

**MAHUA MUKHERJEE**  
Executive Director  
DIN - 08107320  
Place: Mumbai

**ADITYA GOSWAMI**  
Company Secretary  
Place: Mumbai  
Date: 27 May 2022

**DEEPAK KUMAR BANSAL**  
Chief Financial Officer and Executive Director  
DIN - 07495199  
Place: Dallas, Texas, USA



## FINANCIAL HIGHLIGHTS - CONSOLIDATED

₹ in Crores

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Fixed assets and investment	538.2	476.6	441.2	399.5	113.6	110.9	108.8	89.7	119.8	129.2
Net assets (excluding fixed assets and borrowings)	2.2	(25.5)	(154.9)	423.1	114.7	132.1	113.2	156.2	189.7	495.6
Total capital employed	260.4	206.7	(176.1)	18.7	90.1	69.9	61.5	101.6	74.0	305.6
Shareholders' funds										
I. Equity share capital	32.8	32.5	29.8	29.7	28.5	28.5	28.5	43.5	28.5	28.5
II. Other equity	227.6	174.2	(205.9)	(11.1)	61.6	41.4	33.0	58.2	45.5	277.1
<b>Total</b>	<b>260.4</b>	<b>206.7</b>	<b>(176.1)</b>	<b>18.6</b>	<b>90.1</b>	<b>69.9</b>	<b>61.5</b>	<b>101.7</b>	<b>74.0</b>	<b>305.6</b>
Revenue from operations	5,370.2	4,674.0	4,993.9	1,852.7	733.5	780.2	882.8	892.0	775.8	1,061.2
Other income	6.4	11.1	7.4	6.4	4.9	3.6	5.5	6.3	19.6	51.5
Profit / (loss) before tax	86.0	96.0	(73.0)	(79.4)	19.1	12.7	(22.4)	17.7	(274.1)	(9.9)
Tax expense / (credit)										
I. Current tax	11.3	16.3	(2.6)	6.0	5.2	3.1	4.7	3.5	0.3	7.0
II. Deferred tax	2.0	1.7	9.6	(6.6)	(1.1)	(0.8)	7.6	(0.6)	(2.7)	5.0
<b>Net profit / (loss) for the year</b>	<b>72.7</b>	<b>78.1</b>	<b>(80.0)</b>	<b>(78.8)</b>	<b>14.9</b>	<b>10.3</b>	<b>(34.6)</b>	<b>14.8</b>	<b>(271.6)</b>	<b>(21.9)</b>
<b>Total Comprehensive Income / (loss) for the year</b>	<b>51.4</b>	<b>193.6</b>	<b>(186.7)</b>	<b>(76.6)</b>	<b>14.7</b>	<b>8.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dividend(%)	-	-	-	-	-	-	-	-	-	-
Debt Equity ratio	1.1	0.9	(2.6)	43.1	1.5	2.5	2.4	1.4	3.2	1.0
Earning per share (₹)	4.5	5.2	(26.9)	(27.0)	5.2	2.9	(12.2)	5.2	(95.4)	(7.7)
Cash earning per share (₹)	52.2	53.4	3.9	(21.6)	8.1	5.9	(9.0)	11.7	(81.2)	(2.0)
Book value per share (₹)	79.4	63.5	(59.2)	6.3	31.6	24.5	24.0	35.7	48.5	107.2



**Registered & Corporate Office**

**Black Box Limited** (Formerly AGC Networks Ltd.)

501, 5th Floor, Building 9, Mindspace Gigaplex,  
Airoli Knowledge Park, MIDC Industrial Area,  
Airoli, Navi Mumbai 400708, India

+91 22 6661 7272    info.india@blackbox.com    www.blackbox.com



Download the report here

<https://www.blackbox.com/en-in/investors/annual-reports>